

Welsh Government: White Paper
“Homes for Wales”

A Response from Conwy County Borough Council

Conwy County Borough Council welcomes the opportunity to respond to the consultation on issues and proposals contained within Welsh Government’s housing White Paper ‘Homes for Wales’.

The White Paper represents a great opportunity for the Welsh Government to demonstrate its commitment to housing and to improving housing conditions and supply across all tenures.

The White Paper sets out an ambitious programme for legislative and non-legislative action on housing. It is based on the Welsh Government’s vision of a future where everyone has a home that they can afford that meets their needs; where homelessness does not exist; where homes meet standards for safety, design, quality and energy efficiency and where renting a home from a social or private landlord is seen as a good option.

In summary, the White Paper sets out the Welsh Government’s plans to:-

- Increase the supply of new homes by 7,500 new affordable homes, of which 500 will be co-operative homes and 500 will be built on surplus public sector sites.
- Bring 5,000 empty properties back into use.
- Improve the quality of existing homes, including their energy efficiency, through the Welsh Housing Quality Standard and other mechanisms.
- Do more to prevent homelessness, and improve housing services to help people, particularly those who are vulnerable, to lead healthy, independent, lives.

The consultation response is structured around the consultation questions framework outlined in Appendix 2 of the White Paper.

Do you support our ambition to make further improvements to the whole housing system?

Conwy County Borough Council is very supportive of Welsh Government's ambition to make improvements to the whole housing system. It is particularly encouraging to see the collaborative approach put forward in the paper, and we will all have a responsibility to ensure that the right kinds of partnerships and approaches are in place to achieve these laudable ambitions.

The White paper outlines a number of new initiatives and many new duties on local authorities, with the aim of improving the Housing situation for Welsh Communities. There are concerns though about the level of resources required to enable these improvements, and whether those resources are achievable at this time.

Do you have any comments on the proposals for legislation and/or the issues being considered for legislation:

a) To improve the private rented sector, including landlords, letting agents and managing agents.

We welcome the acknowledgement that the private rented sector has an important role to play in providing decent accommodation. We also welcome the acknowledgement that poor landlords, managing agents and tenants require robust action and that the proposals seeks to address this.

However, we do have some concerns about how a registration and accreditation scheme will achieve the desired outcomes. It will rely on landlords coming forward to register. We will be able to cross reference this with known landlords but that will only mean that the registration list mirrors what is already known. Those landlords that want to remain anonymous can continue to do so, and these landlords are more likely to be dubious in their activities who seek to control their tenants in an oppressive manner which means they won't complain and will continue to suffer in silence.

In paragraph 6.31 the paper states that landlords and agents pursuing dubious practices and deliberately taking advantage of tenants will find it more difficult, under the proposed arrangements, but we are concerned as to how that aspiration could be delivered. Even if a landlord registers there is total reliance on their honesty to provide a full list of their property portfolio. Dubious landlords are more likely to provide a list of their better properties and not reveal their poorest properties. Also, once registered there is nothing that compels a landlord to inform the registration authority or the local authority where a property is if they have made a purchase. Therefore we have concerns as to how such a registration scheme will allow local authorities to target their actions and interventions as stated in paragraph 6.28.

To introduce a Code of Practice for landlords and agents to operate to introduces another set of criteria in addition to the HHSRS for landlords to comply with. It is difficult to comment further without knowing the details of the Code of Practice but we shall set out some of our concerns.

Paragraph 6.37 mentions failure to comply with the Code of Practice would result in a penalty, but it is unclear whether that is solely for not registering or becoming accredited or introduces a direct offence for failing to maintain standards. If that is the case and a penalty is issued for renting a property with Category 1 hazards, we are still obliged under the Housing Act 2004 to take some form of action, probably service of an improvement notice. If that notice is not complied with there may be a case for issuing a further penalty for non-compliance with the Code of Practice and/or prosecuting for non compliance

with the improvement notice. By introducing a second set of standards also introduces confusion.

It is our belief that the tools for making improvements are already present; the problem is the lack of resources to effectively implement them. Greater consideration should be given to increasing the resources to allow more enforcement activity and greater engagement with landlords, agents and tenants.

We would suggest that there are two ways this could be financed:

- By diverting funds from the NHS to local authorities for the sole purpose of increasing resource to tackle problems in the private rented sector. This would eventually provide overall savings as the number of Category 1 hazards are removed resulting in less illness and accidents.
- By introducing a mandatory licensing scheme applicable to all properties in the private rented sector, the charges for the licence being put back into resource to administering the scheme and undertaking inspections.

Therefore to sum up although we welcome and share the aspirations the White Paper sets out we do not believe that a registration and accreditation scheme will achieve the desired outcomes. This can be achieved by increasing resources available to local authorities to implement already adequate tools and to introduce a mandatory licensing scheme for all properties in the private rented sector.

In addition, it is well evidenced that high proportions of tenants in the Private Rented Sector live in properties with poor energy efficiency, exacerbated by the fact that there are few incentives for landlords to spend money on improved efficiency standards. Consideration needs to be given to developing an effective toolkit for ensuring efficiency standards in this sector and the possibility of increased specific capital funding.

Feedback from landlords:

A significant proportion of Local private landlords attending our forums voiced negative comments at the prospect of further regulation. The 'self financing' nature of the registration/ licence scheme was negatively received as it would in fact be 'funded by landlords'. The added bureaucracy and cost of complying with the regulations was not welcomed. Some felt it would force them out of the market. The proposals, coming with expectations that landlords will reduce rents to accommodate those claiming Local Housing Allowance, again prompted landlords to reiterate that they will avoid LHA claimants. Many landlords queried the ability of the Local Authority to manage the register. Good landlords working in difficult economic conditions feel that the implied coercion (sanctions for non compliance and the need to prove they are 'fit persons') is a negative start.

Landlords report to us healthy demand for their properties. They can choose not to accommodate those claiming LHA, and there are concerns that further regulation may reduce the number of PRS properties available to benefit claimants.

b) To prevent homelessness and to end family homelessness by 2019.

Conwy County Borough Council is currently very concerned that welfare reform, carried out at the same time as significant reductions in Supporting People funding to North Wales, will impact heavily on levels of homelessness in the area. The issue is identified by the authority as a corporate risk, and much work is being undertaken across our services to mitigate impact.

The white paper recognises that the current legislation is outdated in respect of the rising numbers of homeless presentations and the way in which local services have developed a strong preventative element in recent years. The paper rightly recognises that households affected by homelessness often have a complex set of needs which go beyond their housing situation, but on occasion the fundamental issue of lack of adequate housing supply in some areas does seem ignored. The aspiration of preventing homelessness cannot be achieved without due consideration of the numbers of appropriate housing units required for our communities, as well as the ability of those within our communities to afford to meet their housing needs.

Local Authorities have all developed their services in recent years to include preventative and support services, largely in response to research and best practice showing effective outcomes and cost savings from such approaches. The white paper does recognise this, and hence it is difficult to see why legislation to ensure this provision is being considered. There are also concerns about how authorities could clearly demonstrate adherence, and that that 'all reasonable steps' have been carried out to prevent homelessness, in a way that would not leave the authority open to challenge. Such an approach could potentially increase the number of households to whom the authority would owe a legal duty, at a time when current resources are already stretched.

The White Paper supports a move towards the development of a "Housing Solutions" approach. This authority is currently about to implement a move to such a way of working, based on an appraisal of best practice and outcomes. Again though, it is difficult to see why legislation is required to compel the adoption of this way of working when authorities would surely be willing to work together in improving valued services that are tailored to the needs of our communities.

This authority supports the proposal to extend the defining timescale for “threatened with homelessness” from 28 days to 56 days. This would, in many cases, increase the time available to look into the circumstances around a household’s housing situation in a more considered way, and should increase further the success of our prevention services.

The paper rightly recognises that the current provision of housing advice services is at times badly co-ordinated and inconsistent. We would welcome further discussion around the proposal to have a national branded housing advisory service, but would propose that improved regulation/ co-ordination of the independent sector is considered as an option.

Any proposal to extend the interim duty beyond the current priority need groups has very worrying implications in terms of numbers and resources. Whilst it would be laudable to prevent homelessness in as many cases as possible, whatever household make-up or situation, it must be recognised that the level of resources currently given over to homelessness in Wales would not facilitate the adoption of a “blanket approach” in this way.

This authority cannot support the loss of ‘local connection’ as a factor in the duty. In this area we have experience of many vulnerable households fleeing difficult situations to begin a new life in seaside towns, without the support mechanisms of family and support agencies. In such situations outcomes are often poor and require significant resourcing. Also, many of our front line officers report that whilst “intentionally homeless” decisions are made very rarely, the effect that the concept has in ensuring that households do all they can to retain accommodation is difficult to evidence but all too real.

A review of the priority need status with regard to ex offenders is particularly welcome. The authority has faced increased pressure from numbers of ex offenders presenting as homeless, often on multiple occasions, taking up significant resources with little evidence of positive outcomes. Areas such as Conwy, with strong transport and family linkages to North West England, have found themselves particularly vulnerable to the disparity between the legislative position between England and Wales. Offenders leaving custody, if they can evidence a family linkage to a Welsh authority, are encouraged to present here rather than areas where they may have lived previously.

Conwy has low levels of social housing, with limited turnover particularly affecting units suitable for families and young singles. The authority is therefore very pro-active in working with the private sector in securing both interim and permanent housing for homeless households. The proposal to allow local authorities to discharge their homelessness duty through an offer of good quality private rented sector housing is therefore strongly supported.

This authority has concerns that these proposals have failed to take enough account of current and projected pressures on Homeless services by priority need groups, including ex-offenders, those with mental health needs and substance misuse. Housing alongside appropriate support is scarce in North Wales, and the significant reduction in Supporting People funding for North Wales authorities is likely to hinder future development. The impact of welfare reform will impact broadly on homeless client groups, but is likely to impact on these groups particularly hard.

c) To provide local authorities with a discretionary power to levy a higher rate of council tax on long-term empty properties.

Conwy is supportive of this measure which will help the Local Authority to address the issue of long term empty properties in the borough. This measure should be accompanied by clearly defined guidance, including any proposed exemptions, which will need to be straightforward and easy to evidence both for the Local Authority and the property owner. The administration of this measure should not be overly burdensome or complicated as well as the exemptions not being vague and to open to interpretation.

If this measure is robust and sensibly delivered it has the potential to support the achievement of Welsh Government's target to bring 5000 empty properties back into use.

Consideration should also be given to including second homes in this discretionary power, if they are not utilised to a set level. This would encourage properties that lay empty for the majority of the year to be used more proactively.

d) A statutory duty on local authorities to provide sites for Gypsy and Traveller communities.

The provision of sites for Gypsy and Traveller communities has long been a contentious issue at a local and regional level. The Local Housing Authority would be supportive of measures to ensure adequate provision, however the assessment of need must be able to stand up to scrutiny and sites provided in collaboration with other Local Authorities must be encouraged. WG should also look to encourage this provision by assessing if their surplus land holdings would make suitable sites.

e) Defining Community Land Trusts

Community Land Trusts would benefit from a new fresh definition and would greatly benefit from the definition being supported by new guidance that also sets out the potential delivery methods and the benefits of CLTs. The re-branding of CLTs with the new work going on in the field of Co-operative Housing would also be a great benefit.

CLT's have been launched in the past, on several occasions, with a fanfare but have failed to deliver, for them to succeed they need to be seen as an option of choice that is ultimately realistically deliverable, and that they offer a viable alternative to the traditional delivery mechanisms.

f) Enabling a new co-operative housing tenure to aid developments.

Conwy County Borough Council supports the work planned for a number of pioneer projects around the development of co-operative housing models. If Co-operative housing is going to be delivered successfully on any sort of meaningful level then a new housing tenure will be required. This new tenure must be straightforward and easily understandable by a lay audience, this is needed if the public are to engage and trust this new innovative delivery mechanism.

g) Requiring local authorities to produce and regularly update Local Housing Market Assessments.

Conwy has already produced and regularly updates its Local Housing Market Assessment and agrees with the importance that the "White Paper" places on them. Any statutory requirement introduced should include a degree of flexibility around the timing of updates and what should be updated to reflect local conditions. The document needs to be clear as to how the requirement to regularly update the Local Housing Market Assessments would tie in with annual monitoring and the larger plan review every four years of the LDP.

h) Tenancy reform to improve the way the housing system works for housing organisations, landlords and tenants alike.

Conwy County Borough Council supports the overall approach of simplification of tenancy types currently being examined by a working group, and looks forward to further consultation on the detail of any emerging proposals.

The introduction of tenancy reform and any separate bill should be widely consulted upon.

Changes to the current regime will impact greatly on the Private Rented Sector (PRS), and the aspiration of any reform should be make the PRS a more attractive tenure to tenants by delivering more security of tenure as well not making it unattractive to landlords who favour the flexibility the current system affords them. Any changes must be clearly communicated and be introduced incrementally.

Conwy is supportive of the principles underpinning the proposed changes, the challenges ahead will be to develop reform that is fit for purpose and delivers the intended outcomes in the challenging housing market.

i) Setting standards for local authority rents, service charges and quality of accommodation to support the Welsh Housing Quality Standard.

There is a lack of clarity and detail around these proposals, and further detail is required allow proper consideration.

j) A duty of co-operation on housing associations and possibly other organisations to improve further the joint working on housing matters that does exist in some areas.

Conwy County Borough Council welcomes the proposal to require Housing Associations to co-operate with local authorities in the discharge of the strategic housing function. Discussion is required as to how such co-operation is effectively ensured, and consideration given as to whether such issues could be considered within Welsh Government's Regulatory Framework for Registered Social Landlords.

In particular, specific requirements imposed for Registered Social Landlords in the following areas would be seen as appropriate:

- A duty to co-operate in finding housing solutions for homeless people;
- Provision of adapted/accessible housing;
- Providing more affordable housing, in a range of tenure options.
- A requirement for housing associations to consult with, and obtain support from, local authorities regarding any new development or land purchase either for affordable housing, market housing, or rental, would assist in addressing identified housing need.
- A requirement to deliver housing under the Welsh Housing Partnership funding would be welcomed, to meet the minimum percentage allocation for each local authority.
- Housing information, financial advice, and signposting of services across the area.

- Assistance from housing associations in bringing empty properties back into use for affordable housing would help local authorities to meet the Welsh Government target of 5,000 properties.

The proposal to extend the role of housing associations in the Private Rented sector is strongly supported, enabling them to bring professional management expertise into the sector. Conwy is currently looking to work with RSL partners in the establishment of a Social Lettings Agency, and it is hoped that this measure will improve the authority's ability to discharge duty into the Private rented Sector, as well as improving housing standards

Do you have any comments on any other action set out in this White Paper? (please state the chapter/s to which you comments relate).

General

Welfare Reform

There are some concerns at the lack of reference in the White Paper to one of the major policy issues we are facing in Wales in Welfare Reform. Many feel that the effects of reform will have fundamental implications for the whole rented sector and on the lives of many of the most vulnerable within our communities. Focussing on delivery, as income streams will be uncertain, and arrears are likely to rise when direct payments start, RSLs will not be able to use their projected rental income to raise development funds on new sites. This will obviously impact on the proposed 7,500 new affordable homes.

It may well be of benefit to look at the proposals within the White Paper and carry out an impact assessment in the light of some of the impacts predicted as a result of Welfare Reform.

Allocation of Social Housing

Communities in North Wales have expressed a great deal of concern about the lack of priority given to local households within the housing allocations system. Although it is of course a local authority responsibility to set allocations policies and schemes, the code of guidance allows very little discretion for authorities in setting out policies that protect our communities. The effect of this is being felt in terms of community cohesion and a lack of protection for the Welsh language.

Conwy County Borough Council has expressed concerns on this issue on many occasions, and is disappointed that these concerns have been overlooked in setting out Welsh Governments vision for housing.

Collaboration

Welsh Local Government have, quite rightly, taken a strongly pro-active approach to collaborating on issues of joint concern and on securing efficient, cost effective services. That being the case, the need to legislate on the issue is surely questionable. For instance, the White Paper proposes that there will be a “requirement for collaboration between local authorities in the exercise of their strategic housing functions.” Collaboration in North Wales is already at an advanced stage, and has seen developments such as joint housing Market Assessments and the Common Access Routes to

Housing, a project in which the Welsh Government has expressed an interest

Chapter 4

System stewardship: tackling the problem in the round

Conwy agrees that a holistic approach to the housing system is appropriate, and supports the proposed strengthening of duties on local authorities, and other bodies, in respect of their strategic housing role. The strategic housing role is at the fore front of the delivery of a functioning housing system, and whilst collaboration between local authorities in exercising strategic housing functions should be encouraged, decisions as to the scope and degree should be made at a local level.

The role of planning in increasing supply

Planning gain is one of the most important mechanisms available to deliver affordable housing, in most case units can be delivered without the requirement for capital grant. It is therefore vitally important that any changes made in a new Planning Bill are carefully considered from this angle, it is somewhat of a disappointment that Welsh Government have not considered the possibility of a joint Housing and Planning Bill.

Whilst S106 agreements have come in for much criticism in recent times it is important to remember that they are only a delivery mechanism and as such are fundamentally sound. The content of S106 agreements is normally dictated by other planning policy, for example TAN 2 in terms of levels that are affordable and affordability in perpetuity, and that it is these policies that need to be updated to reflect current market conditions.

The introduction of a Champion for housing would certainly help to increase the profile of the strategic housing role; In Conwy we have made great strides in the internally promoting awareness of the strategic housing role since we transferred our housing stock.

Delivering more homes

The importance of SHG to deliver affordable housing can not be underestimated, nor can its impact on the wider economic landscape. It is vitally important to current and future delivery of affordable housing, particularly social housing units, that SHG is protected in the current times of austerity and increased if at all possible. This is particularly important if WG is to achieve its target of 7500 new affordable homes over the term of this

Government. We would also like to see measures to link the new housing provision to work or training opportunities, especially for young people.

Innovation and new finance

The introduction of a Welsh Housing Bond is potentially a significant step forward in respect of the delivery of affordable housing in Wales. It has the ability to jump start the delivery of Affordable Housing and provide a myriad of wider economic and social benefits. It is essential that this benefit is spread fairly across Wales and its administration learns from the successful SHG regime as well as carefully considering the other social and consequential financial benefits that it could contribute to.

More land – more homes

Conwy would be keen to work with Welsh Government in terms of its land release programme and the Local Housing Authority is actively seeking to ensure that consideration is given to the provision of Affordable Housing when Conwy disposes of its own land holdings. Affordable Housing must however complete with a number of different agendas, and it must be recognised that in the current financial circumstances all authorities will need to consider competing financial demands. The development of a database for publicly owned land is supported.

Housing Revenue Account Subsidy Review

This authority broadly welcomes any attempt to make the current system, which sees significant resources flow from Wales to England, more equitable. Welsh Government is to be applauded in making strides to negotiate with the Treasury in tackling this issue.

As an authority that has transferred its housing stock in order to successfully meet the Welsh Housing Quality Standard, **Conwy would be hugely disappointed if the resources gained through this exercise were to be used to bankroll authorities who have failed to take action to meet the WHQS.** This disparity in funding has been in existence for a number of years, and Conwy's social housing tenants paid rents into this system during the majority of this time. Such resources would be better held centrally by Welsh Government in order to provide capital resources for the building of new homes.

Supporting home buyers and house builders

Conwy was the first Local Authority in Wales to launch its Local Authority Mortgage Scheme and in the proposed new scheme would compliment it, to ensure that a product was available in the county for new build as well as non new build properties. The lessons learnt from the LAMS scheme should learnt particularly the targeting of the scheme and the measuring of outcomes.

Making better use of existing stock

In light of the current shortages of Affordable Housing and the impacts of Welfare Reform Conwy is actively looking to address the issue of the under occupation particularly of social housing stock, and any assistance that can be provided by WG would be eagerly anticipated.

Using Empty Shops and Commercial Properties

Care needs to be taken in considering whether change of use to residential units without the need for planning permission, is an appropriate measure to increase the supply of homes. Any considerations of this approach should not undermine commercial zone protectionism policies including the importance of retail frontages in the main shopping zones and town centre regeneration strategies. Whilst it is acknowledged that a move towards a greater mix of uses is required (and is currently supported in planning policy) in town centres, any consideration of such proposals should combine with a wider review of town centre functions and future directions in shopping trends and planning policy.

Leading the way to smart living

The proposal to improve standards in the quality of new homes is supported; however, reference to concerns raised by developers on higher standards and costs impacting on delivery leaves unanswered questions. It is appreciated that such tensions are unlikely to be resolved quickly but clarity is required on what can and should be done, including the scope to which changes in the planning system (and the forthcoming Planning Bill) should be delivering this. Further explanation is needed on delivering the aim of encouraging the private sector to follow the Government's lead in building to higher standards. The scope of including bodies such as the Design Commission for Wales should be explored. This issue has been raised on numerous occasions in the preparation of the Conwy LDP at consultation stage.

Conwy would support a review and debate around the DQR. The ability of WG to encourage the private sector, without the provision of subsidy, would be somewhat limited.

Chapter 5

The document is welcomed in that it acknowledges the role of the Private Rented/ Owner Occupied Sector, and the need to address poor housing conditions. There are though question marks over some of the assertions made in the document, for example we do not actually know whether the condition of homes has improved in recent years as the method of data collection has changed.

Conwy has in recent years seen highly successful renewal area schemes in both Penmaenmawr and Colwyn Bay, and there are concerns about the potential for future schemes to be threatened by the lack of available funding.

In paragraph 5.31 the Paper maintains a commitment to the Welsh Housing Quality Standard (WHQS) which it says provides a decent home. The WHQS is more stringent than the Housing Health and Safety Rating System (HHSRS), and therefore this introduces ambiguity in that if the better standard provides a decent home then the lower standard could not. It is appreciated that it may not be possible or practicable to reach WHQS for all properties, therefore the Paper should clarify what is meant by a 'decent' home by reference to one standard, which we suggest should be the HHSRS, for example removal of all Category 1 hazards where practicable would provide a decent home.

