



Pwyllgor Newid Hinsawdd, yr Amgylchedd a Seilwaith /  
Climate Change, Environment and Infrastructure Committee  
Blaenoriaethau ar gyfer y Chweched Senedd / Priorities for the Sixth Senedd  
PR69

Ymateb gan Sefydliad Tai Siartredig Cymru / Evidence from Chartered Institute of  
Housing Cymru

This is a response to the Senedd's Climate Change, Environment and Infrastructure committee's consultation which seeks views on potential priorities over the sixth Senedd.

## **Introduction**

Housing, particularly social housing has featured heavily in the new Welsh Government's programme for government and has highlighted as an area where it is hoped progress in improving homes, more sustainable building and placemaking activities will together have a significant impact on addressing the climate emergency.

We strongly welcome this focus as we recognise that vital role housing does and must continue to play in meeting some of the most pressing challenges globally. The pandemic has had a huge impact on the work of our members and the communities they serve. Many of the housing related issues that existed long before the pandemic started such as homelessness, inadequate housing conditions and affordability will have been impacted by the conditions imposed on people's lives.

In the sections below we have included broad headings covering some key areas of housing policy/practice and highlighted issues the committee may wish to consider in its own scrutiny activity.

## **Building environmentally friendly homes at pace and scale**

### *Funding*

Social housing providers require long-term certainty on funding to help organisations effectively manage resources, plan developments, raise additional investment and mitigate risks.

Additionally, anecdotal evidence from the sector suggests supply chain costs have increased considerably for some materials (such as timber) due to scarcity and rapid demand increases - placing additional pressure on budgets.



Within this same context, social housing providers are considering how to invest the levels needed to decarbonise existing homes and begin planning to adopt a new building safety regime (something that we strongly support). Investment in the sector would provide a stronger basis upon which to make progress in areas such as these. But the short-term nature of government funding at present can act to limit the ambition of the sector – greater long-term certainty on grant funding is needed

## Key Questions

- **Is the level of financial support to the sector from the Welsh Government sufficient to deliver the level of output required to meet the low-carbon social housing target?**
- **What more could be done to attract investment in to the sector, particularly from investors seeking to fund activity that scores highly on environmental sustainability?**

### *Infrastructure and skills*

The Welsh Government's recently announced 20,000 low carbon social housing target represents an ambitious step forward in the delivery of environmentally friendly social homes. If the anticipated housing output for 2020/21 is achieved, that will see 4000 affordable homes delivered, a sharp uptick on the average annual output. Whilst being a mark of progress in itself, that puts into sharp focus the scale of the challenge with the new target demanding that achievement annually, and more narrowly including social housing, whereas the previous target has been supported by a large proportion of Help to Buy and homes built at intermediate rent.

Whilst we agreed with the renewed focus on social housing there are some significant questions that anchor the sector's ambition and ability to meet this in practice. We know that for example Modern Methods of Construction have a huge role to play and when implemented at scale could be transformative for the way we deliver energy efficient homes at scale, and have considerable benefits to the economic prospects of local areas. But with growth in the industries falling under the MMC banner – such as Off-Site Manufacturing still being in its infancy in Wales there is a lack of market competition (decreasing incentives to drive down costs and hindering greater economies of scale). In tandem there is further activity needed to reassure lenders investing in homes built through MMC, and the public as consumers over the efficiency, and overall quality of homes produced in this way if we are to see meaningful steps taken to change how we deliver and live in our homes.



The green skills gap also poses a huge challenge to the sector. At a time where the ambition is to increasingly build sustainably, using new technology/materials there is a shortage of skills needed to deliver, and service this activity – for both new and existing homes. Despite strong agreement with the vision set out in the programme for government, we do have concerns that a lack of information/data about the workforce (in its broadest sense, not only limited to construction), represents a significant challenge to the realisation of our housing ambition in Wales.

To address this we support the idea of a workforce strategy covering the social and affordable housing sector in Wales that we believe, should be government led. In our view, such a strategy should be underpinned by:

- **Early information:** Ensuring that schools, colleges and higher education institutions have the resources to provide younger people with clear options on routes into careers in the housing sector.
- **Robust data:** Data collected every two years mapping the housing workforce and highlighting where gaps exist.
- **Skill-mix:** Bridge the gap between our aspirations in areas like decarbonisation and how in practice the right talent, skills and expertise is grown in the sector.
- **Inclusive recruitment:** ensure the workforce truly reflects the diverse make-up of Welsh communities.
- **Public recognition:** recognise and value the huge contribution professionals make to the wellbeing of communities across Wales.

## Key Questions

- **Is there sufficient certainty around having the right level and access to the skills needed to meet the low-carbon social housing target?**
- **Could a workforce strategy in the context described above provide the evidence base and strategic direction through which to better identify and get to grips with workforce related challenges that could impact the sector both now and in the years ahead?**



## Buildings that meet the climate challenge

The stark nature of the climate emergency has been brought into sharp contrast through the UK Climate Change Risk Assessment (CCRA3) and most recently through the Sixth Assessment Report by the UN Intergovernmental Panel on Climate Change. Both reports place in tangible terms what impact climate change will, to one extent or the other, have on the lives of every nation.

Climate change poses significant challenges for the housing sector including:

- How building materials will cope with the extremes of both hot and cold weather
- The impact of flooding and the need to improve and upgrade preventative measures at pace
- Changing energy use as the need to cool homes become on a par with heating homes - increasing financial pressure on families and changing the nature of fuel poverty

Action to mitigate and reduce the impact of climate change is clearly vital. Existing homes pose perhaps an even greater challenge than that of delivering future homes at pace and scale to the environmental and sustainability standards we aspire to as a sector. We know that 80% of the buildings we'll be using in 2050 have already been built. Decarbonisation of existing homes is therefore a fundamental part of the approach our members focus upon. But as organisations attempting to build homes at pace and scale, invest in communities, deliver a new fire safety regime and mitigate ongoing economic risks there is a real challenge around how this activity is funded over the longer-term. This funding issue is exacerbated further for private landlords, whose smaller property portfolios' will often mean that leveraging investment, accessing the right skills/advice etc. is not a straightforward process.

## Key questions

- **Are the buildings being built today going to be sufficiently resilient to coping/managing the impact of climate change of structures and households?**
- **How do we ensure inequalities between people living in different tenures do not become exacerbated as a result of the resources, expertise and capacity available to different landlords?**

## Making places that meet our environmental ambitions

Our members are not only involved in delivering and managing social, affordable and private rented homes across Wales, but are considerable investors and actors



in regenerating local areas for the benefit of communities, and active in designing developments that promote active travel, increase opportunities for social interaction and promote greater biodiversity.

We recognise however that given the housing density in many areas, particularly larger cities, and the reliance on car travel/road use there is a huge cross-sector effort needed to support aims in this area. To increase the potential for this to be realised we strongly support Welsh Government's own Placemaking Charter developed in partnership with the housing and built environment sectors promotes a focus on:

- 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.

## Key questions

- **How do we elevate the importance of placemaking to put it on a par with that of (for example) building safety?**
- **How do we ensure that these principles are adopted in practice by anyone building new homes in Wales?**
- **What measures could help ensure that existing development benefit from the impact of these principles?**

## About CIH

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 and their organisations 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).



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