

Putting our house in order: a WLGA Manifesto for May 2003

Purpose

1. This WLGA manifesto has been produced in advance of the Assembly Elections in May 2003. It aims to make the case for greater investment in decent, affordable housing and to ensure that the Manifestos of the political parties in Wales reflect the priority that should be given to action and investment in better housing by the new Assembly government.

Background

2. In June 2001 the National Assembly adopted the Welsh Housing Quality Standard to apply to ALL homes in Wales by 2012. It promises to give to all households the opportunity to live in good quality homes which are:

- in a good state of repair
- safe and secure
- adequately heated, fuel efficient and well insulated
- contain up to date kitchens and bathrooms
- well managed (for rented housing)
- located in attractive and safe environments
- as far as possible suit the specific requirements of the household e.g. specific disabilities

3. The WLGA's case is that, while recognising the merits of the Quality Standard, current Assembly investment to improve housing conditions will not achieve the 2010 WHQS target nor the 2003 and 2012 targets for unfitness set in **Better Wales**. Recognition of the contribution which housing policies can make to achieving some of the Assembly's wider policy objectives on social justice, inclusion, better health, higher

educational attainment and welfare to work must translate into commitments to invest more in housing and a more "joined up" approach to programme development by the incoming government next May.

Investment

4. The Welsh Local Government Association represents the 22 Unitary Authorities in Wales. The Councillors in those authorities represent the same 2.9 million people as Assembly Members do. It is clear from constituents' complaints, letters and phone calls and the cases dealt with at local surgeries that housing issues are a major concern. Limited resources for housing investment has prevented local authorities from dealing with rehousing, renovation, adaptations, renovation grants and community regeneration with the urgency which the public and communities expect.
5. Additional capital investment allocated to local authorities for housing purposes fell from £243 million in 1997/8 to £199m in 2001/2 And this is still less than half of what was being spent ten years ago in 1993/4 when the equivalent of £550m was being spent (2000/01 prices) and the Assembly government had other priorities for the extra spending made available in the comprehensive Spending Review published in 2000 compared to England (source Peter Williams CML).
6. [The Chancellor's Comprehensive Spending Review\(CSR\) has allocated a further £2.36 billion to Wales for the 3 years 2003/4 to 2005/6 with an increase of £1.7 billion specifically for the Assembly budget. Given the low priority given to housing investment since devolution and the fact that Welsh council housing alone needs at least £1.5 billion of investment to reach the WHQS by 2012, we very much hope that this CSR will result in much greater priority being given to housing finance in Wales.](#)

The Future of Council Housing

7. Any debate on the future of Welsh council housing has since devolution been stalled by the lack of any real financial alternatives to large scale voluntary transfer (LSVT). LSVTs may be right for some authorities but it should not be "the only show in town". The recent failure of Birmingham City council to persuade tenants to vote for transfer and the debate on transfer in Glasgow show that such transfers can be fraught with difficulty particularly if they do not gain tenant support. Where tenants decide against transfer, the local authority cannot access the level of capital investment required and they and their landlord are condemned to a downward spiral in terms of housing condition.
8. The WLGA calls upon the Assembly to rethink the whole principle of Stock Transfer and honour the contract made with local authority tenants' who when they signed their tenancy agreement believed that their landlord (the Council) had a duty and the ability

to keep their home in good repair and equipped to modern standards.

9. The dogmatic insistence of governments that local authorities will not be allowed to borrow the money needed to carry out the repairs has seen Welsh council housing slide into rapid decline. Many tenants value the accountability of the local authority and the representational role of their councillors. They know that their quality of life is determined not by housing alone but by all the other services their council provides. Some MAY prefer to follow the Community Mutual/Community Development Trust model, simply to find another landlord or look at options like Arms Length Management Organisations. None of these options is THE right one unless it is right for the individual tenant and for individual communities.
10. The Association's position is to argue for real unfettered CHOICE. It should be for local authorities and their tenants to decide what is the best option in each case. To achieve this councils must be enabled to become an equal competitor. The UK government's commitment to move from central control over borrowing to a "prudential borrowing" regime for local government is strongly supported by Welsh local government. This is a change towards self-regulation and away from detailed credit approvals across local government finance. However, there is considerable scepticism in the housing world about whether this will substantially improve local authorities' access to the finance required to renovate their stock without radical changes to the rents and subsidy regime. To have real choice, tenants will need help to be able to understand all the ramifications of any stock transfer/community mutual model. It takes time to build the capacity and self confidence to participate in the decision making process and more community development resource will need to go in to the Welsh estates if tenants are to be helped to a position where they can make an informed choice.
11. The ability to borrow the £1.5 bn needed to upgrade council houses by 2012 may seem a huge amount of public money but the stock transfer of all 190,000 thousand homes would theoretically involve moving publicly owned assets with a current book value of £61.9m into the private sector plus all the costs involved in the process of consultation and transfer. However, that figure is based on a national average Right To Buy valuation of £32,628 per property – the market value and it is recognised that because the stock is in disrepair, the value in many areas will be significantly lower.

Private sector renewal

12. Over a third of homes in Wales were built before 1919 and over 50,000 properties are considered to be in serious disrepair. 7.6% of owner occupiers and 18.4% of privately rented homes are unfit (Welsh House Condition Survey 1998)
13. Many of these properties are occupied by low-income households, very often by older

people living alone in cold damp and crumbling houses. The fact that deaths from hypothermia amongst older people in Britain are still higher than those in Northern European countries with much harsher climates suggests that living conditions play a part in this. It is not at all clear where the funding can come from to meet the costs of private sector renewal. Many owner occupiers are unable to afford to carry out the work themselves. Total credit approval for renovation grant activity or home repair assistance for the private sector stand at £140 million per year (source CIOH Cymru) – and this figure also includes adaptations. It is simply not enough for the scale of the problem. The WLGA welcomes the greater discretion and flexibility being created by the new grant system and supported the targets for disrepair set out in Better Wales –the Assembly’s Strategic Plan - published in 2000. However, we have also consistently argued that without substantial additional resources it would take at least 20 years to meet the targets set for 2003. Great care will need to be taken when the new capital Home Improvement regime is introduced in 2003 that the drive to improve Welsh homes is not to suffer a hiatus if funding is insufficient to encourage owner occupiers of older property to invest. The 2004 Welsh Household and Dwellings Condition Survey is likely to reveal an accelerating decline in the condition of the stock and a predominance of elderly owner occupiers with limited fixed incomes, faced with a cold physically deteriorating home and a growing backlog of repairs.

Jobs, training and construction

14. Whether the responsibility for repairing and renovating houses in Wales lies with individual home owners, private landlords, local authorities or registered social landlords, competent skilled people will be required to do the work.

At present the building industry lacks both the capacity and the reliability needed to embark successfully on large-scale renovation and regeneration. It is also the case that investment in regeneration is often seen simply as a matter of property improvement and little thought is given to how those millions of pounds of public money could be used to train and employ local people to stabilize the local community and give people transportable, transferable long-lasting skills and possibly even the prospect of setting up their own businesses.

We welcome the discussions currently being held between the Assembly, WDA, and the Construction Industry Training Board and look forward to proposals emerging in due course. However we urge the Assembly to also produce guidance on how local authorities’ housing investment programmes can support stability of employment and cash flow in the industry and the opportunity once again for apprenticeships in both local building companies and local authorities’ own DLOs.

Affordability

15. The average house price in Wales is £75,568 (Q2 2002 Halifax stats) but behind this figure lie tremendous variations (Cardiff average is £121,169)
16. The average GDP is only £10,449 and average gross earnings £19,901 (New Earning Survey 2001). Earnings also vary with Conwy and Gwynedd lowest and Flintshire and Cardiff at the top – though still below the average of £23499 for the UK as a whole.
17. Council house tenants' rents have risen in recent years as a consequence of UK government policy which is seeking to bring local authority rents into a line with the higher rents charged by registered Social Landlords (Housing Associations). These "benchmarked" rents feed into the subsidy calculation. Actual weekly rents for 2001/2002 ranged from £49.11 (Vale of Glamorgan) down to £39.03 (Wrexham) with a Wales average of £43.28. This compares with pre devolution figures in 1997/8 of £42.07 (Monmouth) down to £30.81 (Merthyr) giving a Wales average at that time of £35.30. The "benchmark" rent figure used for the 2002/3 calculation was £46.32 (Wales average) and ranged from £50.63 (Monmouthshire) down to £41.67 (Merthyr).
18. Although the majority of tenants are on such low incomes that they qualify for housing benefit to help pay their rents, this policy of rent increases has a particularly detrimental effect on those on low pay and contributes to the poverty trap, making it difficult for people to be better off in Wales or after pay rises.
19. Affordability is an issue whether its purchasing, renting or repairing a home in Wales

Rural Housing

20. People with local connections, whether they're young families or older people needing smaller more manageable homes' are competing in a market which for whatever reason is producing prices above their ability to afford. Discussions about rural housing strategies tend to focus around issues of second homes , retirement to coastal areas and residency qualifications.
21. Some qualifications that require an established period of either residence or employment in the area are acceptable to maintain priority for local people and retain the character of the locality, particularly in areas of high demand. But such qualifications must not be too restrictive and must allow exceptions for priority groups. One option would be to allow someone who did not meet the residential qualifications to be placed on the register, but not to become eligible for rehousing for a limited period in areas of housing need. However land supply, employment, pay rates, transport and the relative prosperity of the local economy are acknowledged as the main drivers of the situation.
22. Meanwhile we call on the next Assembly government to extend the Community First

programme into rural areas which are at risk so that housing, education, planning, transport, language and sustainability considerations can all be brought together in regeneration strategies. A further extension to Homebuy scheme could well be of significant help in the interim – flexible tenure, homesteading (purchase to improve) are all mechanisms which could be used more to help local people.

Older People

23. Older people want their own homes to keep their independence, homes that have good accessible transport links, in a community with good neighbours where they feel safe, in good condition (not damp or cold) and with the ability to visit shops, use social and leisure facilities and increasingly to work and to learn. We welcome the Assembly Government's study on age related housing and the support needs of older people as well as the work being done on age-balanced communities as a precursor to developing an older people's housing strategy for Wales. However, in the meantime, urgent action and investment is needed if:
- waiting times for adaptations are to be radically reduced; and
 - fuel poverty and accident prevention programmes are to be expanded
7. The importance of housing and housing services, not only to community care objectives, but also to the Assembly's aim to shift the focus of the NHS from acute care to health improvement, has been recognised. It has been estimated that inadequate housing costs the NHS an unnecessary £50 million a year as a result of illness and accidents caused by poor housing conditions.
8. However, this recognition has yet to be reflected in the Assembly's investment priorities and how it funds local authorities and RSLs to deliver housing and support to tenants. The role of housing, particularly appropriate sheltered housing, in reducing demands on both social services and acute NHS services – primary, community nursing and hospital care – must be better recognised in local and national funding strategies. In particular, greater investment priorities for the new government should be to:
- ensure that older people's home can be adapted quickly and appropriately to allow them to stay put or return home after a stay in hospital or care home
 - develop new forms of "extra care " housing which allows those in need of nursing and social care to be able to live independently in the community as an alternative to institutional care
 - create a health and housing project fund as proposed by COIH CYMRU

- extend schemes like CARE AND REPAIR where minor but urgent repair items can be dealt with quickly and by reputable trades people.

Houses in Multiple Occupation and Regulating Private Landlords

7. The licensing of HMOs is to be introduced when legislative time allows but financial systems provision will be required to support the introduction of licensing by local authorities who will have the regulatory responsibility. There is a need for a clearer policy steer on financial assistance for landlords needing to upgrade their properties and for the Assembly to seek legislative power to force private landlords to regulate the behaviour of their tenants – some of the most intractable anti-social behaviour cases are those involving private tenants whose landlords have no sense of responsibility to the local community. Those good landlords who try to cooperate are in turn hampered by the very slow court processes in dealing with anti-social behaviour.
8. For some areas of Wales, a discretionary student registration scheme (for those properties not covered by HMO licensing) and the opportunity of landlord and tenant surgeries to access advice and mediation could help.

Supporting People

9. The separation of funding of support services from housing costs begins in April 2003. It is important that the changeover does not put at risk any existing housing which offers counselling or other support service. Current levels of spending are not seen as adequate and there is a risk that loss of housing benefit will, at best, halt the expansion of new schemes. Supporting People needs to take account of the expected growth triggered by the new homelessness criteria, the needs of women and children fleeing domestic violence, the priority to be given to helping older people to remain in their own homes for as long as possible and other priority groups for whom new provision will be required. There is a strong case for the new Assembly government to prioritise additional funding for these support services, over and above the transferred funding from the Treasury in 2003, in order to encourage the expansion of this valuable and cost effective housing upon which the most vulnerable and disadvantaged citizens depend.
10. The Association welcomes the additional funding which is being made available to local authorities this year to fund the preparatory costs for the new arrangements and transferred responsibilities. However, the Association continues to be concerned about

the limited information that has been provided to help authorities and housing providers prepare for these changes and there needs to be a very focused approach to the tasks that must be completed before next April, compared with those which can evolve once the transfers have taken place.

Homelessness and Housing Rights

11. 12,000 households in Wales officially presented themselves as homeless last year. Taking an average of 2.6 adults and children per household, that's 33,000 people - though Shelter Cymru's figures taken from their own casework put the figure as high as 50,000. The Assembly's 2002/3 budget is £4.9 million to reduce rough sleeping, establish new flexible support schemes and to develop and monitor homelessness strategies. However the extension of priority need groups has increased presentations by at least 33 per cent, the cost of implementing the Homelessness Act and the Homelessness Commission's recommendations are unquantified and eliminating the need for rough sleeping will require a further increase in resources.
12. The WLGA is particularly concerned about rough sleeping by care leavers and other vulnerable young people especially 16/17 year olds. Local authorities need additional funding to implement a key worker system so that contact is maintained with young people as they prepare for independent living.
13. Housing advice services and referral systems are patchy and not uniformly networked into Community Legal Services Partnerships. Where any advice service is receiving public funding, WLGA believes it should be part of a seamless network directing people (or referring them on electronically) to the agency who can best help them.
14. More resource is also needed to make all tenants but particularly private sector tenants aware of their rights and the legal remedies open to them.

Regeneration

15. Council estates, Housing Association estates, older private housing all need a comprehensive multi agency response to regeneration. Whilst this can only be achieved at a local level, it is essential first that the National Assembly guarantees much greater coordination at national level between housing, economic development, health, crime and disorder, education, leisure, culture, planning, transport and a wide range of other policies and action plans.
16. Life will not get better in many Welsh communities unless we all start to act in a joined up way. Despite the strong commitments to more joined up government, too much policy development remains driven by narrow professional perspective The public has no

interest in the demarcation between the Assembly's responsibilities and those of local government or the quangos. They just want us to be more effective and do whatever the common sense thing would be in most situations.

17. Consultation, coordination and planning arrangements need to be constantly reviewed at national and local level. Regeneration will not succeed unless we think through how to achieve long term and fundamental changes in local community prosperity. Pregnant women need healthy lifestyles to produce healthy babies. Children need to be free of risk of abuse or accident and stretched to discover their abilities and potential. They need to grow up believing that education will bring a better life. Young families need the space and security of their own home whether its rented or bought. As you start to build up a lifecycle picture you realize that everything influences everything else. The prime purpose of this paper is to argue for investment in housing but if it is not matched with community development, which develops the capacity of local people and particular groups like black and ethnic minority people to participate in the making of decisions that will fundamentally affect their lives, then it won't produce lasting change.

Local Authorities are leading the way

18. Local authorities are the only organisations with the community leadership responsibility and the strategic capacity to implement the Wales housing agenda.
19. Many of our people are living in 19th century conditions. Welsh children's development and their educational attainment is being hampered by poor housing, particularly overcrowding or having nowhere to play. Housing is literally a matter of life or death for many older people who cannot heat their homes or who fall for the want of a shower or a handrail. Although the role of suitable housing in contributing to social inclusion, improved health and educational attainment is widely accepted this is not currently being matched by appropriate funding to deliver better housing conditions in viable communities.
20. Within current budgetary constraints Welsh local authorities are doing remarkable things. We are trying to join with other agencies to achieve a seamless approach; we are deploying resources in imaginative and innovative ways. Examples are attached in the Appendix of just how this is being done across Wales.
21. We want to "put our houses in order", we need the new Assembly government to give greater priority to securing investment in housing order to achieve that ambition.

APPENDIX

Good practice and innovation in Welsh Housing

CARDIFF... Wasted Homes Strategy

Empty properties in poor condition can have a major detrimental effect on neighbourhoods as well as being a wasted resource when so many people need housing.

Cardiff's Wasted Homes Strategy uses G I S mapping to show where properties are, gives a catalogue of such properties to potential development investors, assists owners and landlords to bring them back into use and effectively uses enforcement powers to prevent problems.

CAERPHILLY ... Housing and Health Initiatives

Health Home Projects

Caerphilly County Borough Council, together with the Local Health Group and Care & Repair Caerphilly has developed a unique assessment service for people aged 75+ who live alongside its development work with primary care providers across the county borough.

The Healthy Home Projects' main objectives is to strengthen links between Care & repair Caerphilly an the county borough's 37 primary care units. This is achieved by encouraging community health care teams to consider the patients living environment as a possible contributor to their overall well-being (or that of their carer) and then giving them access to a range of services that will address those concerns. By working together to develop referral pathways and processes, health care teams and refer a patient for assistance should they feel their health is being affected by the condition of their property or that a patient is at risk of injury because of the lack of adaptations or safety features. In addition, patients will be offered a range of information about the services available from Care & Repair Caerphilly, national initiatives and seasonal projects such as Keep Well this Winter, by way of information boards in every surgery. Furthermore, the Agency's Liaison officer who co-ordinates the project holds weekly advice shops at Risca, Rhymney, Caerphilly and Nelson where she is available for a morning or afternoon to discussion on housing issues with older patients while they wait to be seen by the practitioner.

The project has been made possible by the continued support of the local authority and their commitment to developing innovative and pro-active methods or raising awareness amongst community based health teams of the housing issues facing older people. The project has been funded by NAFW Flexibilities (Special Grant) via the local authority since 2001 and will continue until March 2003.

CONWY ... Multi-task force inspection

The worst privately rented properties need a multi-agency response. Whether it's action against the landlord to improve living conditions or to deal with anti-social behaviour (noise

nuisance, benefit fraud, unauthorised uses etc) a variety of people and processes are needed to work together.

In Conwy multi-task force inspection teams typically involve...

.... Police (e.g. for investigations related to drugs)

.... housing benefit fraud investigators

.... planning enforcement officers

.... environmental health/housing/public protection officers

The strength of joint inspection is that it leads to proactive joint action, better communications, better coordination and a significantly better prospect of successful prosecution.

DENBIGHSHIRE ... Tackling rent arrears

In 2001 Denbigh's 4000 tenants owed £1m in rent arrears. Something had to be done and Denbigh used Best Value/ Wales Improvement Programme methodology to review working practises and to consult tenants. The result has been a much firmer " you MUST pay your rent" approach. Arrears are down from £1m in 2001 to £620,000 now and they have a target for March 2003 of £500,000 (5%).

The key to improvements was tenant involvement, and the Action Plan increased staffing, updated computer systems and emphasized the prompt sending of letters followed up where necessary by home visits.

NORTH WEST WALES ... Strategic Housing Partnership

The councils of Gwynedd, Ynys Mon, Denbigh and Conwy have joined together with WAG matched funding to review cross boundary working at a strategic level. They will look at the possibilities of pooled resources and budgets, at joint flexibilities with Health and Social Services, look into the idea of a "lead authority" for specialist provision such as a Foyer or Night Shelter and examine any legal or practical barriers to cross boundary working.

NEWPORT ... Mixed Tenure Regeneration

Replacing over 500 prefabs largely occupied by low-income elderly residents was a major challenge for Newport. This is a major land assembly and compensation exercise, supported by significant financial investment from the National Assembly, where there was initially considerable initial resident resistance.

Built in the late 1940s the prefabs were beyond repair but still very popular. 40% had been bought under the Right To Buy and the Assembly's Homebuy Option procedures enabled owner-occupiers to participate in the redevelopment. The package consisted of an independent open market valuation of their existing prefab and a new bungalow. The shortfall was provided as a Homebuy loan secured against an equity percentage share in the new property (repayable as a % of the resale market value).

TORFAEN ... A Strategic Approach

Local Authority housing strategies should analyse the complex relationship between public sector and private sector issues. Torfaen have used Best Value/ Wales Programme for Improvement principles to:

- involve a wide range of interests in strategy development

- ensure that the housing strategy is compatible with other corporate and

inter-agency strategies

- reflect the whole range of housing issues across the various tenures.

Torfaen's BETTER HOMES review started in the summer of 2001 and looked at the way in which the Council organised itself to provide ALL housing services, how it could maximize its influence in improving the overall quality of housing and how it could consolidate the council's community leadership role.

SWANSEA ... Townhill Regeneration

Swansea's largest and oldest council estate suffered from low demand, community fragmentation and multiple deprivation. With money from the E.U.

Urban initiative, the Wales Assembly and the Council, all the houses have been renovated, jobs have been created, healthcare and training and community facilities provided.

The Phoenix Development Trust is a limited company with charitable aims and is run by 10 community and 10 agency representatives. Supporters include Sportslot, Elwa, WDA, Action Team for Jobs and the Princes Trust. The Phoenix Centre houses 11 workshops, an IT suite, an employment resource centre, a crèche, a community café, a floodlit all-weather sports pitch and a new library. Unemployment has been halved, new businesses have been started up, LIBRARY USAGE HAS TREBLED and hundreds of young people use the sports and internet facilities.

The project shows that a holistic approach to community development and empowering local residents takes time but produces long term results.