

Cynulliad Cenedlaethol Cymru  
Y Pwyllgor Newid Hinsawdd,  
Amgylchedd a Materion Gwledig  
Fframwaith Datblygu Cenedlaethol  
Cymru  
NHAMG (5) NDF 06  
Ymateb gan Y Sefydliad Tai Siartredig

National Assembly for Wales  
Climate Change, Environment and  
Rural Affairs Committee  
National Development Framework  
CCERA(5) NDF 06  
Evidence from Chartered Institute of  
Housing

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# The development and delivery of the National Development Framework for Wales

CIH Cymru inquiry response

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](http://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 to the Climate Change, Environment and Rural Affairs Committee as it undertakes an inquiry into the development and delivery of the 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 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 prominence of housing as a key feature of our infrastructure in Wales within the draft National Development Framework (NDF) is something we strongly welcome. As CIH Cymru we have continued to have a heavy focus, responding to the needs of our members and those communities in which they work, to creating stronger links between housing and other forms of infrastructure vital to people prosperity and quality of life.
- 1.2 We wholeheartedly believe that ‘the right to adequate housing’ should become a feature of our legislation and through progressive realisation ensure everyone in Wales is able to access a safe, affordable, secure home. To bring this vision to life, we have commissioned research alongside Tai Pawb and Shelter Cymru on how this right may be realised in practice.<sup>1</sup>
- 1.3 We support the Minister’s ambition to increase the level of affordable homes delivered directly by local authorities, and housing associations underpinned by a positive planning environment that promotes healthy lives and greater well-being.

## 2. Housing and the NDF

- 2.1 We welcomed and have continued to be strongly supportive of the Welsh Government’s ambition to deliver 20,000 affordable homes within this Assembly term (2016-21). The NDF recognises that a shift is needed to address immediate demand whilst also looking ahead to how future demand will change. The upper limits of the Holman’s report suggested a need for around 4,200 homes per year in the social housing sector, 35 per cent of the annual yield of homes in Wales<sup>2</sup> in contrast to the 3,900 currently highlighted within the NDF. (Representing around 47 per cent of homes delivered over the next five years).
- 2.2 Whilst our expertise does not span all aspects of the NDF we have responded to those areas focussed on housing-related challenges in the following sections.

### 3. **Boosting supply:** Whilst the aim of increasing the supply of affordable housing is both required and sensible our members are concerned against the backdrop of the decarbonisation agenda that resources will become increasingly stretched, potentially compromising an increase in the delivery of affordable homes.

- 3.1 The affordable housing review has suggested several mechanisms to increase the amount of affordable homes the sector delivers within current resources, including:
- Flexible grant rates
  - A granular understanding of housing need
  - 5-year Affordable Housing Supply Partnerships
  - 5-year rent settlement
  - Establishment of a Land Division for utilising public land

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<sup>1</sup> <https://sheltercymru.org.uk/wp-content/uploads/2019/07/RightToHousing-Full-ENG.pdf> (Accessed 25/10/2019)

<sup>2</sup> <https://sites.cardiff.ac.uk/ppiw/files/2015/10/Future-Need-and-Demand-for-Housing-in-Wales.pdf> (Accessed 28/10/2019)

- Supporting local authorities to increase the granularity of LDPs and Local Market Needs Assessments

- 3.2 We would welcome greater clarity on the links between the NDF and the implementation of the affordable housing review. We strongly believe that new mechanisms, yet to be fully implemented such as the Affordable Housing Supply Partnerships should include planning around infrastructure, planned in advance. This should include swift consideration in developing consistent principles for section 106 agreements (as advocated for by the affordable housing review panel) and a clear understanding of how value for money in utilising public land will be realised consistently in practice – against the backdrop of local authorities being under consistent and considerable financial strain.
- 3.3 Whilst there is an understandable focus on boosting affordable housing supply we know that of equal importance is increasing the quality of existing homes, across all tenures. One of the biggest challenges facing our members is the decarbonisation of existing homes. For those who manage some of Wales’s oldest homes there is a pressing need to consider cost, expertise and techniques for bringing homes up to the desired standard. We support and welcome the ‘Better Homes, Better Wales, Better World’ report and in particular believe the suggestion to create a 30-year decarbonisation plan, prioritising social homes and those in fuel poverty underpinned by cross-party support to be completely sensible.
- 3.4 There are considerable concerns however around how social housing providers can boost supply whilst investing so heavily in existing homes. Greater clarity is needed around when Welsh Government intends to undertake cost modelling and the level of support available to ensure targets for both boosting supply and improving existing homes can be achieved.
- 3.5 Further consideration is needed for private rented sector landlords, where according to the latest Welsh Housing Conditions Survey Data, is where the homes in the poorest condition exist. Without comprehensive support on a cross-tenure basis there is a real risk that the gulf in housing quality will only grow, creating inequality between tenures and their occupants respectively.
- 3.6 With the Welsh Government having recently consulted on an Off-Site Manufacturing (OSM) strategy for Wales there is increasingly an opportunity to consider how the OSM movement in Wales can be supported by the right infrastructure, and also have a huge impact on local employment and businesses. The NDF does not highlight OSM but we believe that if we are to achieve the desirable economies of scale, strong supply chains and procurement methods a plan of the NDFs length should feature ways to mainstream innovative forms of delivering homes at pace and scale.
- .4. Placemaking:** A key aspect of any effort to deliver any additional housing regardless of tenure should be how the process contributes to the placemaking agenda. We welcome that there is a clear and strong recognition of the elements that together combine to help people prosper where they live.
- 5. Affordability:** There are several forces that influence the affordability of housing in Wales, some of which are not, at present, within the Welsh Government’s gift to change. Universal Credit (UC) continues to have a huge impact of affordability in both the social and private rented sector. A report by Community Housing Cymru

sampling 29 housing association suggested that those tenants on UC are in around £1 million of rent arrears debt. Stark evidence has also been reported by the Trussell Trust whose data reflect that following 12 months of UC in an area, foodbanks saw a 52 per cent increase in demand compared to 13 percent in areas that had not yet gone live with UC.<sup>3</sup>

5.1 The issue is intensified by the freeze on Local Housing Allowance (LHA) rates that dictate the level of housing benefit a claimant can receive in an area to cover their rent. Work carried out by Sam Lister, Policy and Practice Officer at CIH, showed that in order to return rates to their correct level the Welsh Government would have to spend an additional £7 million, whilst mitigating another prohibitive measure; the bedroom tax, would cost £22 million. Whilst the powers to do both rest with the UK Government at present, an understanding of the issues are important in considering the forces that determine affordability of homes in Wales.

6. **Addressing stigma:** The NDF frames a comprehensive vision for infrastructure in Wales, where housing is rightly placed as a vital part of the jigsaw. From speaking to our members, we know that stigma and perceptions linked to social housing continues to be present, and at times, can act as a barrier to delivering sorely needed social housing locally.

6.1 Through our Tyfu Tai Cymru project we asked people what were the most important issues facing Wales:

- Housing and Homelessness were chosen by 25 per cent of the respondents – making **housing one of the top five issues**, chosen by more people than Defence, Education, the Environment or Crime.
- **60 per cent of respondents felt that it is a government responsibility** to provide housing to a decent standard and this was the majority view across all age groups and social grades.
- **72 per cent believe it people sleeping rough on our streets should be eligible for help**

6.2 We also asked people to consider who should be eligible for help from the state to meet their housing needs?

People sleeping rough on the streets	72%
Housed in temporary B and B accommodation, paid for by LAs	63%
Sleeping in shelters provided by charities	63%
Sleeping on a friends couch and moving on	45%
Have to live with parents as cannot afford to buy or rent on their own	21%

6.3 The support is particularly high amongst people renting privately or living in social housing and lower amongst home-owners. The survey then asked people their views on a series of statements about social housing. The answers to these questions revealed the divergence in opinion between people who live in social housing and people housed in other tenures. The first group have a much more positive opinion of the quality, safety and need for social housing than the latter.

<sup>3</sup> <https://seneddresearch.blog/2019/03/18/universal-credit-in-wales-update/> (Accessed 25/10/2019)

Statement	Home-Owners	Private Renters	Social Housing Occupants
I would never want to live in social housing	47%	42%	9%
I would be happy to see more social housing built near my own home	26%	38%	69%
We need more social housing in my local community	35%	38%	63%
Social housing estates suffer from high levels of anti-social behaviour and crime	56%	58%	25%
Social housing is of a low quality	23%	37%	18%
Social housing is where we hide people with problems	30%	31%	16%

6.4 We would therefore urge the Welsh Government to reflect on how the negative attitudes to social housing can be both recognised and addressed through the NDF. We would be happy to provide greater detail around our data and further thoughts on how this could be taken forward in practice.