

Llywodraeth Cymru
Welsh Government

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Welsh Government

White Paper

Homes for Wales

A White Paper for Better Lives and Communities



Foreword

In perhaps no other area of public policy do the decisions of Government have a more profound impact on daily life than in housing. A family home is where our memories and formative experiences are made – for good or for ill. The need for safe, warm, comfortable shelter is one of the most fundamental human instincts. And yet housing enjoys little attention in public debate, through local or national media. That makes our responsibility greater still, to ensure that every citizen in Wales has the opportunity to live in a good quality, energy efficient home which is affordable. Achieving this will be a significant challenge, not least because of the economic and financial context within which we are working. The UK Government's fiscal and welfare policies are already having a major impact on communities across Wales and there is more radical change yet to come. We need to respond to this challenge with ambitious action, innovation and collaboration.

The housing agenda does not stop and start with the needs of individual families and communities – it has a massive impact on many of our goals as a progressive government. Construction, maintenance and modernisation of our housing stock also provide much needed jobs, skills and business opportunities throughout Wales.

In these tough economic times, more effectively meeting housing needs will require focused effort on the part of the Welsh Government and all those involved in the various parts of the housing market. Bluntly, we will need to do more with less. Working with our partners, we must ensure that the money we invest works hard to achieve our joint social and economic objectives.

This White Paper sets out our intent and proposals for action. The agenda it sets out is one which is distinctively Welsh, based on our long-term commitments to social justice, tackling poverty and sustainable development. It seeks to more effectively join up housing with other areas of Government – economic development, health and social care, just to name a few.

We want to see more affordable housing, better quality housing and improved services. We are committed to social housing while recognising that action is needed across all parts of the housing system. We want to see the quality of homes across all tenures improved and homelessness effectively prevented and quickly and properly tackled when it does occur. Whilst the White Paper identifies proposals for the content of the Housing Bill, it also sets out a range of non-legislative action which can be progressed in advance of legislation being enacted. I look forward to working across Government, with all political parties and with all stakeholder organisations to make these proposals a reality.



Huw Lewis, Minister for Housing, Regeneration and Heritage
May 2012





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Executive Summary

Introduction

- 1 The benefits of investing in homes and related services extend well beyond putting a roof over someone's head. A decent home that people can afford is essential to their ability to live healthy, productive lives in safe, strong, inclusive and fair communities. It provides children with the best possible start to their lives and the chance to realise their full potential. Good homes can also reduce carbon dioxide emissions, which can help to tackle climate change, exemplifying sustainable development in practice.
- 2 We are in difficult times. Housing markets are depressed and new house building is at a low point. More affordable homes are being built but numbers have fallen as the impact of public sector cuts is felt. Some of the factors behind the changes, such as Welfare Reform, are outside our control. The underlying trend in homelessness is upwards, fuelled by rising costs of living, depressed earnings, and in some cases, people losing their jobs. The quality of existing homes is also cause for concern, with potential impacts on people's safety, and their health and well being, most worryingly for children.
- 3 The challenges do not deter us from doing as much as we can to help people meet their housing needs. If anything, they strengthen our resolve. Homes that people can afford are fundamental to our goals of reducing poverty and greater equality. We are committed to making housing a greater priority in coming years.
- 4 This White Paper sets out an ambitious programme of action for the remainder of this term of Government. It describes our proposals for new legislation and other, non-legislative, action. In summary, they will:
 - (i) Increase the supply of new homes:
 - a) by 7,500 new affordable homes, of which 500 will be co-operative homes and 500 will be built on surplus public sector sites, and
 - b) by bringing 5,000 empty properties back into use.
 - (ii) Improve the quality of existing homes, including their energy efficiency, through the Welsh Housing Quality Standard and other mechanisms.
 - (iii) Do more to prevent homelessness, and improve housing services to help people, particularly those who are vulnerable, to lead healthy, independent, lives.
 - (iv) Make a significant contribution towards our long-term vision by ending family homelessness by 2019.
- 5 Information on how you can comment on the proposals set out in this document is in Chapter 1.



Our values and role

- 6 Our approach reflects our values of fairness, social justice, equality, and sustainable development. The course of action we are pursuing reflects the specific needs of people here in Wales and the importance we attach to homes as the fabric of people's lives and communities.
- 7 Social housing has been the focus in past years. It remains important but we are now taking a much broader view. We see our responsibility as the "stewardship" of the whole housing system. Put more simply, our role is to consider how the whole system works and to intervene where it is sensible and effective to do so. We cannot control some elements, such as macro economic factors, but we have a variety of tools at our disposal to ensure that the system is as effective and efficient as possible. Such tools include legislation, funding, policies and programmes.
- 8 We cannot do it alone. We are committed to even stronger joint working with the many organisations that are active in and around the field of housing in the public, private and third sectors. This includes the NHS, social services, the police, and others.

Our vision

- 9 The scale of the challenges that follow does not mean we are any less ambitious. Our ambition is not limited by where we are now or a horizon that is fixed to the term of this Assembly. Our ultimate goal is a future where everyone has a home they can afford and where homelessness does not exist. Homes will be in good condition and meet relevant standards for safety, design, quality, and energy efficiency.
- 10 Renting a home from a social or private landlord will be seen as good options. Co-operative housing will become a much more significant part of the housing system. People will receive more and better help to live independently, with additional support for our most vulnerable people, and not-for-profit organisations such as housing associations will be used to even greater effect. There will be even better, more integrated, policy and delivery by public services and joint action between organisations, with effective collaboration between local authorities.
- 11 The benefits extend well beyond the basic requirement for somewhere to live. Improving homes and local environments affect many aspects of people's lives; it improves health and well being, supports independence and reduces inequality and poverty. It also helps create safer communities and better quality of life. The creation of jobs and training opportunities helps to reduce worklessness, and increase workforce and sector skills, such as those in the construction sector, and creates opportunities for business in the whole supply chain, helping their growth and competitiveness.
- 12 We are fully committed to the principles of social housing and to helping people whose housing needs cannot be met by the markets. But we will look more broadly and innovatively for new ways of helping people to afford a home to reflect differing needs and circumstances. We want to see a more flexible housing system where people can move more easily between social housing, private rented accommodation, and home ownership to suit their needs at different times of their lives.



- 13 We recognise the increasing part that private landlords are playing in the housing system and we support this. We also recognise the role of house builders and lenders. While we have limited influence on some factors affecting the housing market, we are committed to doing what we can to help house builders to deliver more homes.

New legislation

- 14 In line with the First Minister's announcement in July 2011 that a Housing Bill forms part of the Welsh Government's legislative programme, we will deliver new legislation to:

- (i) Improve the private rented sector.
- (ii) Prevent homelessness from happening in the first place and improve the help available for those who do become homeless.
- (iii) End family homelessness by 2019.

- 15 We will modernise the private rented sector by introducing a mandatory landlord registration and accreditation scheme. This will improve the quality and management of privately-rented homes, which will benefit those who rent from private landlords, including some of our most vulnerable people.

- 16 To tackle homelessness, we will introduce an even greater emphasis on prevention. This will be based on earlier action to help people to find solutions to housing problems before someone becomes homeless. We will make more options available to local authorities to discharge their duties. We will address the inconsistencies we have found in the way that current law is interpreted and applied. We will amend legislation in order to end family homelessness.

- 17 In addition, and to respond to identified needs, we will also bring forward new legislation to:

- (i) Provide local authorities with a discretionary power to levy a higher rate of council tax on properties that have been empty for more than a year. This will complement our new "Houses into Homes" programme, which is the first national initiative in the UK to bring more empty homes back into use.
- (ii) Introduce a statutory duty on local authorities to provide sites for Gypsy and Traveller communities where there is evidence of a clear need for new sites.
- (iii) Define Community Land Trusts, which will help local communities to meet their housing needs.
- (iv) Enable a new co-operative housing tenure to aid the development of co-operative housing as a housing choice.
- (v) Require local authorities to produce and regularly update Local Housing Market Assessments.

- 18 These proposals for legislation will be included in a Housing Bill to be introduced into the Assembly in autumn 2013.



- 19 The work we have undertaken with other organisations to consider further action to meet housing needs has identified the clear need for tenancy reform to improve the way the housing system works for housing organisations, landlords and tenants alike.
- 20 Tenancy reform has long been called for but to date has not been addressed. Current housing law relating to tenancy is detailed and complex. It is a significant matter and must be tackled in consultation with tenants of local authorities, housing associations, and private landlords, and organisations that work in the field of housing. An overview of the key issues is set out in this White Paper.
- 21 We have concluded that it is neither effective nor appropriate to rush the development of such important reform. We will:
- (i) Take forward tenancy reform, via a separate Bill, within the lifetime of this Assembly, giving consideration to the responses to this White Paper.

Legislation under consideration

- 22 In addition to the proposals above and taking account of the improvements we wish to see in coming years, we are considering the need for legislation on a variety of subjects. These are:
- (i) Setting standards for local authority rents, service charges and quality of accommodation to support the achievement of the Welsh Housing Quality Standard.
 - (ii) A duty of co-operation on housing associations and possibly other organisations, to improve even further the joint working that does exist in some areas on, for example, tackling homelessness, helping meet the housing needs of people with mental health problems, and addressing anti-social behaviour.
- 23 We are mindful of legislating only where necessary; the proposals set out in this document reflect our thinking to date. The above have been highlighted to encourage comments and feedback through our consultation around this White Paper.

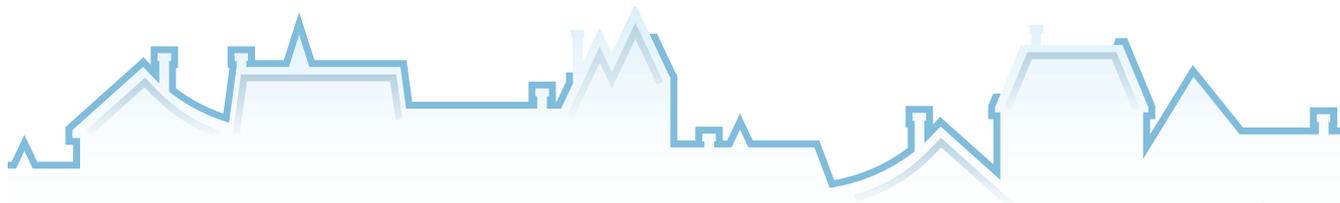
Other action and developments

- 24 Legislation is not the answer to everything. Over and above our legislative proposals and the ambitious targets we have set for the delivery of new affordable homes, we are taking a wide range of other action to improve the ways in which we and others can help people to meet their housing needs. In doing this, we will ensure that every opportunity is taken to make the most of investment by generating jobs and training opportunities. The detailed lists of actions are set out in the following chapters. The main developments will lead to:
- (i) More action to increase the supply of new homes, including the use of a range of innovative funding mechanisms.
 - (ii) Increased focus on tackling empty homes through the national “Houses into Homes” programme.



- (iii) More action to achieve the Welsh Housing Quality Standard.
- (iv) Withdrawal from the Housing Revenue Account Subsidy after concluding negotiations with HM Treasury.
- (v) Better use of Housing Renewal Area funding alongside Strategic Regeneration funding.
- (vi) Effective regional collaborative on housing functions and services, including the Supporting People programme.
- (vii) Further opportunities for tenants and service users to influence priorities and services.
- (viii) Further action to promote equality through implementation of the Welsh Government's Strategic Equality Plan.
- (ix) Enhanced services for leaseholders and research into the scale and nature of issues facing them to inform future action.
- (x) Support through the National Assembly for Wales for the Member's Bill on park and mobile homes.
- (xi) A new scheme to provide 95 per cent mortgages for first-time buyers of new-build homes.
- (xii) Opportunities to use the next round of European programmes to make greater use of housing associations to deliver jobs, training and social enterprise support for their tenants and their communities, and more action on energy efficiency by building on "NEST", our fuel poverty programme, and the successful "Arbed" programme.
- (xiii) An enhanced role for not-for-profit organisations, including housing associations, to support tenants, their families and communities.
- (xiv) Better performance monitoring of local authority housing and related-services.
- (xv) A nationally branded, locally delivered, Property Improvement Loans scheme developed with local authorities.
- (xvi) The further development of accessible housing registers and continued investment in housing adaptations to support independence.

²⁵ We will work throughout this term of Government to ensure coherence, and appropriate links are made, between the Housing Bill and other action to improve housing, and legislation being taken forward by other policy areas, for example, the Domestic Abuse (Wales) Bill, the Planning (Wales) Bill, and the Public Health (Wales) Bill.



1. Introduction

A decent, affordable, home is essential to people's ability to live healthy, productive lives in safe, strong and fair communities. We are committed to making housing a greater priority in coming years. A home that people can afford is fundamental to our goals of reducing poverty, including fuel poverty, and greater equality. We want people to realise their potential and will encourage them to help themselves. We will do all we can to help people whose needs cannot be met by market forces. This is the heart of our approach.

This White Paper sets out our proposals for new legislation and other, non-legislative, action. All will help to meet the housing needs of everyone in Wales. This includes providing people with a home they can afford, helping people whose needs cannot be met by the markets, and providing additional help for vulnerable people and those who need support to live independently. More will be done to prevent homelessness in the first place. Developments will contribute to our three strategic priorities: increasing the supply of homes, improving the quality of existing homes, and improving services that help people to live independently for as long as possible.

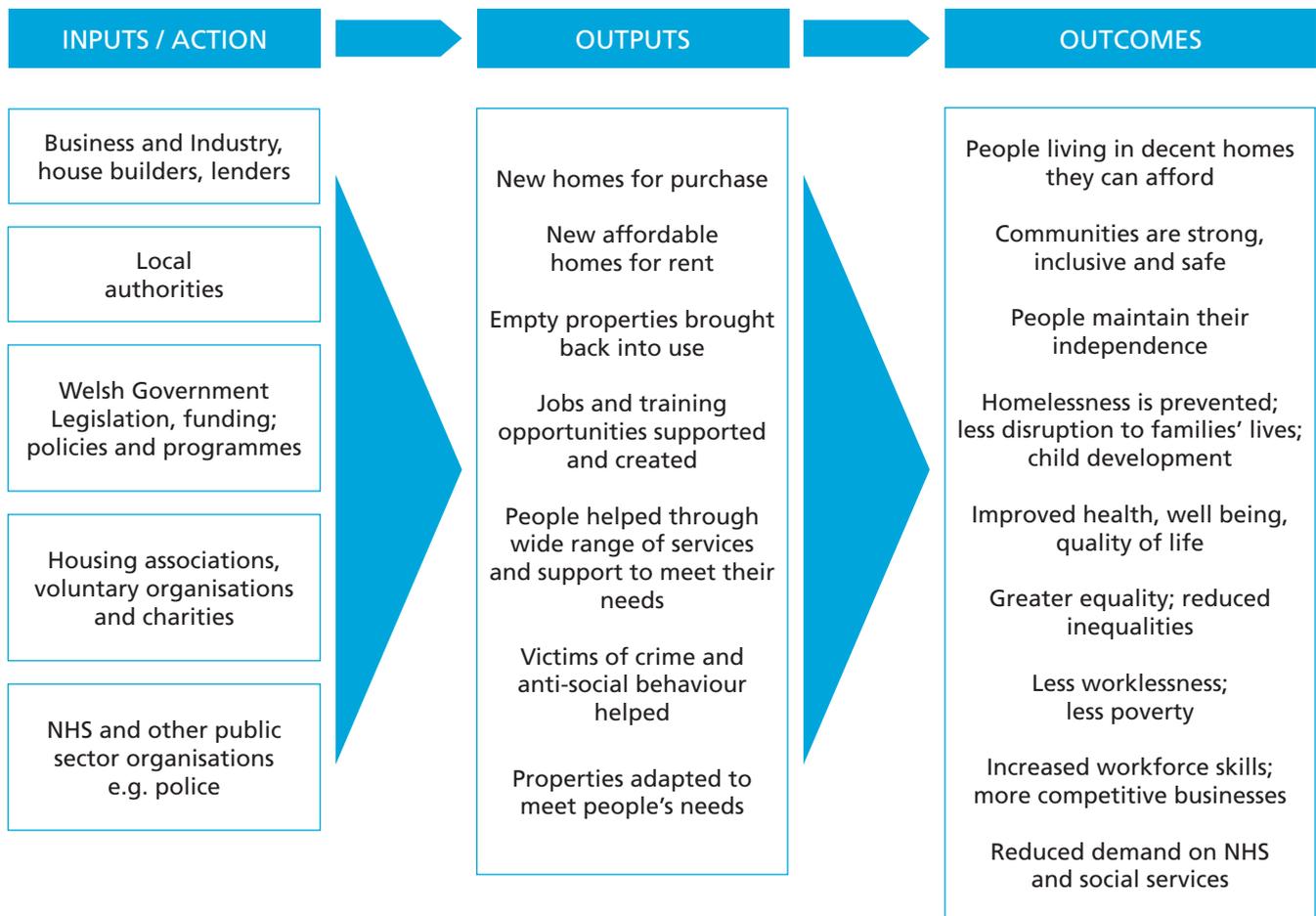
- 1.1 Sustainable development is the central organising principle of the Welsh Government. This means balanced thinking taking into consideration social, economic and environmental factors, taking a long-term view and working to ensure the well-being of people both now and in the future. Housing plays a crucial role in putting this principle into practice. Building new homes and improving existing homes generates significant employment and training opportunities, supports businesses in construction and other sectors and supports well-being for individuals and communities. At the same time, we will take opportunities to reduce the environmental impact of what we do.
- 1.2 A decent home is a fundamental part of someone's life. Safe and secure homes that people can afford are essential for good physical and mental health and well being, education, work, and overall quality of life. Helping more people to live independently helps to reduce demand on the NHS and social services. Good homes help create stable communities, which underpin the very existence of the strong, caring, and supportive society that is a feature of Wales' proud history.
- 1.3 For children, a home is vital for health and for their development before and during formal education. Poor housing can have a significant impact upon what they achieve, which in turn affects their prospects and the opportunities they have throughout their lives.
- 1.4 For disabled people of all ages, housing is a key enabler of independent living. Accessible and adapted housing enables people to maintain their independence, remain in their communities and exercise choice in the way they live their lives.
- 1.5 Public and private investment in new homes and in improving existing homes is an economic driver nationally and locally. It contributes directly to large and small business from architectural services, trades and materials, to environmental goods and safeguards, and their employees. New building standards and improvements to older homes lead to



the development of new markets and higher skills levels. Construction also creates new jobs and creates training opportunities, which build the skills pool needed to help our economy to grow and to help our businesses become even more competitive. The use of social clauses in contracts for refurbishing social housing, through the work of “i2i” for example, has been particularly successful in helping unemployed adults and young people to find work in an increasingly competitive labour market.

- 1.6 The benefits of investing in homes and in action around them, and involving people in the way that services are delivered extend well beyond putting a roof over someone’s head. The following diagram illustrates the outcomes; that is, the difference this investment can make to people’s lives.

Diagram 1: Broad policy outcomes from investment in housing



- 1.7 Housing improvements and other action to regenerate communities improves the way they look, and helps to reduce anti-social behaviour. This in turn helps people feel good about where they live. Where houses are built, how they are built and how efficiently they use energy impacts on the environment and helps tackle climate change.
- 1.8 The availability of good quality, affordable, housing, particularly for key workers, is vital to the effective functioning of labour markets. More specifically, it helps to ensure that businesses have the workforce and skills they need. Private landlords and other organisations support the education system by providing homes for students attending Welsh universities.



- 1.9 At the heart of this Government is a deep commitment to social, economic and environmental well being, which is the basis for sustainable development and sustainable communities. Investment in housing and housing services contributes to all three. It is for these reasons that we have made a public commitment to make housing a greater priority in coming years¹. Long-term outcomes for people are at the forefront of our minds.

Housing today

- 1.10 There are an estimated 1.35 million homes in Wales² of which around 70 per cent are owner-occupied. The remainder are split between homes rented from local authorities or housing associations (16 per cent) and homes rented from private landlords (14 per cent). The private rented sector is an increasingly important part of overall housing provision.
- 1.11 Research³ has estimated the need for 9,200 new market homes annually, defined as homes for owner-occupation or private rented homes, and 5,100 non-market homes. The latter includes homes provided by local authorities and housing associations, and private rented properties subsidised by Housing Benefit. While the rate of household formation, which underpins the estimates, may have slowed due to economic and other factors such as tighter mortgage markets, the overall need for housing remains high.
- 1.12 The house price to earnings ratio remains high. Mortgages for first time buyers increased very slightly last year but typically, are about a third of total lending. Younger people looking to buy their first home have been hit hard. The mortgage market is very tight and is expected to remain so for the foreseeable future.
- 1.13 The outlook is challenging. Increasing costs of living and other pressures, including job losses, mean more people are at risk of losing their homes. Unemployment and negative equity are key factors in mortgage arrears and repossessions. Low interest rates are currently providing a safety cushion and good arrears management is helping those facing difficulties to keep their homes. However, fewer mortgage rescue initiatives and the cut to mortgage interest support means that the safety net is more limited.
- 1.14 New homes are important but so too are existing properties. There are 22,000 long-term empty homes within the private sector, which is a scandalous waste. Some are not in a fit condition but most can be brought up to a decent standard.
- 1.15 The age of housing stock in Wales means that many existing homes need improvement. The Welsh Housing Quality Standard has led to significant improvements to social housing, bringing with it benefits for people's health and quality of life but there is more to do. Action has also been taken to help people in privately owned homes. However, too many remain in poor condition and are not suitable for the needs of the occupants.
- 1.16 We are in difficult times. The evidence speaks for itself. Housing markets are depressed and new house building is at a low point. More affordable homes are being built but numbers have fallen as the impacts of public sector cuts are felt. The underlying trend on homelessness is upwards as the cost of living rises and as the effects of job losses are felt.



This document

- 1.17 Our legislative programme includes provision for a Housing Bill will lead to Wales' first ever Housing Act. This White Paper sets out our proposals. However, new or amended legislation is not always the solution to problems and challenges, hence the inclusion of non-legislative action. This reflects the responsibility we have for the whole housing system, not just social housing.
- 1.18 Our proposals for action will contribute to tackling our three strategic priorities as set out in our housing strategy and to delivering the commitments we have made in our Programme for Government:
- (i) Increasing the supply of homes – to ensure everyone has a home they can afford and to help people whose needs cannot be met by the markets.
 - (ii) Improving the quality of existing homes – so that people can live healthily and independently for as long as possible.
 - (iii) Improving services and support – so that people receive efficient and effective help when they need it, with additional help for those who need it.
- 1.19 Involving people in the design and delivery of services, and providing information on the performance of services, is at the heart of our approach.
- 1.20 Our proposals reflect what research tells us, advice from Committees of the National Assembly for Wales, and consultation responses received to our "Housing Challenges and Priorities" paper⁴. The latter was an opportunity for the public and interested organisations inside and outside housing to influence our policy agenda.
- 1.21 **Chapters 2-3** provide the context for the proposals set out in this document, emphasising our core values for fairness and social justice and our commitment to providing additional help for people whose needs cannot be met by the housing market.
- 1.22 **Chapter 4** sets out proposals to increase the supply of housing and the options people have for a home they can afford, while **Chapter 5** outlines action to improve the quality of our existing homes. The latter sets the scene for **Chapter 6**, which outlines new, and much needed, legislation to improve quality and practices in the private rented sector.
- 1.23 Improvements to housing and related services are outlined in **Chapter 7**. This describes the contribution that housing and housing organisations make to developing safer, stronger, more supportive, inclusive and enterprising communities. The importance of tackling homelessness, which can do much harm to people and their prospects, is reflected by the commitments set out in **Chapter 8** for more action to prevent it from happening in the first place. We recognise the damage that homelessness can inflict on people, particularly children and this chapter describes our commitment to end family homelessness by 2019.
- 1.24 **Appendix 1** provides an indicative timetable for developments that translate our vision into reality.

Your views

- 1.25 Your views on the proposals set out in this document are important. We believe that the new legislation we are proposing will make a difference to people's lives. In the coming months, we will be considering in even greater depth the impacts of our proposals, building on our work to date with organisations that have an interest.
- 1.26 This White Paper is open for public consultation and your comments on the proposals are welcome. **Appendix 2** provides information to help you to respond to the consultation. Comments can be submitted in a number of ways:
- Email: HousingWhitePaper2012@wales.gsi.gov.uk
- Post: "Housing White Paper",
Welsh Government,
Housing Directorate,
Rhydycar,
Merthyr Tydfil
CF48 1UZ
- 1.27 The consultation will close on 17 August 2012. Note that responses to the consultation may be published. Personal names and addresses will normally be withheld from publication but if responding on behalf of an organisation or group, you should say if you do not wish your name to be published.



2. Our values and role

The people of Wales have given us direct and full primary powers to make new laws. We will use these wisely. We will ensure that legislation on housing matters is simple, effective, fit for purpose, and proportionate to what it is seeking to achieve. Our new powers and other policy measures will be used to ensure we consider the whole housing system.

Our approach reflects our values of fairness, social justice, equality, and sustainable development. We will learn from other countries but the action we take will be guided by the specific needs of Wales. It will reflect our principles and values, and the importance we attach to homes as the fabric of people's lives and communities. If differences emerge between Wales and other parts of the UK, and distinct differences are already emerging, so be it. We will do what we believe is right for the people of Wales. That is devolution.

- 2.1 We want everyone to play a part in creating the Wales of the future. We want to help people to live healthy, productive lives in safe, supportive, inclusive communities, with lower levels of poverty and deprivation and greater equality.
- 2.2 A home is fundamental to people's ability to thrive, to make the most of their abilities and to be part of a community. A decent home embraces the values that we as a Government believe are right for a society that helps people to achieve their potential. This is particularly important for children, whose educational attainment and life chances can be impaired by poor housing.
- 2.3 Our homes also make a far too big a contribution to the carbon dioxide emissions that lead to climate change. Action taken to reduce this impact provides an opportunity to create jobs and training for people in Wales. This means thinking about the long term when taking decisions in the short term.
- 2.4 Where someone lives, or whether they own their own home or rent it, makes no difference to our goal of helping people to live independent, healthy, and fulfilled lives. We are committed to promoting equality and to mixed and inclusive communities, where individuals are valued for who they are and how they live as part of their community, and not because of their tenure; that is, whether they own or rent, with or without Government subsidy.
- 2.5 We want to remove the "silo" thinking that exists in housing and the stigma that can be attached to renting a home as opposed to owning a home. Home ownership will continue to be the aspiration for many but economic and other factors mean that in reality, renting must become a more acceptable option in future. To achieve this, better arrangements for renting are needed, including clearer, simpler and housing law, more flexible tenancy arrangements, and new models such as co-operative housing.
- 2.6 Markets are rarely if ever perfect but they meet the needs of many people. However, for housing, this tends to mean those who can afford to buy their own home and those



who can afford the mid to higher end of the private rented accommodation market. Unfortunately, and for many reasons, the market options are outside the reach of some people.

- 2.7 Our approach is grounded in doing the right thing. For housing, this means helping people whose needs cannot be met by markets, and dedicating resources to help people who, for all sorts of reasons, find themselves in difficult personal circumstances and at risk of becoming homelessness. Preventing homelessness in the first place, irrespective of whether someone owns their home or rents it, is at the heart of our approach.
- 2.8 We are committed to social housing or as it perhaps should be called, “subsidised housing” for that is what it is. It is simply a means, and a very important means, of helping people to have a home they can afford. While the actual level of subsidy may differ, the basic principle of helping people is no different to other forms of help, such as shared equity products to help people to buy their own home. We will use our funding to best effect, working closely with others to help as many people as we can.
- 2.9 By the term “affordable housing”, we mean social rented housing and intermediate rental housing up to Local Housing Allowance rates or up to 75 per cent of market levels.
- 2.10 People’s views on the way that services are designed and delivered are also important to us. We will continue to help people to have their say on housing and related services, their performance and their quality.

Our role

- 2.11 Our role can be described as the “stewardship” of the housing system. This means the way in which we consider how the housing system works and to intervene where necessary and where effective to do so.
- 2.12 Our responsibility is to ensure that housing legislation is relevant, fit for purpose, and effective, and through policy and other action, to use public funding effectively to ensure the system is effective.
- 2.13 Our stewardship extends well beyond social housing, which has been the prime focus in past years. Social housing is, and will always remain, a priority for this Government but we recognise the role that other organisations play in the “whole housing system” approach to which we are committed. We will do what we can to help them play their part to the full. Our mutual goal of increasing the supply of housing is of the utmost importance.
- 2.14 Never before has a whole system approach been so important. Success depends on the joint efforts of many organisations, all of which must step up to the mark if we are to meet the challenges facing us. They include local authorities, house builders, housing associations, private landlords, banks, building societies and other lenders, public service organisations, voluntary organisations and charities, church organisations, businesses and their representatives, and professional groups.



3. Our vision

We recognise the scale of the challenges facing people, services, and Government. Public finances are under huge pressure and we cannot do as much as we would like. Tough decisions will be needed. It won't be easy but we will work tirelessly with others to help people meet their housing needs. We are ambitious. Our ultimate ambition is a future where everyone has a home they can afford and where homelessness does not exist. Our ambition is not limited by where we are now or a horizon that is fixed to the term of this Assembly. New legislation is a significant commitment but is only part of the action that is required. We are taking a wide range of other, non-legislative, action to improve the way the housing system operates as a whole.

- 3.1 The situation facing us is unlike any seen for some time. The harsh economic climate coupled with significant budget cuts present immense challenges. The pressures fall on Government and organisations, and individuals and families. The rising costs of living and the risk of losing a job mean that some people are under considerable strain.
- 3.2 Social housing provided by local authorities or housing associations has been dominant focus in past years. Our commitment to this has not diminished but we are looking at the whole housing system.
- 3.3 We will continue to subsidise housing for people whose needs cannot be met by the markets but not everyone needs the same level of help. Building on initiatives to date, we will work with others to become even more innovative in funding the building of more homes. Ways of helping people to afford a home will broaden to reflect people's differing needs and circumstances, including much greater use of co-operative housing. We are committed to doing what we can to help house builders to deliver more homes across Wales.

3.4 We see a future where:

- Everyone has a home that they can afford that meets their needs.
- Homelessness does not exist.
- Homes are in good condition, and meet relevant standards for safety, design, quality and energy efficiency.
- Renting a home from a social or private landlord is seen as a good option.
- Co-operative housing becomes a much more significant part of the housing system.
- People are helped to live independently, with additional support for those who need it.
- Not-for-profit organisations such as housing associations are used to greater effect as part of the new public services model for Wales.
- There are even better, more integrated, policies and public services and joint action between organisations, with effective collaboration between local authorities.



Vision to reality

- 3.5 Action to achieve our vision has already started. Work to develop the proposed legislation is underway and will be the subject of further discussion with organisations that have an interest in it. The detail will be informed by the responses to this White Paper.
- 3.6 The action we take will generate short, medium and long-term benefits, which will extend well beyond the lifetime of this Government. We are seeking real and long-lasting change; change that is meaningful and realised throughout people's lives.



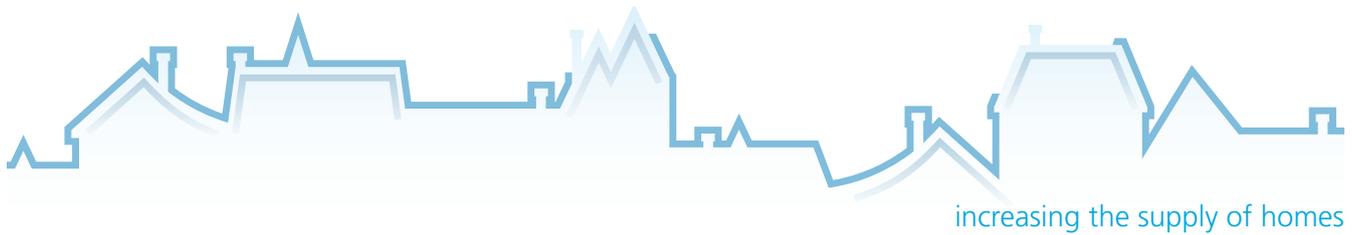
increasing the supply of homes

4. Increasing the supply of homes

The demand for homes far exceeds supply. We must address this and we are committed to doing so. Cuts to our capital budgets make this difficult but we will do as much as we can to ensure that everyone has a decent home they can afford. We remain fully committed to helping those whose needs cannot be met by the housing market, with help that reflects people's differing circumstances.

We want people to be able to move between different tenures; that is, renting social housing, renting from a private landlord, and home ownership to meet changing needs and circumstances throughout their lives. The housing system needs to be flexible, simple, and make the best possible use of existing housing stock. New models of housing are needed, such as co-operatives, and new ways of financing housing developments must be found. The time has also come to be bold about the need for tenancy reform to simplify housing law in order to achieve greater efficiency and flexibility in the housing system. We are prepared to take these steps to improve the whole housing system to help people meet their housing needs.

- 4.1 Fairness and equality are at the heart of this Government. We believe that everyone, including those on low incomes, should have a suitable and accessible home they can afford, which is in good condition.
- 4.2 Owner-occupation remains the aspiration of many people looking to set up home. However, it is becoming increasingly out of reach as wage increases lag behind house prices and as lenders tighten their mortgage criteria.
- 4.3 Renting is now becoming the only option for some people wishing to set up home. The private rented sector is playing an increasing role. Over the last decade, the proportion of homes rented from local authorities has fallen from 15 per cent to 7 per cent. Renting from Registered Social Landlords, or "housing associations" as they are more commonly known, has more than doubled to 10 per cent. This is the result of new homes built by associations and local authority tenants voting to transfer the ownership of homes to new housing associations and new homes built by associations.
- 4.4 The issues affecting affordability are complex. The restriction on housing supply, the size of the housing market and local housing market variations, are some of the factors. Homes can be difficult to acquire regardless of whether it is buying, re-mortgaging or renting from private or public landlords. Changes to Housing Benefit will exacerbate the problem.
- 4.5 In 2008, just over 4 per cent of people – more than 130,000 – were living in an 'overcrowded' household⁵. Overcrowding is more prevalent in social housing. The overall demand for new homes remains high. This needs to be addressed in two ways. First, by building more homes and second, by using existing housing to best effect.



System stewardship: tackling the problem in the round

- 4.6 Our “system stewardship” role applies to the whole housing system. We cannot influence all aspects but a whole system approach helps us, and others, to identify where interventions are best made and where limited funds should be spent to best effect. This is important for housing supply, which relies on the contributions of both public and private sectors.
- 4.7 Much tighter budgets make this more difficult. Those considering house purchase will not include people on the lowest incomes, so any Government resources used to help people to buy homes needs to be carefully targeted. Also, some interventions may have little effect on the overall housing market, even if they have a sound rationale in themselves.
- 4.8 Without being able to buy a home, more people are likely to turn to renting from private landlords. This could push up rents in some areas of high demand which, in turn, could reduce options for those who are less able to pay market rates.
- 4.9 Some people already struggle to find rented housing suitable to their needs. Typically, they are people who cannot get a mortgage or afford to pay market rent levels but who also fall outside the priority need category for traditional social housing. Affordability is likely to get more difficult. We must address affordability, supply, quality and extend the range of subsidised housing that is available.
- 4.10 We must also look deeper at what lies behind the problem of housing supply. Building more homes depends on several factors including land, construction, finance, housing options for householders and price, which in turn, is affected by supply and demand. The Welsh Government does not build homes but can help establish the scale of needs now and in the future, as well as creating the conditions that stimulate private house building. Specific mechanisms include planning policy, the use of public land for housing, and helping local authorities to fulfil their statutory role in meeting people’s housing needs. Building regulations, affordable housing obligations and the Community Infrastructure Levy are also relevant. We recognise factors which may be preventing stakeholders from contributing to increasing supply. House builders identify negative land values, the requirements of Section 106 agreements and building regulations as having potentially negative impacts. Continual dialogue is essential to resolve these issues in a way that supports our common economic, social and environmental objectives.
- 4.11 There is an important spatial dimension to housing which will require collaboration between local authorities. A regional approach to the planning and delivering of housing developments is needed, which takes account of city regions and travel to work patterns.
- 4.12 The pressures outlined earlier are leading to more and more people becoming reliant on some form of help to find and keep a home. This includes the traditional subsidised housing rented from local authorities or housing associations and intermediate rental scheme arrangements, which have rental levels at below market rates, or low-cost home ownership schemes.
- 4.13 Supply is not keeping pace with demand and we must consider the role that traditional rented or ‘social’ housing plays in the housing system. The role and purpose of social



increasing the supply of homes

housing has been a recurring question over the past twenty-five years. We remain fully committed to the principles of social housing. This will not change.

- 4.14 We must make the best use of the whole housing system, not just parts of it such as social housing. In doing this, we need to look to other solutions to help people to find a home, including greater use of private rented accommodation. This will require broader thinking about options for people seeking a home, supported by better, more flexible tenancy arrangements and action to improve conditions and practices. This will also help to reduce the stigma attached to renting as opposed to home ownership. Our proposals are set out later in this chapter and in others.
- 4.15 Local authorities have a particularly important role to play. They deliver essential housing services direct to the public but they also have a vital strategic housing role. There is scope for further improvement in both. We want to see greater collaboration between authorities, including the sharing of expertise and limited resources. Some forward-looking authorities are already working in this way. Informed by household projections, establishing local housing needs and ensuring planning mechanisms to address these is perhaps one of the most critical roles for local authorities. Addressing need is not just about building new homes. It also involves considering the extent to which their strategies meet the needs of different groups, including demand for adapted and accessible housing. It should also consider the broader accommodation and support needed to help people. This includes specialist support services, refuges to support women escaping domestic violence, and other forms of accommodation, for example, to prevent rough sleeping.
- 4.16 Irrespective of whether they own stock or not, the strategic housing role of all local authorities is critically important. We want to re-emphasise this role by strengthening the existing duties on local authorities to consider housing conditions in their locality and the need for additional homes to meet the needs of their local population. It is essential that this information is used to identify and take appropriate action in relation to the supply and quality of accommodation across all tenures to address the housing needs of Welsh citizens. We also want to see greater collaboration between local authorities and the many other organisations that need to be involved in order to help them discharge these duties.
- 4.17 We will:
- Strengthen duties on local authorities in respect of their strategic housing role.
 - Require housing and other organisations to co-operate with local authorities in the discharge of their duties in relation to the strategic housing role.
 - Require collaboration between local authorities in the exercise of their strategic housing functions.



Building more homes

4.18 The average price of a house in Wales is £113,000 . The average gross annual income in Wales was £23,795 in 2011. While house prices have fallen in recent years, the house price to earnings ratio remains high. The number of mortgages for first time buyers increased slightly last year but typically, is about a third of total lending. A typical first-time buyer in Wales:

- (i) Is around 29 years of age.
- (ii) Has an average income of £32,000 - £34,000.
- (iii) Obtains a mortgage of just over three times income.
- (iv) Has a loan for 80 per cent of the value of the property.

4.19 Lending volumes are around a third of the level in 2006-07. The UK mortgage market is extremely tight and is expected to remain so. It is fragile, and UK and European economic factors and further regulatory requirements point to more years of subdued lending activity. Re-mortgaging has picked up in the last twelve months for households that have decent levels of equity. Since its peak in 2006-07, house building has been falling. Reasons for this include:

- (i) Economic factors.
- (ii) The mismatch between supply and demand which impacts on the price of homes and land.
- (iii) Factors associated with the planning system and how it is implemented at a local level.
- (iv) Local attitudes to new housing development of all types and the weight given to local opposition by local authorities.

4.20 Views vary about what the most significant factors are and how they interact. What is very clear, however, is that there are many issues to be resolved.

The role of planning in increasing supply

4.21 The planning system incorporates a wide range of social, economic and environmental policies where decisions about the future development and use of land need to be made. Nowhere is this more evident than housing. We have done much to improve the way the planning system helps to meet these objectives, but more needs to be done, particularly to improve housing supply. Specific barriers include inconsistencies across the country in relation to the delivery of planning policy, the absence of Local Development Plans in some areas and the lack of an adequate spatial dimension to planning policy and delivery.

4.22 It is at the local level that decisions are made on where new housing should be located, the type and mix of new housing needed, and how and when it will be delivered. Planning policies reflect the commitment to deliver sustainable development, economic renewal and affordable homes. To assist delivery at the local level, a new local development plan system has been introduced.



increasing the supply of homes

- 4.23 Doing more to meet local housing needs requires housing to be prioritised in strategic documents such as the new Single Integrated Plans and Local Development Plans. If they are to be effective, Local Development Plans require robust evidence. Local authorities must assess the need for all types of housing, using up-to-date Local Housing Market Assessments.
- 4.24 Local Housing Market Assessments are a fundamental source of information for the Local Development Plan process. Like household projections, they contribute to the evidence base and inform policies and action to deliver market and affordable housing through the planning system. Assessments must be updated regularly to reflect changing housing market conditions. A failure to do this can reduce the ability of the planning system to optimise delivery of housing to meet local housing needs. We are helping local authorities to develop their analysis and reporting of local data but current practices fall short of what is desirable.
- 4.25 Further guidance has recently been issued on Local Housing Market Assessments to enable local authorities to obtain a more accurate picture of detailed housing need. It recommends that need for specialist accommodation, such as sheltered or adapted properties, should be considered separately. More localised and specialist surveys on housing need will be required in some circumstances.
- 4.26 Although this guidance will assist in meeting the evidence base for Local Housing Market Assessments, we consider there is a need to put the production and regular updating of such Assessments on a statutory basis and that local housing authorities should be charged with this responsibility.
- 4.27 Local planning authorities should adopt Local Development Plans at the earliest opportunity. We are providing support to ensure that the process of preparing Plans is efficient and effective, building on good practice, experience and lessons learnt. The conclusions of a review of the initial Local Development Plans adopted will be published by the Welsh Government this summer.
- 4.28 We need to understand more about the current systems and practices and potential barriers to increasing housing supply. We have already commissioned initial research for this purpose, which should inform short to medium-term improvements.
- 4.29 The Minister for Environment and Sustainable Development has commissioned an Independent Advisory Group to report on the future delivery structure needed for planning services in Wales. This report is expected in June 2012 and will inform the Planning White Paper which will be issued in 2013. The Planning Bill will ensure the planning system delivers for Wales. It will result in a system that is more transparent and accessible, delivering the key outcomes required, one of which is more housing that meets people's needs.
- 4.30 The provision of new housing is essential but can be a contentious issue. Local authorities need to ensure that they have a Champion for housing. This is particularly important when there is only the applicant making the case for the development in the face of local opposition. Our view is that local authorities should ensure that a Cabinet Member takes on this role in each local authority area.



4.31 Whilst Section 106 agreements have proved to be more challenging in the current economic conditions, local authorities have been able to continue to use this approach to increasing the supply of affordable housing. However, there are inconsistencies in approach that can act as a barrier. We are therefore working with the Welsh Local Government Association and key partners to provide further updated guidance for local planning authorities to effectively secure affordable housing via Section 106 agreements that is accessible and fundable for households and responds to the needs of the local population.

4.32 We will:

- Make the production and regular updating of Local Housing Market Assessments a statutory requirement for local housing authorities.
- Work to ensure that the Planning Bill reflects the need for the planning system to generate more positive outcomes in terms of new homes.
- Use the results of our research to do more to improve the ability of the current planning system to meet housing needs, including more detailed guidance on the use of Section 106 Planning Agreements for affordable housing.
- Ask each local authority to identify a Champion for housing.

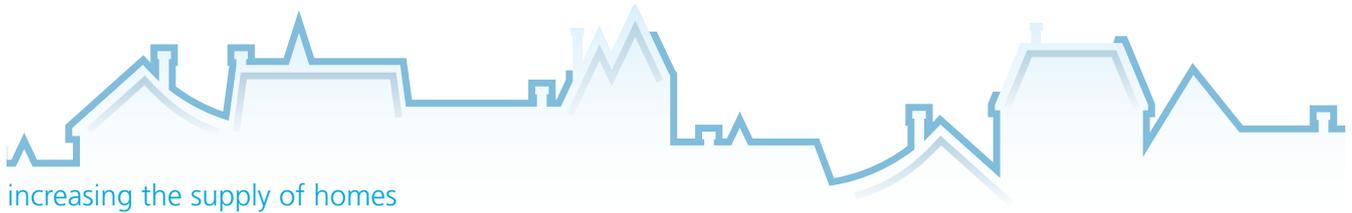
Delivering more homes

4.33 We wish to set ambitious targets for new homes, to ensure that we are meeting increasing housing need. We will continue to look for opportunities for additional investment in housing. The different financial environment strengthens our resolve to work with others to develop new and innovative ways of doing more, with alternative sources of funding from banks, building societies and investors.

4.34 In terms of Government funding, we secured additional Social Housing Grant of £22 million to bring the total budget in 2011-12 to £97 million. This will support the development of over 1,000 homes and also supports Extra Care homes and physical adaptations to meet changing needs and help people to live independently. We will continue to look for ways of boosting investment in housing by taking a cross-Government approach.

4.35 Our priority is helping people whose needs cannot be met by the market. That said, we are conscious of the difficulties that some people are experiencing in buying a home and this reflects our commitment to the whole housing system. Later in this chapter, we outline our proposals to assist first-time buyers.

4.36 Intermediate rental housing, which provides homes at below full market rents but above those in social housing, also needs to be seen as part of the solution to the shortage of homes. It is another option for people who are able to afford slightly higher rents but who require some form of subsidy to afford a home.



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- 4.37 Greater use of such developments, including the “Rent First” model, will help to ease pressure on the very limited supply of more traditional social housing, which should be used to help those most in need, including vulnerable people. These schemes also mean that grant goes further. Some housing associations are already developing homes for rent at intermediate levels without any grant from Government. We encourage this.

Innovation and new finance

- 4.38 In the context of the need to do more with fewer resources, innovation will be essential to increase the supply of homes. This includes identifying and using new models, new products and new sources of funding. Good examples have already been developed in partnerships between Government, developers, lenders and housing associations, and provide a solid base for even more innovation. The Wales Infrastructure Investment Plan, published on 22 May 2012, will provide more detail.
- 4.39 Making Social Housing Grant go further is key in increasing the supply of housing. We are supporting innovative models, such as the Welsh Housing Partnership, established in 2011, which uses the lowest grant rate so far for intermediate rent. Developed with Community Housing Cymru and four housing associations, it has already provided 140 homes for people who cannot afford full market rent but who may be in a position to purchase the property after five years. Our investment of £3 million enabled associations to borrow to increase the investment to £16 million. We are evaluating the initiative and supporting the future extension of this innovative model to increase housing supply.
- 4.40 Another innovative model is the establishment of the Ely Bridge Development Company, which is a not-for-profit company, set up by the Welsh Government and the Principality Building Society. The Company intends to invest £100 million to develop a major brown-field site and uses Welsh Government land. Subject to planning approval it will, over five years, deliver up to 700 new mixed tenure homes, including a large proportion of affordable homes without the need for Social Housing Grant. It is intended that the development will also include a riverside park and a new school and will create hundreds of construction jobs in the process.
- 4.41 New sources of finance are needed and we are working with Community Housing Cymru and housing associations to support the development of a Welsh Housing Bond. This will provide much needed new capital market funding to increase the amount of social and intermediate rented properties.
- 4.42 Local authorities have a role to play in meeting housing supply in the future. We are working with one local authority that is planning to build outside of the current Housing Revenue Account system using its own funding. Moving local authorities to a self financing model by coming out of the complex Housing Revenue Account Subsidy system should assist them to not only improve homes (where they still have stock), but could also provide the means for them to build new properties. This is explained in more detail later in this chapter.
- 4.43 The ability of both housing associations and local authorities to borrow in order to fund new homes is clearly linked to their income. It is therefore important that our new rent policy supports the development of new affordable homes.



increasing the supply of homes

- 4.44 Our “Houses into Homes” programme to bring empty properties back into use is another example of our innovative approach. It uses loans instead of grants. When the loans are repaid, the money is available to help more owners to improve their property to house someone in need of a home. The programme is described in more detail later in this chapter.
- 4.45 Taking into account all the work on innovation and new finance detailed above and the need to ensure housing is prioritised by all key partners. We have set a target for the development of new affordable homes of 7,500 over the term of this Government. This will include a significant amount of social rented housing as well as homes at intermediate rent.
- 4.46 We will:
- Achieve 7,500 new affordable homes over the term of this Government.
 - Continue to look for ways of boosting investment in housing by taking a cross-Government approach.
 - Support and evaluate innovative models such as the Welsh Housing Partnership and the development at Ely Bridge, Cardiff.
 - Support the development of a Welsh Housing Bond.
 - Work with local authorities to enhance their potential to build new homes.

More land – more homes

- 4.47 Land is fundamental to the house building equation. The decision to release surplus public sector land for the building of new homes has already played an important role in delivering more affordable housing. In the last two years, more than ten sites have been transferred. Subject to planning agreements, these will deliver around 500 new affordable homes over the next five years. We are also working proactively on ways to utilise land owned by the Welsh Government for more housing as part of a cross-Government initiative.
- 4.48 With decreasing budgets it is essential that we use all assets available to us to increase the supply of housing, including land. The innovative model of Ely Bridge provides housing with no grant but utilises Welsh Government land. This model is scalable and we are working with other key landholders to consider this model and other models to increase supply.
- 4.49 We will accelerate our land release programme but our efforts alone are not enough. Local authorities and other public bodies also hold substantial blocks of land. A concerted effort is being made to identify surplus public land and buildings that could be utilised for other purposes. This includes the development of a database of publicly-owned land.



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4.50 At the same time, the Welsh Government's land release protocol will be updated to reflect this greater drive to use assets to achieve policy objectives. All relevant parts of the Welsh Government need to play their part in releasing land to support the increase of affordable housing. We need to ensure valuations for sales of sites are based on a predominantly affordable housing scheme and not a market housing scheme.

4.51 We will:

- Achieve 500 new affordable homes built on surplus public sector land.
- Support innovative models that utilise land and minimise grant to increase housing.
- Update the Welsh Government's land release protocol.
- Work with partners to identify and transfer more 'new' surplus sites for affordable housing.
- Expand the dedicated team dealing with the land release programme.

Co-operative housing

4.52 It is clear that, in a very different economic environment, we need to be more innovative about delivering more housing. Land must be used effectively and different sources of funding and new models need to be explored in conjunction with lenders and investors.

4.53 One such approach is co-operative housing, using limited equity models that are a form of "mutual home ownership" or rented or market co-operatives. Co-operative housing is prominent in Europe but not in the UK, contributing only 0.1 per cent of housing. However, Wales has a strong history of co-operatives and, more recently, of mutualism as a result of the large scale voluntary transfer of homes from local authorities to new housing associations. We must build on this.

4.54 Co-operatives housing provides a different way of living, giving people an alternative choice to the traditional landlord and tenancy arrangements. It can provide a more flexible tenure which would respond to peoples changing needs and financial circumstances.

4.55 We are already developing a portfolio of pioneer projects with the help of experts from the co-operative and housing sectors. These projects will result in democratic community membership, standards at least equivalent to those for social new build housing, and will be suitable for people on a range of incomes. We recognise that raising awareness and understanding of co-operative models so they become familiar and acceptable to people will need to be addressed as part of our pioneer projects.

4.56 We are also considering the need for a new form of co-operative tenancy. The purpose would be to permit a member's right of occupancy to create an equitable interest in a co-operative's property, which can then be used as security for loans to buy a 'limited equity' stake in their home. As part of our work on co-operative housing, we have identified an important role for community land trusts in facilitating such developments and in helping local communities to meet their housing needs. We have also identified the need to define them more clearly.



4.57 The new form of tenancy would not be subject to the enfranchisement rights allowed under a normal lease, which threaten the ownership of the freehold by the co-operative. Alongside this, we are also planning to improve the housing system by reforming laws relating to rented homes. This is explained later in this Chapter. It builds on the recommendations of the Law Commission⁸ and would also benefit co-operative housing.

4.58 We will:

- Deliver 500 new homes through our pioneer projects on co-operative housing as part of action to achieve our affordable housing target.
- Enable a new co-operative housing tenure.
- Define Community Land Trusts.

Supporting home buyers and house builders

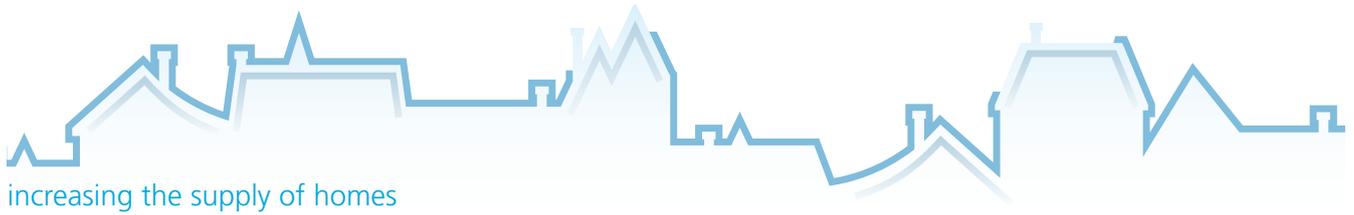
4.59 A barrier to increasing the supply of housing is the inability of potential homeowners to secure a big enough deposit to purchase a house. The housing market has become relatively stagnant and the Welsh Government is keen to examine options to stimulate the market, bearing in mind financial constraints. We are therefore in the process of evaluating schemes that have been developed elsewhere in the UK. These involve governments and developers contributing a small percentage of the purchase price to a fund to indemnify against losses in cases of repossession.

4.60 Subject to resolving any legal issues, we are considering support for the building of new homes by introducing a scheme that will provide guarantees for mortgages of up to 95 per cent loan-to-value for new build properties. The scheme will be crafted to meet the needs of Wales and support the Welsh economy. A relatively limited financial contribution is required by Government to assist households, based upon the estimated default rate. We are aware that it will not suit everyone. We are also mindful of the need to avoid situations where people find themselves at some point in negative equity or under pressure with future mortgage repayments.

4.61 We are also supportive of local authorities introducing their own Mortgage Scheme. Aimed at first time buyers, such schemes provide help for potential buyers who can afford mortgage payments, but do not have the necessary deposit.

4.62 We are well aware of the pressures on both affordability and supply, that exist in rural areas. This has long been a concern to both communities and housing authorities and remains so. Limited housing supply tends to put house prices well out of reach of local people, particularly younger people, due to relatively high price to income ratios. Also, the higher than average costs that can be incurred in building in rural areas. We will ensure the new scheme will work as effectively in rural areas as in urban areas.

4.63 We will explore with housing associations how they might operate in the private rented sector, including the provision of accommodation at market rents. This will help to increase people's access to good quality, well managed accommodation. Building on the good examples of social lettings agencies that already exist, utilising associations' management and support skills and capacity, can help broker effective tenancy



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arrangements between private landlords and tenants. This has potential to attract new investors into the buy-to-let market.

4.64 The private rented sector is increasingly important but suffers from a poor image. We cannot directly influence its contribution to the supply of homes but we can help to create conditions which could encourage new landlords to invest. Our proposals to address this are set out in Chapter 6.

4.65 We will:

- Consider support for a new scheme which will provide guarantees for mortgages for first time buyers of up to 95 per cent loan-to-value for new build homes, tailored to the needs of Wales.

Bringing empty homes back into use

4.66 There are 22,000 private sector homes in Wales which have been empty for more than six months. Empty homes are a wasted resource. They can also cause a nuisance for communities.

4.67 We have already taken a significant step to address this. We have already delivered on our manifesto commitment to launch a national empty homes programme. Supported by £5 million of new investment in 2012-13, the new “Houses to Homes” programme is being delivered in conjunction with local authorities and others.

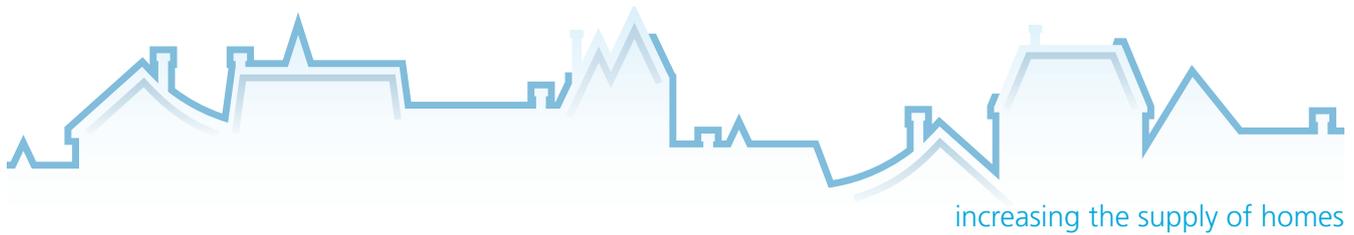
4.68 “Houses to Homes”, the UK’s first national programme to tackle empty homes, will provide property owners with loan funding to improve their property for sale or rent. When loans are repaid, the money will be recycled into new loans for other owners of empty homes. In line with the Welsh Government’s commitment to collaborative regional working, the programme is being delivered by local authorities working together in six areas, allowing resources and expertise to be shared.

4.69 The new programme provides local authorities with an additional means by which they can bring properties back into use. It complements the range of enforcement measures to which local authorities already have access. These include advice and guidance, Empty Dwelling Management Orders, the enforced sale procedure and, in more extreme cases, Compulsory Purchase Orders.

4.70 To encourage local authorities to do as much as possible to tackle the problem of empty homes, we have decided to provide them with an additional tool to tackle this problem. We plan to give local authorities a discretionary power to levy more than the standard rate of council tax on properties that have been empty for more than a year.

4.71 We will consult on the detail and will propose exemptions where there are good reasons for a property being empty. Where owners are content to keep properties empty for longer than a year, local authorities will be allowed to charge more than the standard rate of council tax.

4.72 We would expect any additional revenue raised to be channelled into addressing problems caused by a lack of affordable housing in the local authority’s area.



4.73 We will re-emphasise to local authorities that they have the power to share data on empty homes across different teams to enable them to be brought back into use.

4.74 We will:

- Bring 5,000 empty properties back into use through the “Houses into Homes” programme.
- Provide local authorities with a discretionary power to levy a higher rate of council tax on properties that have been empty for more than a year.
- As part of the strengthened duty on the strategic housing role of local authorities, we will require local authorities to identify the number of empty homes in their areas and take action to bring them back into use.

Using empty shops and commercial properties

4.75 Town centre regeneration, and using empty shops, commercial premises and land in and around town centres to provide more homes, has unrealised potential. In addition to homes, such developments would breathe new life into town centres, many of which are suffering from the recession and the development of out-of-town shopping centres.

4.76 The Town & Country Planning (General Permitted Development) Order 1995 has been the subject of consultation in England. It related to possible changes to the “Use Classes Order”, which grants rights to changes of use from commercial to residential. This would allow changes of use without the need for planning permission, which could speed up developments. Our Housing and Planning divisions are considering the relevance and use of the changes, which can be made within our current legislative framework.

4.77 Over and above our existing programmes, the new Regeneration Investment Fund for Wales has the potential to stimulate and support developments. A Limited Liability Partnership owned by the Welsh Ministers, it was established as part of the European Union’s “JESSICA” urban renewal programme. While housing developments as such are outside the scope of eligibility for EU funding, the Fund can support mixed-use developments inside the Convergence area. When loans are repaid, there are no restrictions on the Fund’s investments.

4.78 We will:

- Make full use of the Regeneration Investment Fund for Wales to support town centre regeneration and opportunities to expand its role using European Structural Funds and other funding.

Making better use of the existing stock

4.79 There is much to do to increase the number of homes but that alone is not enough. We must make the best possible use of existing homes. The recession and Welfare Reform have increased the risk of rising rent arrears and potential evictions. It is estimated that,



increasing the supply of homes

as a result of the reforms, some 50,000 tenants may have to contribute towards their rent out of existing and often declining benefits, increasing the likelihood of homelessness.

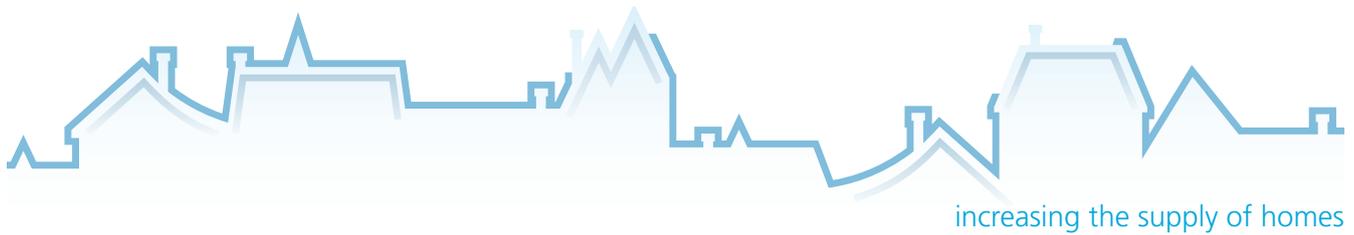
- 4.80 Local authorities and housing associations should be developing an accurate picture of under-occupancy in their housing stock. This will be assisted by funding provided to local authorities to undertake some research into under-occupancy as part of work to mitigate the impact of Welfare Reform.
- 4.81 The changes to Housing Benefit affecting tenants in under-occupied homes; that is, with more bedrooms than they need, are significant. The implications of the so-called 'bedroom tax' suggest the need for a more pro-active approach. Finding ways of enabling people to move to homes they can afford and which are suitable for their needs will be crucial to preventing homelessness.
- 4.82 A new Code of Guidance on the Allocation of Social Housing encourages this. However, while action has been taken to encourage tenants to downsize, there has so far been relatively little take-up.
- 4.83 Pilot projects in three areas are assessing the scale of under-occupancy, establishing incentive schemes to allow people to move and identifying smaller properties that will allow moves to take place. Learning from these pilots will be widely disseminated.
- 4.84 The four internet-based service providers are working together to assist the mutual exchange of homes by tenants. This extends the opportunities and choices available to tenants and may help to increase social mobility within social housing as well as addressing issues of under-occupancy. Some landlords do not currently subscribe to such services. We encourage them to do so.

4.85 We will:

- Build on existing initiatives to address under-occupancy and ensure that learning and good practice is disseminated widely.

Leasehold

- 4.86 As stated earlier, people's housing options are changing. Recent years have seen a marked expansion in flats and apartments as well as increased provision of shared equity and other entry level schemes. This trend is expected to continue, with additional options such as co-operative housing being developed. This means that more people have entered into leasehold arrangements. It is estimated that there are now some 200,000 leaseholders in Wales and whilst many of these leasehold arrangements work well, some lead to disputes that cause worry, expense and, in some cases, hardship for those concerned.
- 4.87 Many disputes arise because of a lack of understanding of the roles and responsibilities of leaseholder and freeholder whilst others are purely due to the unreasonableness of service charges. In addition, there is no doubt that some arise as a result of the dubious practices of freeholders and/or their management agents.



- 4.88 We are committed to involving people in determining the services and support arrangements that affect their daily lives. This commitment applies equally to leaseholders as it does to tenants in the more traditional sense. We have concluded that more needs to be done to strengthen the advice and support that is available to leaseholders. This is an important element of the more comprehensive housing advice service for all tenures and in all areas, so individuals can access and receive consistently good assistance.
- 4.89 Our priority is to prevent problems from occurring in the first place but we accept that issues can and will arise. Where they do, it is important that people can access to timely and accurate advice. We will therefore work even more closely with the Leasehold Advisory Service (LEASE), a Non-Departmental Public Body that provides free, impartial legal advice to leaseholders, landlords, professional advisers, managers and others on the laws affecting residential leasehold.

4.90 We will:

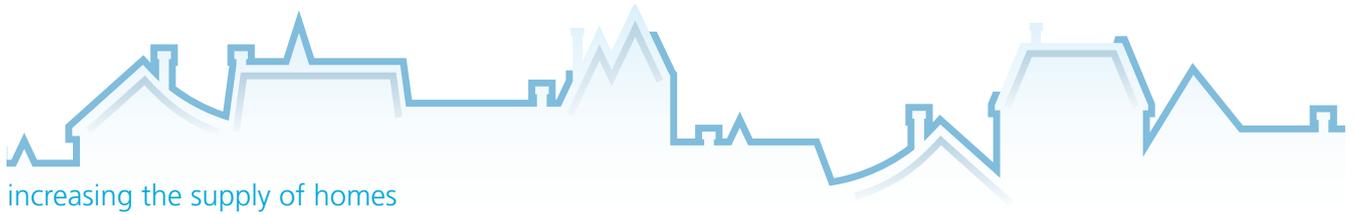
- Enhance the assistance available to leaseholders by expanding the work undertaken in Wales by LEASE, The Leasehold Advisory Service.
- Work with LEASE to gather further evidence on the scale, volume and nature of leasehold problems to inform further action, with a view to considering leasehold reform.

Reforming the Housing Revenue Account Subsidy system

- 4.91 In 2011-12, some £73 million of rental income received by those local authorities that still own their own housing stock was returned to the UK Government under the Housing Revenue Account Subsidy system. This is a significant barrier to the ability of local authorities to invest in building more homes and to bring their existing homes up to the Welsh Housing Quality Standard. It must be reformed and we are committed to doing this.
- 4.92 Negotiations are underway with the UK Government on a financial settlement that would bring an end to this practice and allow us to maximise the resources available to Welsh local authorities to invest in more and better homes for the people of Wales.

4.93 We will:

- Work closely with local authorities, the Welsh Local Government Association and the UK Government to abolish the Housing Revenue Account Subsidy system.
- Finalise the negotiations on a financial settlement with the UK Government.
- Implement the legislation necessary to change the Housing Revenue Account Subsidy system, subject to negotiations with the UK Government.



A new approach for social housing rents

- 4.94 Since 1989, the vast majority of new social housing has been developed by housing associations and funded by a mixture of Social Housing Grant, private sector borrowing and landlords own cash resources. During these current difficult financial times, our Social Housing Grant budget is reducing whilst demand for housing is increasing. That is why we need to do more with less.
- 4.95 We want to encourage landlords from both sectors to be creative in meeting and maintaining the Welsh Housing Quality Standard and developing more social and affordable homes. In this context, we want to ensure that the income that landlords collect from rents for their social housing is based on a policy framework that is consistently applied to both housing association and local authority sectors. We want it to be fair to both landlords and tenants and for rent to remain affordable for tenants on low incomes. However, the tension between these principles is difficult to balance.
- 4.96 Last year, we consulted upon a proposed new policy for social housing rents that sought to provide a coherent and consistent framework for rents in both sectors that would reflect variations in the type, size, quality and location of the landlord's homes. Whilst the policy proposals have been revised in light of consultation responses, the key principles and structure put forward in the consultation document have been maintained. The changes we have made will be detailed in the final policy for social housing rents and we will shortly be providing landlords with indicative rents for 2012-13. This will enable landlords to consult with their tenants on how the policy will be taken forward at the local level for implementation in April 2013.
- 4.97 The current local authority and housing association rent policies have evolved over many years. The way that service charges have been dealt with, the underlying rent policy approach and the legislative powers for each sector was entirely different and this necessarily limited earlier attempts to achieve greater consistency between the two sectors given that both provided for households in need.
- 4.98 We believe that tenants should be charged a similar level of rent, receive the same level of service and standard of property regardless of whether they are with a housing association or a local authority. Whilst new Regulatory arrangements for housing associations examine the services provided to tenants, there are no similar arrangements for local authorities.
- 4.99 Local Authorities are constrained in the levels of rent they can set through the Housing Revenue Account Subsidy System. The new rent policy will therefore only be implemented for Local Authorities once the system has been dismantled. It is important that, once this has taken place, there are appropriate standards of performance and arrangements in place for the management of local authority rents.



4.100

We will:

- Enable Welsh Ministers to set standards for local authorities on rents, service charges and the quality of accommodation and place a duty on local authorities to comply with these standards.
- Provide Welsh Ministers with powers to ensure that local authorities comply with minimum/maximum rent levels or levels of increase or decrease.
- Provide Welsh Ministers with powers to ensure that local authorities maintain their properties and achieve standards on quality of accommodation.
- Enable local authorities to set rents that are above social rents; for example, at affordable or intermediate rent levels.
- Subject to discussions with the UK Government, make provisions that will enable local authorities to claim rent rebates when the Housing Revenue Account Subsidy system is abolished in Wales.

Standards of new homes

4.101

For several years, the Welsh Government has been driving up standards in the quality of new homes developed with public funding. Many more people now live in homes that are well insulated and cheaper to run, offering excellent space standards and flexibility to accommodate tenants changing needs. Although energy standards are now comparable in the private and public sector, there is still an increasing disparity between the size of public funded housing compared to private housing.

4.102

However, the rise in standards is often opposed by developers who are concerned that the requirements are unrealistic in cost terms, adding significantly to the challenge of delivering more homes of all types but specifically affordable homes and potentially making sites un-commercial for many companies. The challenge of reducing emissions, mitigating the effect of climate change and the need to develop smart energy solutions will mean that these tensions are unlikely to be resolved quickly.

4.103

Ensuring new homes have adequate space is vital for a good quality of life. This is important and a cross-Government approach will be essential.

Leading the way to smart living

4.104

Emissions from buildings in the domestic and public sectors alone account for over a quarter of total greenhouse gas emissions in Wales. The energy performance of buildings is therefore a major global focus for Government, industry and academia as energy performance is absolutely crucial in both tackling fuel poverty and delivering a low carbon future. It is also a major market opportunity.

4.105

To grasp this opportunity, it is vital that the development of smart buildings is linked with the development of infrastructure, including smart grid and broadband, to support and fully exploit it. Complementing our aim of Wales having the best broadband in



increasing the supply of homes

Europe by 2020 and providing a first class digital infrastructure that is a key feature of Delivering a Digital Wales, we will look at how infrastructure and buildings can combine to deliver smart living for Wales.

4.106 We will:

- Review the Welsh Government standards, the “Design Quality Requirements” for new affordable homes.
- Encourage the private sector to follow the lead given by Welsh Government in building to higher standards.

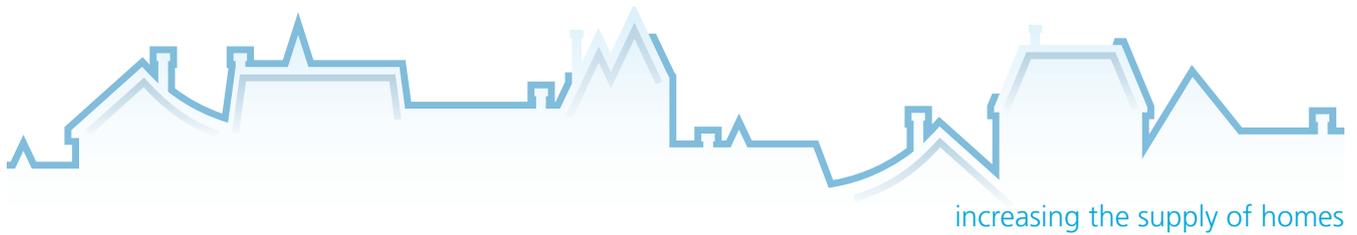
Tenancy reform

4.107 While we have a special interest in people whose needs cannot be met by the market, we are interested in the effectiveness of the whole housing system. We want to make the best use of existing housing stock, but at the same time, provide reasonable assurances for people who rent their homes. Discussions with many different organisations have highlighted the need to reform the laws that govern rented housing. Such reform would also help facilitate the practical implementation of flexible tenure. While a number of existing initiatives such as HomeBuy and intermediate rent (which can lead to home ownership), also provide flexibility of tenure, there remains work to be done to achieve greater flexibility of tenure for households.

4.108 Tenancy law is a critical element of the housing system and its efficiency. The current arrangements feature many different forms of tenancy within social housing and in the private rented sector. Current law is complex and not easily understood by tenants and landlords alike. It is not helpful to our quest for a more efficient housing system. Different tenancies cause people to resist moving between landlords, which can limit their choice of a home and the ability of local authorities to help people to find homes.

4.109 Disputes between tenant and landlord arise as a result of the complexities of current law. Joint tenancies can present difficulties in cases of domestic abuse or when parents split up. In some instances, for example in situations of relationship breakdown, the law actually puts individuals at risk of becoming homeless rather than being able to support a more sensible solution. With the demand, and indeed need, for subsidised homes far exceeding supply, the private rented sector is now a far more important part of the solution and the law needs to support this.

4.110 Many of the Acts are long and complicated. They have been subject to substantial amendment, which has added to their complexity. Several members of the judiciary have called for the law on renting homes to be simplified. The Law Commission’s proposals are seen as the basis for reform, having a considerable effect in reducing the cost, in judicial time and legal costs, of housing litigation. It would also improve people’s access to justice^{9,10}. Reform would also provide an opportunity to take into account the implications of Article 8 of the European Convention on Human Rights, which is relevant to current housing law¹¹.



- 4.111 In light of the above, we have considered very carefully the need for tenancy reform. We have revisited the Law Commission’s proposals, which were the culmination of five years’ work. They were based on simplifying the law, leading to clarity for tenants and landlords alike, and flexibility. Flexibility is particularly important to a more effective housing system.
- 4.112 The proposals were based on two model contracts. First, a “secure contract” modelled on the local authority tenancy agreement. This should reassure tenants in social housing that there are no plans to introduce the notion of fixed-term tenures, which have been proposed elsewhere in the UK. The second element was a “standard periodic contract” modelled on the assured shorthold tenancy that is used in the private rented sector.
- 4.113 If used as the basis for tenancy reform, the Commission’s proposals would:
- (i) Remove current distinctions between the different types of rented homes thus providing a single, much simpler, framework which reflects fairness and equality.
 - (ii) Provide people renting homes with clearer information about their rights and obligations, what they can expect from their landlords, and the circumstances in which contracts may be brought to an end.
 - (iii) Give more flexibility for local authorities, housing associations, and private landlords to operate in different local rental markets and to meet the housing needs of people in different circumstances, including those in need of key worker housing
 - (iv) Help people to move from supported housing to housing independence, while giving the providers of such housing a practical legal framework to achieve this goal.
 - (v) Increase the options available for ensuring that the rental sector plays its proper role in creating and maintaining sustainable communities.
- 4.114 The above offer more scope for the development of new housing policy initiatives and better opportunities for social landlords to become involved in rental markets. It will also provide a sound foundation for social landlords to be far more proactive in partnering with private landlords to improve people’s access to quality homes they can afford. The proposals are compatible with models of co-operative housing and can also be used in conjunction with new equity-sharing schemes.
- 4.115 The case for tenancy reform is a long-standing one. It would be a significant undertaking, which would affect some 350,000 people who rent their home. There is broad recognition amongst organisations active in the field of housing that the objectives underpinning the Law Commission’s proposals are right for Wales. There are mixed views on how quickly such changes should be introduced. We recognise this. It requires careful consideration and planning and is not something to be rushed. That said, neither is it something that should be set aside as too difficult.
- 4.116 We are prepared to take bold steps where the need for change has been identified and where it will result in a more efficient housing system. We can achieve this by a more integrated and consistent approach between more traditional social housing and the



private rented sector, taking into account the needs of both landlords and tenants. We wish to ensure that tenants benefit from a more consumer-orientated approach which provides tenants with adequate protection, particularly vulnerable people.

4.117 We will:

- Take forward tenancy reform, via a separate Bill, within the lifetime of this Assembly, giving consideration to the responses to this White Paper.

Park and mobile homes

4.118 Park homes are an important part of housing provision. They provide a home for around 10,000 people, many of whom are older and, in some cases, vulnerable persons. Most sites are well run, but the practices of some site owners are cause for concern, affecting residents, their lives and their financial situation. The unscrupulous behaviour of some site owners damages the reputation of other.

4.119 It is high time for new legislation to improve the reputation of the park homes sector. Existing legislation needs to be modernised. Our goal is to ensure that residents can enjoy their chosen style of home with reasonable protection against dubious practices.

4.120 A local authority does not currently have the power to consider the suitability of a person for a licence or to revoke a licence where, for example, a licence holder has been found guilty of a serious criminal offence. They have no powers to set standards for managing a site, although some aspects of site management are covered in the Model Standards and the Implied Terms, which were introduced in 2008 and 2007 respectively.

4.121 We believe that, in the interests of all residents and site owners, park homes should be subject to a more effective licensing regime. This view is shared by Members of the National Assembly for Wales, which voted to support a Member's Bill. While we were proposing to include new legislation in the Housing Bill, we have supported the Member's Bill. This reflects our priority is delivering results for people and not the means by which new legislation is introduced.

4.122 The outline of the Member's Bill was debated by the National Assembly for Wales in February 2012 and received unanimous cross party support. It will be introduced by November 2012. We will work with those involved to bring forward an effective piece of legislation.

4.123 We will:

- Support the introduction of new legislation on Park Homes through the Member's Bill.



Meeting the needs of Gypsy and Traveller communities

- 4.124 There are eighteen Gypsy and Travellers sites owned by thirteen local authorities, spread unevenly across the country. Demand for permanent residential sites outweighs supply. This results in unauthorised encampments which are illegal and unsafe for both Gypsies and Travellers and the surrounding communities. Currently, there are no transit sites to accommodate transient groups requiring short stay places. The last new sites were built in Carmarthenshire, Flintshire and Pembrokeshire in 1997.
- 4.125 Evidence in Gypsy and Traveller Accommodation Needs Assessments and Local Development Plans identifies a clear and urgent need for new sites. However, local authorities have been unable to progress plans to develop new sites. Current legislation imposes various duties on local authorities. It requires them to have regard to the provision of suitable and sufficient sites in their area but falls short of an explicit statutory requirement and problems are experienced when trying to obtain planning consent.
- 4.126 The situation cannot continue. Where the need for Gypsy and Traveller sites has been identified and not met by the relevant local authorities, we will place a duty on them to ensure they take action to provide them.

4.127 We will:

- Introduce a statutory duty on local authorities to provide sites for Gypsy and Traveller communities where need has been identified



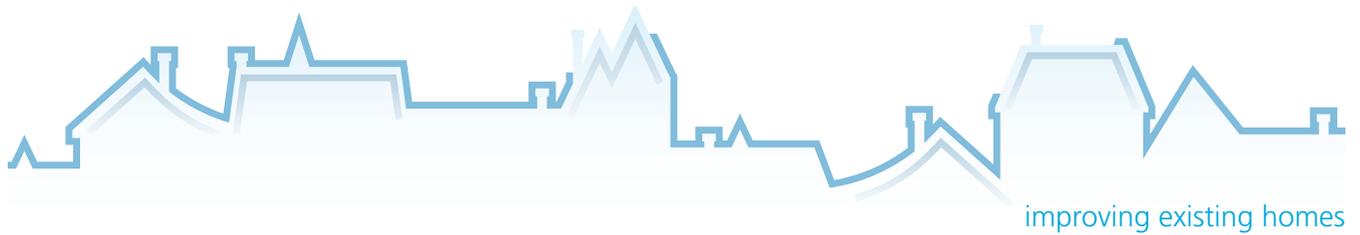
5. Improving existing homes

People should have a home that is affordable, suitable to their needs and in good condition irrespective of whether they rent or own it. The quality of housing has improved over the last twenty years assisted by the introduction of the Housing, Health and Safety Rating System and the Welsh Housing Quality Standard. Renewal Area programmes have also had an impact in specifically designated areas. But there is much more to do to address matters such as cold, damp and hazards, which have big impacts on people's health and well being.

Investing in housing adaptations and assistive technology can make a major contribution to independent living for disabled people and people who need additional support.

We have a particular responsibility for improving social housing but our commitment is not limited to that. Tighter public finances mean that in some cases, loans may have to replace more traditional grants but we will strive to find the best ways of helping people. We intend doing as much as we can to improve the conditions in private rented accommodation and helping owners to improve their properties.

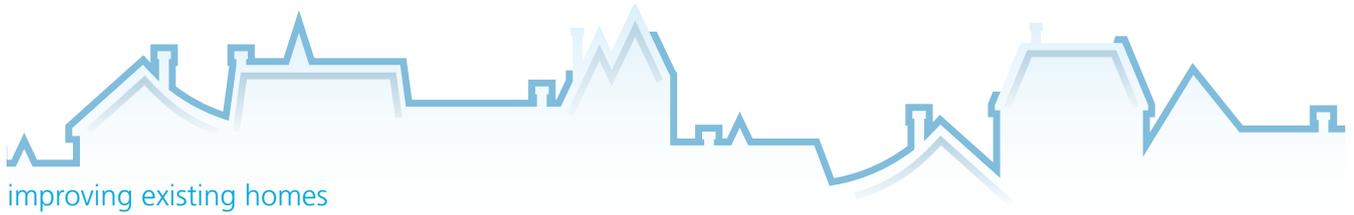
- 5.1 People need a decent home that is suitable to their needs, irrespective of whether they rent it from a local authority or housing association, from a private landlord, or whether they own and occupy their own home.
- 5.2 The condition of homes in Wales has improved significantly in the last twenty years but it remains a huge challenge. The age and condition of most homes means that significant improvements are needed, particularly in relation to energy efficiency and meeting people's needs.
- 5.3 The physical condition of a home affects people's health and well being. Poor conditions such as damp and mould affect physical health, particularly that of children. Poor health can, in turn, affect children's ability to learn and thus their future prospects. Problems with the condition of housing can lead to falls and other injuries and also affect people's mental health.
- 5.4 Excess winter deaths are linked with cold. Non-fatal cardiovascular and respiratory diseases are linked to cold, which exacerbates existing conditions such as arthritis and rheumatism, increased blood pressure and risk of stroke, and social isolation. Cold also has an adverse effect on children's education and nutrition¹². Other research reports people's mental health is also harmed by fuel poverty and cold housing in all age groups¹³.
- 5.5 Overcrowding can result in ill health¹⁴. Among those at greatest risk are immigrants, refugees and ethnic minority groups; this is partly because overcrowded homes may be accepted as temporary accommodation by new arrivals, particularly those from ethnic minority communities¹⁵.
- 5.6 Over the last twenty years or so, there has been a steady improvement in the quality of housing. In 1986, just under one in five of all dwellings were deemed to be unfit. By 2008, it had fallen to one in twenty-five¹⁶. The conditions vary by tenure. For example, in 2008, around one in ten private rented dwellings were classified as unfit.



- 5.7 We remain concerned about the quality of all housing. Our resources are limited and priorities must be set. However, we remain committed to doing as much as we can to improve housing. We will build on past work, which has contributed to the improvement in housing conditions. We will target our resources carefully to ensure that we can help those who need it most, particularly those on low incomes who do not have the cash or cannot easily borrow the money to fund improvements.
- 5.8 Two key measures of housing quality are the Welsh Housing Quality Standard, which applies to social housing, and the Housing, Health and Safety Rating System, which applies to all homes, whether rented or owned by the occupier.

Improving all housing

- 5.9 The Housing, Health and Safety Rating System, which was introduced in Wales through secondary legislation in June 2006, enables local authorities to target conditions in residential properties that pose a risk to the health or safety of the occupiers. It covers social housing as well as other homes, including private rented accommodation and owner-occupied homes. Risks to the most vulnerable residents, older people and the very young for example, are a particular feature of the System.
- 5.10 The System assesses the likelihood of a hazard occurring and the harm that may result. Both are important. Children need safe homes with space to play and learn. Older people need homes that can be adapted to help them to live independently for as long as possible. Disabled people need homes that are accessible and meet their needs, allowing them to live independently.
- 5.11 While the condition of owner-occupied homes is primarily a matter for the owners, social responsibility is high on our agenda. For other reasons set out below, we are committed to doing as much as we can to improve the quality and standard of all housing, including their energy efficiency. This includes new homes, the quality of which will be determined by the Welsh Government's building regulations, but importantly, existing homes.
- 5.12 Encouraging owners to improve or adapt their homes can be difficult, particularly where their financial means are limited. The challenge is greater for us given that our housing is relatively old.
- 5.13 The private rented sector is one of extremes; very good at one end and very poor at the other. The latter, which is often home to vulnerable people and those who rely on housing benefit to keep a roof over their head, is our priority. The proposals set out in Chapter 6 will improve the practices of landlords and letting agents across the sector but we also expect them to lead to improvements in the condition of properties.
- 5.14 There is a compelling case for improving people's housing. It benefits people's overall quality of life but it also brings with it real benefits for people's health and well being, both physical and mental.
- 5.15 Access to good-quality and well maintained urban green spaces increases the use of public spaces which promotes physical activity. A 2010 report by the Design Council and the Commission for Architecture and Built Environment¹⁷ concluded that improving urban green space represents an important and cost-effective opportunity for people to transform their local neighbourhoods and improve their quality of life. This includes



developing positive mental wellbeing, healthy childhood development and the social integration of older people. We need to make better use of such opportunities. In addition, we are aware of the need for good design of homes and the benefits that come from this.

- 5.16 Poor housing conditions, particularly hazards, create unnecessary demand on the NHS and on social services; demand that is preventable. In addition to the benefits to individuals and communities, there is a very good financial case for investing in housing and housing-related services.
- 5.17 Care and Repair Cymru has estimated that our Rapid Response Adaptations programme, which is delivered by local Care and Repair agencies, saves £7.5 million for every £1 million invested, from savings from preventing people going into hospital in the first place and speedier discharge from hospital.
- 5.18 Every year, one in three people over 65 and almost one in two over 85 experience falls, many of which are preventable¹⁸. The average cost of a fall at home that results in a hip fracture is nearly £29,000, which is over 100 times the cost of installing hand and grab rails in an average home. Hip fractures are also the trigger for entry into residential care in up to 10 per cent of cases. Postponing entry into residential care for one year saves an average of £28,000 per person. Adaptations can reduce the need for daily visits and reduce or remove costs of home care, with savings ranging from £1,200 to £29,000 a year.
- 5.19 The number of house fires in Wales responded to by our fire and rescue services has reduced steadily since 2004-05, from 2,592 a year to 2,042 in 2010-11. Even so there are still too many house fires and collaboration between public services is essential to raising the public's awareness of risks and reducing the consequences of fires.
- 5.20 The introduction of domestic smoke detectors, together with a plan by householders of what to do when the alarm sounds, has made a major contribution in reducing fires, injuries and deaths from fires in the home. However around 40% of the fires in homes attended by the fire and rescue services in Wales did not have adequate smoke detectors installed. The fire and rescue services are committed to working with all partner agencies to address this and reach a stage where all homes in Wales are protected by properly installed and working smoke detectors.
- 5.21 A measure was approved by the National Assembly for Wales on 16 February 2011 to introduce a requirement for the provision of automatic fire suppression systems in new and converted residential premises in Wales.
- 5.22 In January 2012, the Welsh Government commissioned the Building Research Establishment to undertake a cost benefit analysis to inform future decisions on regulating to require the installation of residential sprinkler systems. The report is currently being considered.



5.23

We will:

- Work with local authorities to develop a nationally-branded, locally-delivered, “Property Improvement Loan” scheme so that people have the opportunity to benefit from it wherever they live.
- Build on work that has been already undertaken towards commissioning a stock-condition survey to provide an updated picture of the overall quality of dwellings in Wales.
- Continue to work with the Commission for Architecture and Built Environment and the Design Commission for Wales to promote the benefits of good design for homes and public spaces.

Improving social housing

5.24

The Welsh Housing Quality Standard was introduced in 2002 to improve the quality of social housing. It set a minimum standard for all homes provided by local authorities and housing associations. The target date for all social housing to meet the Standard was 2012.

5.25

The core elements of the Standard are a home that are in a good state of repair, is safe and secure, adequately heated, fuel efficient and well insulated. The home should also contain up-to-date kitchens and bathrooms; and be well managed. The minimum requirements in Wales are more challenging than standards in force elsewhere in the United Kingdom.

5.26

The Standard has been instrumental in improving social housing, but, as pointed out in the Auditor General’s report¹⁹, the 2012 target will not be met. According to landlords’ projections, 98 per cent of housing association owned homes and 51 per cent of local authority owned homes (79 per cent of all social housing) will meet the Standard by 2017. The majority of homes that will not meet the Standard by 2017 are owned by local authorities that have retained ownership of their housing stock.

5.27

There is still much to do. We need to ensure that the Standard is achieved by all local authorities and housing associations by 2020. Three local authorities are currently unable to produce acceptable business plans to meet this date. This is a matter of concern. We have concluded that it is important enough to warrant the establishment of a Ministerial Task Force to help these local authorities to identify options and to produce a costed plan to meet Welsh Housing Quality Standard by 2020.

5.28

Monitoring of social landlords who are unable to meet the standard by 2012 but who are able to meet the standard before 2020 will continue, with more robust mechanisms in place to capture the data and to clarify ‘acceptable fails’.

5.29

Understanding the views of tenants receiving the improvements to their homes and ensuring value for money is achieved is also very important. The Welsh Tenants’ Federation and Inform to Involve are working with tenants and other key partners to ensure the tenants voice is heard and landlords respond to feedback on value for money.



improving existing homes

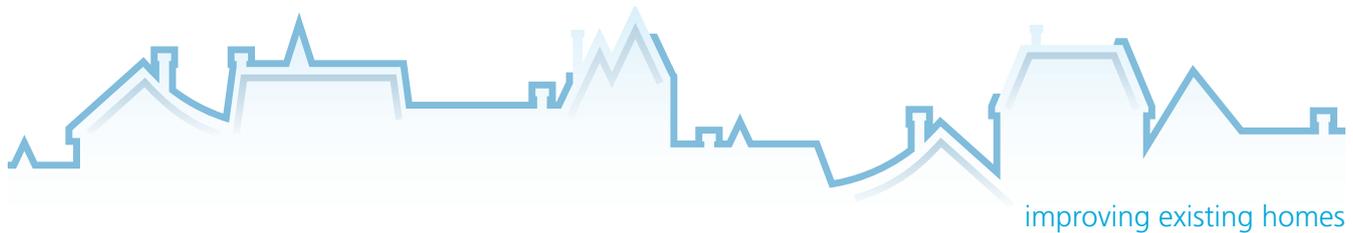
- 5.30 The community benefits arising from the significant investment in housing has been recognised and we must ensure we maximise housing improvement investment and capture information to demonstrate its significant impact on not only the economy but also capturing the social and environmental benefits.
- 5.31 We remain fully committed to the Welsh Housing Quality Standard as the means of ensuring that tenants in local authority and housing association homes have, and can benefit from, living in a decent home.

5.32 We will:

- Work with those landlords that are unable to achieve full compliance with the Welsh Housing Quality Standard by exploring policy options that could help overcome the barriers to full achievement.
- Set up a Ministerial Task Force to support the achievement of the Welsh Housing Quality Standard.
- Improve the monitoring of landlords' compliance with the Standard and publish the results annually.
- Promote and evaluate the achievements of wider benefits from the Welsh Housing Quality Standard.

Helping people to live independently in their own home

- 5.33 Homes may need to be adapted to meet people's changing needs in order for them to remain in their own home for their lifetime or for as long as possible. These are often minor works but in some cases, can be more substantial. Either way, services and grants for this purpose make a huge difference to people's lives. In 2010-11, expenditure on Disabled Facilities Grants was almost £35 million, which was higher than the 2009-10 figure of £33 million.
- 5.34 The Independent Living Grant programme, which was launched in 2011 with an additional £1.5 million of funding, has helped more than 300 people²⁰. Around half of those who benefitted from the programme were on the waiting list for adaptations to their property through Disabled Facilities Grants. Nearly one in five were referred by hospitals as an adaptation could help the individual to live as independently as possible.
- 5.35 The adaptations installed ranged from showers and stair lifts to grab rails and ramps. More than a third of jobs were completed within four weeks and a further third within eight weeks. The risk of falls was reduced in 90 per cent of cases and the risk of readmission to hospital in 84 per cent of cases. In 47 per cent and 44 per cent of cases, there was a reduced risk of the need for home-based care or a move to nursing care respectively.
- 5.36 Help for people to live independently in their own homes is currently provided through a range of capital grant programmes. These include statutory Disabled Facilities Grants, Physical Adaptations Grants, and the Rapid Response Adaptations Programme. The Care and Repair agencies throughout Wales undertake most of the work. We will continue



to monitor performance on these grants to ensure that the grant systems work as efficiently as possible to meet people's needs, and will review the full range of grants to identify the scope for further improvements. For example, while the time taken to deliver Disabled Facilities Grants has shown a marked improvement in recent years, big differences still exist between local authority areas.

5.37 In the case of social housing, adapted homes that become vacant are particularly important to meet the needs of disabled people in need of a suitable home. Some local authorities have developed Accessible Housing Registers to be able to quickly match people's needs with suitable homes. This requires local authorities and housing associations to collaborate in keeping up to date information on their stock and people's needs. Working effectively can improve value for money from adaptations and ensure the best use of the existing stock.

5.38 We will:

- Review the range of aids and adaptations programmes, to secure further improvements in delivering services, and the contribution they make to independent living and to the work of the NHS and social services.
- Ensure there is an Accessible Housing Register covering every local authority area, based on good practice and collaborative working.

Housing-led regeneration

5.39 Housing infrastructure, whether new build or improvement of existing property, all contributes to regeneration, whether in the social or private sector. Renewal Areas have made a significant contribution to improving the condition of privately-owned housing in specific designated areas. To date, fifty-seven areas have been declared, covering around 62,000 houses in both urban and rural areas. Twenty one have been completed. They are supported by Welsh Government funding as well as local authorities' own funding. Some have been successful in drawing in private finance. There are good examples of long-term sustainable regeneration and evidence of health improvement for those who have benefitted from improvements to their homes.

5.40 In 2010-11, £24 million was provided to these areas. This was a decrease of 5 per cent on that spent in 2009-10. Tighter public finances mean that expenditure could continue to decline. Alternative ways of helping people to improve their homes are needed. We expect the shift from grants to recyclable loan funding to continue. Some authorities already operate property improvement schemes.

5.41 Our holistic approach to regeneration means it is about much more than physical regeneration. Housing-led regeneration driven by joint working across departments has been a success. Rhyl and Swansea, both of which suffer from significant deprivation, are good examples.

5.42 The Welsh Government North Wales Coast Regeneration Area is leading on work in Rhyl West, the most deprived ward in Wales. Worklessness is very high. Levels of crime and anti social behaviour are well above average, and the area suffers from a poor



improving existing homes

reputation, which impacts on the economic potential of the town. Action is addressing the poor quality private rented flats and bedsits, which have been used to house people with few choices about where they can live. Supported by new investment of £10 million, a number of houses in multiple occupation and other properties in poor condition have been acquired. Up to 61 properties will be demolished creating much-needed green space and other redevelopment land to assist in the holistic regeneration of this seaside town, while a further 52 will be redeveloped to provide high quality family homes.

- 5.43 In Swansea, the £25 million Urban Village is a cultural-led regeneration project that goes hand-in-hand with housing-led regeneration. It will be the home of a “Creative Industries Hub”, designed to incubate and stimulate development business in Swansea. The residential element of the project has 76 flats, supported by £6.2 million of Welsh Government funding. Our Swansea Regeneration Programme kick started the project by providing nearly £1 million to assist demolition work and the construction of retail units and office accommodation on High Street. The project is strong on the creation of jobs and training opportunities. It will create 320 construction jobs plus around 400 full and part-time jobs once completed.

5.44 We will:

- Consider how Renewal Area funding can be used to best effect for housing-led regeneration in our major review of regeneration policy.

Tackling fuel poverty

- 5.45 Excessive cold is a particular problem, and is one of the highest rated hazards in the Housing, Health and Safety Rating System. A home in poor condition means it can be difficult and expensive to keep warm. Heating bills can drain people’s income, landing them with heating bills that are disproportionate to their income, diverting income that could be spent on food and other essentials. Fuel poverty is therefore of increasing concern. It is a complex problem and, arguably, distinct from income poverty. While low income is a key predictor of fuel poverty, other factors such as energy efficiency, the size of a home, and fuel prices are key factors.
- 5.46 In 2010, an estimated 332,000 households – just over one in four – were in fuel poverty, which is defined as having to spend more than 10 percent of their income (including housing benefit and income support) on fuel in order to maintain satisfactory heating in their home. This is a worryingly high figure and with fuel costs continuing to rise, is of great concern. As already said, it is a major problem when trying to tackle emissions and climate change. Pensioners make up the highest proportion of the fuel poor but it is also relatively high in single person households who are not of pensionable age.
- 5.47 Inevitably, the age of a dwelling is strongly linked to its energy efficiency, Our relatively old housing stock is a substantial challenge as is rurality, given that more than half of households use a fuel other than mains gas. More than half of households in rural areas do not use mains gas as their heating fuel, compared to just 5 percent in urban areas.

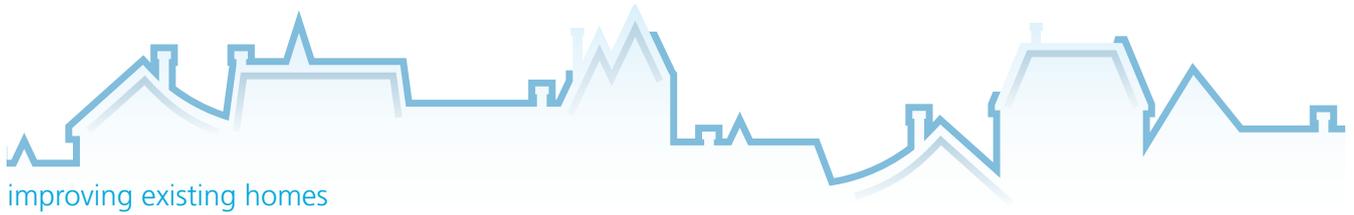


Other fuels are typically more expensive, which puts greater emphasis on the importance of energy efficient, well insulated, homes.

- 5.48 The majority of fuel-poor households are owner-occupiers but many can also be found in private rented accommodation. The latter consistently have the poorest energy efficiency ratings. Overall, local authority and housing association dwellings have higher than average energy efficiency ratings.
- 5.49 Our commitment to tackling fuel poverty is set out in our Programme for Government and in our Fuel Poverty Strategy. Our groundbreaking “Arbed” programme has already done much to help people reduce heating costs.
- 5.50 The programme’s second phase - a £45 million programme supported in part by the European Regional Development Fund – will improve the energy efficiency of a minimum of 4,790 homes by the end of 2015. It will deliver a rolling programme of area-based schemes in communities, estates and streets, characterised by a concentration of low income households and hard-to treat homes. At least 50 per cent of the homes supported will be privately owned properties
- 5.51 We are investing up to £100 million in “NEST”, our fuel poverty scheme, over the next five years. It will target those households most in need but is designed to ensure that all households in Wales can access advice and support to help reduce their fuel bills. We also help fund the Energy Savings Trust to provide free, independent advice to householders on how to save energy, reduce energy bills, and reduce green house gas emissions.
- 5.52 We are also taking action to ensure that people benefit from UK-led initiatives such as the new Energy Company Obligation, which will replace the Carbon Emission Reduction Target (known as “CERT”) and the Community Energy Savings Programme (known as “CESP”), and the Green Deal.
- 5.53 The UK Energy Act 2011 places commitments on private sector landlords to make their properties more energy efficient. It will complement the action we are taking to improve the quality of accommodation in the private rented sector (Chapter 6 refers). The intention is that by 2016, landlords will not be able to turn down any reasonable request from tenants to make improvements to their property. By 2018, landlords will not be able to rent a property that does not meet a specified level of energy efficiency. We will promote the Green Deal through our registration scheme to enable landlords in Wales to be ahead of the game.

5.54 We will:

- Explore the use of European Community funds as a source of additional investment to improve energy efficiency by housing associations, local authorities and others.
- Continue to drive improvements in the energy efficiency of private and social housing through the NEST and Arbed programmes
- Continue to work across Government to ensure energy efficiency programmes have the greatest impact on those living in fuel poverty.



improving existing homes

Creating jobs and training opportunities

- 5.55 The benefits of improving homes are not limited to those who live in them. Pioneering work in Wales by the “i2i” initiative has brought with it considerable benefits through a targeted recruitment and training approach using the “Can Do” toolkit in procurement. Between September 2008 and December 2011, more than 2,500 jobs, apprenticeships and other training opportunities were created for unemployed people. Around 1,400 were created in the last year despite a recession. The Skills Levels required for these jobs and their quality will continue to increase as advance materials and construction techniques are introduced.
- 5.56 Landlords anticipate spending some £2.5 billion to meet and maintain the Welsh Housing Quality Standard over the next four to five years. This is a significant investment which can be used to generate even more jobs and training opportunities while at the same time boosting skills in local businesses and in the construction sector more generally.
- 5.57 We have already stated in our manifesto our commitment to roll out the “Can Do” toolkit across public sector providers.
- 5.58 We will:
- Work with Value Wales to develop a clear framework for assessing value for money and ensuring the wider community benefits, including jobs and training opportunities, are embedded in public sector procurement practice.



6. A better private rented sector

Private rented accommodation provides a home for a significant number of people. It helps prevent homelessness, supports labour markets and the economy, and provides accommodation for students attending Welsh universities. It is a vital part of housing provision. But problems exist with the quality of accommodation and with the practices of some landlords and letting agents. Generally speaking, the sector is not viewed as a good option for a home but for many people, there is no other option. For some time there have been calls for action to improve the sector. That time has come.

As announced at the outset of the Welsh Government's legislative programme, we will modernise legislation for the private rented sector. Proposals take into account the views of those who have an interest in the sector and our commitment to fairness and equality, irrespective of whether someone owns or rents their home.

Our proposals will improve the quality and management of privately-rented homes, which will benefit those who rent from private landlords, including some of our most vulnerable people. Developments will also help increase the supply of homes for people whose needs cannot be met by the market.

- 6.1 Properties rented from private landlords provide homes for a significant number of people; accounting for around one in seven of all homes in 2010-11 which is approximately 182,000 homes²¹. Over the last decade privately rented dwellings have almost doubled, increasing by more than 90,000 homes. This includes both traditional homes and Houses in Multiple Occupation in Wales in 2010-11.
- 6.2 Several factors have contributed to the increased number of homes in the sector. The "buy to let" boom fuelled by relatively easy access to mortgages has perhaps been one of the more significant factors. There are signs that the "buy to let" is gaining strength again but within a fragile housing market.
- 6.3 Private rented accommodation caters for many different people. They include high-income renters, young professionals, and students, to people on housing benefit and those needing temporary accommodation, some of which may be subsidised by the Department for Work and Pensions. It also caters for immigrants and asylum seekers for whom there are few options²².
- 6.4 The economic downturn and tighter lending criteria mean that more and more people, particularly young people, have to look towards the sector for a home. Home ownership remains the aspiration of most young people and the foundation for starting a family, but it is increasingly out of reach. As a result, low-to-middle earners are becoming more reliant on the private rental sector to provide an affordable, long-term home²³.
- 6.5 On the positive side the sector can offer greater choice of location of properties than social housing and usually quicker access. It can help people to become more independent and good examples exist of the role it can play in preventing homelessness including rough sleeping. However there are concerns about quality, insecurity of tenure and the practices of some landlords and lettings and management agents. As a result prospective tenants can be suspicious of the sector as a housing option.



a better private rented sector

- 6.6 Some people take up private rented accommodation through the market, either directly with landlords or through commercial lettings agents. Others do so through initiatives such as social lettings agencies and private sector leasing schemes. Leasing schemes enable local authorities to provide accommodation for homeless families. The scheme is often managed by a housing association, which helps ensure properties are well maintained.
- 6.7 There are good examples of social lettings schemes, including those that house people with high support needs such as drug and alcohol misuse. Such schemes have helped to change the perception of landlords, who are now confident to make their homes available to vulnerable people. They are making an important contribution to preventing homelessness and repeat homelessness.

Landlords and letting agents

- 6.8 Landlords vary considerably in terms of the number of properties they own and their reasons for being a landlord. In broad terms, they can be grouped into four main categories²⁴:
 - (i) Business landlords - letting provides most of their income and they see their property as an investment.
 - (ii) Sideline investor landlords - let property as a part-time activity and typically own a small number of rental properties.
 - (iii) Sideline non-investor landlords – have become a landlord for varying reasons e.g. inheriting a property.
 - (iv) Institutional landlords - large-scale, often corporate organisations, who own and rent property as part of their business.
- 6.9 There is a lack of data on private landlords in Wales. It has been estimated that in England and Wales, there are 700,000 landlords. Of these, just over two per cent belong to professional organisations²⁵. The sector is thought to be dominated by small scale landlords. Research suggests that around a third of landlords own only one property, 65 per cent own fewer than 10 properties. Two-thirds of private rented dwellings are thought to be owned by individuals with the remaining one-third split between companies and organisations.

Standards and practices

- 6.10 Some landlords will be long-established while many may be relatively new to renting. Their experience, together with different reasons for becoming a landlord, can influence how they operate, their practices, how they treat their tenants, and how they maintain their properties.
- 6.11 In many cases, renting from a private landlord is a suitable and acceptable choice. But in others, there is no choice. For example, for people who are unable to obtain social housing from a local authority or housing association, private rented accommodation is the only option. For some it works out but for others, it is an unsatisfactory option, with poor conditions, insecurity, and difficulties when it comes to trying to put things right. This is unfair.



- 6.12 It is a sector of extremes, from very good quality and conditions at one end, to very poor at the other. Some have well documented tenancy agreements, a good tenant-landlord relationship, and arrangements to maintain and repair their properties to keep them in a decent condition. Some landlords, particularly those who are members of representative bodies, are well informed on how to be a good landlord.
- 6.13 At the other end of the spectrum, the picture is far from being good. Some people have to endure poor conditions, insecurity and, sometimes, threats of eviction. The latter, combined with the lack of other options, means that many people, often vulnerable people, put up with the questionable practices of some landlords and lettings and management agents. In some cases, it also includes questionable charges and costs. Local authorities have also reported that unregulated lettings and management agents are responsible for much of unprofessional property management²⁶. Others report agents charging both tenants and landlords a variety of fees and sometimes hidden or unexpected costs²⁷.
- 6.14 People can find themselves in difficult situations. They may not understand their rights. Even if they do, they may feel unable to stand up to their landlord in fear of some form of retribution. They may not know how a good landlord operates and thus may be accepting of inferior conditions and possibly, unfair, tenancy arrangements. This does not fit with this Government's principles of a good society, of fairness, equality, and helping people whose needs cannot be met by market forces alone.
- 6.15 But it is not all one-sided. It must also be said that tenants who rent private accommodation also vary in their behaviours, particularly where short-term rentals are involved. As a result, landlords and agents can incur unnecessary cost and other problems. It can also cause problems for neighbours and the local community from, for example, anti-social behaviour. This damages further people's views of rented accommodation. It can also result in clusters of problem accommodation, which in turn affects specific parts of communities and people's views of them. This can also affect other landlords' prospects of renting properties.
- 6.16 Bad experiences have no doubt also affected property owners' views of being a landlord and the people to whom they are prepared to make their property available. This sometimes manifests itself by "no-one on Housing Benefit" restrictions, which creates difficulties on both sides. For those in need of a home, it reduces their access to accommodation by limiting supply, choice and location. For landlords, it can mean empty properties with no income stream, thus reducing the return from their assets.
- 6.17 The sector is in need of a more modern and professional approach by landlords. It is too important a part of the housing system in Wales to be left to chance. The sector also needs to grow, not at the expense of building new affordable housing, but in parallel with it. Improving the sector's image is essential to bringing in new landlords and new investors.
- 6.18 The living conditions of tenants in Houses in Multiple Occupation have improved since the introduction of licensing in June 2006. However, it is important that local authorities effectively monitor existing licenses to ensure that occupancy levels are not exceeded as there is some evidence to suggest that they may be used to the advantage of human traffickers. We will explore this with local authorities and representatives of Police forces.



Developments to date

- 6.19 Many developments have already led to improvements in the sector. For example, the Housing Health and Safety Rating System, coupled with Licensing for Houses in Multiple Occupation and Selective Licensing, has helped to drive up management standards by supporting reputable landlords and penalising those who are not prepared to meet them.
- 6.20 The introduction of the Tenancy Deposit Protection Scheme has provided protection for tenants and more certainty for both tenants and landlords about the way deposits are handled and how disputes are resolved.
- 6.21 In November 2008, a voluntary Landlord Accreditation Scheme was introduced in Wales with the support of the Welsh Government. All 22 local authorities participate in the scheme, which provides landlords with the opportunity to receive information, education and training leading to accreditation. Since its launch, approximately 1,300 landlords have been trained and accredited.
- 6.22 As a result of the scheme and the work of bodies such as the Residential Landlords Association, the National Landlords Association and the Guild of Residential Landlords that represent the industry, there are many well-informed landlords who maintain their properties to a good standard and whose practices are legal and fair for their tenants. Local authority representatives believe that work to improve relationships with landlords and tenants over a number of years has led to better standards across the sector, particularly in relation to Housing in Multiple Occupation.

Delivering improvement and benefits

- 6.23 Despite its increasing size, the importance of the sector has not been recognised nationally. This Government recognises its importance and the bigger and better role it could play in meeting the increasing demand for housing by delivering well managed, well maintained and affordable housing, for both short and long-term tenants. It can become a very acceptable choice for a home, where arrangements work to the advantage of tenants, who wish to have a home in good condition and a good landlord. The same applies to landlords, who wish to have a sustainable tenancy that provides a steady income stream from their properties and good tenants.
- 6.24 The sector has been a cause of concern for some time. There have been calls for robust action by both politicians and by organisations that work in the field of housing. In 2011, the National Assembly for Wales made recommendations for the private rented sector, including the possibility for a mandatory licensing or registration scheme for all landlords and managers of private rented sector accommodation. It also recommended that action should be taken to enable the introduction of statutory regulation of all lettings and management agencies²⁸.



- 6.25 Having considered very carefully the need to improve the sector, and the interests of tenants, landlords, and agents, proposals for new legislation are set out below. They are grounded in:
- (i) Fairness – helping those who, for different reasons, are unable to help themselves, and providing the basis for a good tenant-landlord relationship.
 - (ii) Equality – helping more people to have a better home and ensuring that all landlords live up to the same expectations.
 - (iii) Meeting housing need – changing people’s perceptions of the private rented sector so that it is seen as an acceptable option and choice for a home.
 - (iv) Achieving benefits for landlords, agents, existing tenants and prospective tenants alike.
- 6.26 Improvements to the sector will carry many benefits. Improvements in quality and practices will help tenants seeking short-term tenancies. Good, supportive, landlords seeking a stable income stream will attract good, reliable, tenants seeking longer-term arrangements. This reduces worry for tenants about having to move and helps them plan for the future. Longer-term tenants are more likely to become involved in the locality, thus contributing to supportive, sustainable, communities. For landlords and agents, this can reduce vacant periods, the costs that can be incurred with re-letting, and lost income from empty properties.
- 6.27 A better understanding on the part of landlords, agents and tenants of their respective roles, responsibilities and obligations, and written tenancy agreements, should help to reduce disagreements and the anguish that can cause, unnecessary costs, and ultimately, prevent homelessness.
- 6.28 We will:
- Legislate for a national, mandatory, registration and accreditation scheme for private landlords, lettings and management agents based on agreed Codes of Practice, and ensure every tenant has a written tenancy agreement.
 - Use the accreditation scheme to promote the Green Deal and other energy efficiency initiatives.
 - Work with local authorities to ensure the information generated by the accreditation scheme is used to target their actions and interventions effectively.
 - Encourage more joint working between landlords, agents, local authorities, housing associations and other organisations to make the best possible use of the private rented sector for local people.
 - Ensure that people in all areas have access to an effective social lettings scheme delivered, where appropriate, on a regional basis.
 - Investigate information sharing between local authorities and other agencies in respect of Houses in Multiple Occupation to identify the need for action.



- 6.29 The national registration and accreditation scheme will apply to all properties that are rented by private landlords, lettings and management agents.
- 6.30 The new scheme will be simple but effective, designed to be self-financing once fully operational, with improvements that benefit tenants, prospective tenants, landlords, and agents alike. It will help to improve people's perceptions of the sector and will promote private rented accommodation as a good housing option and choice that can meet people's needs. It will also result in a much better base of information on private rented accommodation, which can be used to develop and grow the sector.
- 6.31 For good landlords, and there are many, registration and accreditation should pose no problems. Many others who, for various reasons are not involved with the sector's representative bodies or local authorities' landlord forums, or who are generally uninformed about their obligation as a landlord, should find it relatively easy to put in place what's needed to operate as a good landlord. The others, including landlords and/or agents who pursue dubious practices and who deliberately take advantage of tenants will find it more difficult. It is these that may struggle but which ultimately need to be tackled in order to improve the whole sector for all concerned. This Government will not shy away from this in order to fight the corner of those who need help and support, but it will also ensure that tenants too are aware of their responsibilities.
- 6.32 When the scheme is introduced, an initial application, which will involve a "fit and proper person" test, will result in provisional registration status. A unique registration number will be issued, which allows a landlord or agent to operate in the private rented sector in Wales. Within two years of registration, all registrants will be expected to have become accredited. The criteria will reflect the different roles of landlords and agents.
- 6.33 All landlords with properties in Wales, wherever they are based, will be expected to register. However, they may choose not to undertake accreditation opting instead to nominate an accredited agent, manager, or other responsible person to manage the property on their behalf.
- 6.34 The legislation will apply to all landlords and agents irrespective of the number of properties owned or managed. It will also apply to all landlords irrespective of the nature of the letting, whether it is for a relative or not.
- 6.35 Accreditation will secure full registration status, which is effectively a licence to operate as a private landlord in Wales. When accredited, landlords and agents will be expected to operate to a Code of Practice. Failure to do so could result in penalties or other sanctions, proportionate to the failings in compliance. Codes of Practice will be developed for landlords and agents. The Code for landlords will be based on that which exists for the current Landlord Accreditation Wales. The Code for agents will be based on that being developed by the Property Ombudsman.
- 6.36 Both Codes of Practice will be developed with stakeholders, including private landlords, agents, and their representatives. They will be reviewed regularly to ensure they remain relevant and up-to-date, and to reflect the learning and improvement opportunities that will come with experience of implementing the new legislation.



- 6.37 Tenants and prospective tenants will be encouraged to ask to see the landlord's or agent's registration card before entering a tenancy agreement. Prospective tenants will be encouraged to report to the appropriate enforcement authority any landlord who fails to produce evidence of registration. Any landlord/agent found to be operating outside the scheme will be encouraged to register/gain accreditation but, ultimately, failure to comply will result in a penalty.
- 6.38 Tenants will also have a part to play in the scheme by meeting the obligations that fall upon them. Information will be provided on their responsibilities to look after the property.
- 6.39 It is envisaged that the scheme will be self-financing, with a modest fee for registration and, in time, for re-accreditation. Three years has been suggested as a reasonable period before a new accreditation needs to be sought. The scheme and the information and learning required for accreditation will be delivered by a number of suppliers. Some organisations have already expressed interest in managing the scheme.
- 6.40 The new legislation will be developed over the coming months with the involvement of stakeholders.



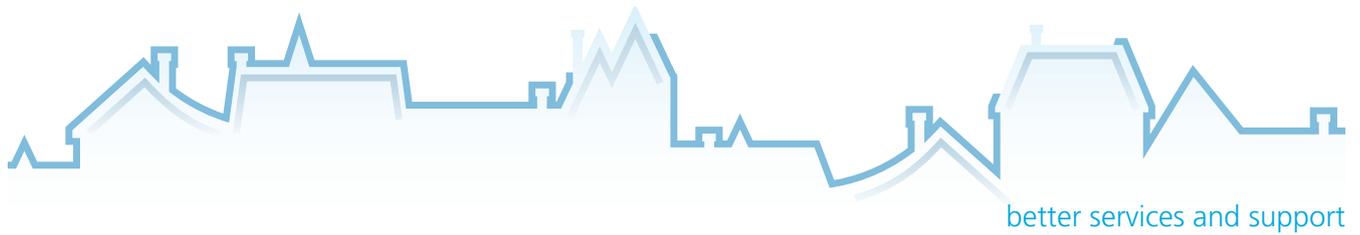
7. Better services and support

Helping people to find and keep a home they can afford that meets their needs is a fundamental goal. But even that is not sufficient in many cases. People depend on services and support too, many of which are focused on the home and its surrounding community. The services vary according to their circumstances and at different points in their lives but should embody common features. These include being as efficient and effective as possible, and also responsive to people's needs. Services are usually better when users of the services are involved in their design and review. They also benefit from being transparent and open by making information on quality and performance available and easily accessible. We will extend this wherever possible.

Housing and related services are many and varied. They deliver support to tenants in and around their homes. They are also fundamental to tackling the problems that arise as a result of the actions and behaviour of neighbours and others, which can impact on the way that people feel about their community and the way that others see it. Problems can also affect people's health and well being, the strength and spirit of the community, safety and crime, and other matters. We are committed to addressing the physical, nuisance and other factors that cause people difficulties, distress, and in some cases, mental and/or physical harm.

The many different organisations that operate in and around the field of housing provide a huge amount of support to people in all walks of life. The quality and standards are high but there is always scope for improvement, and tighter public finances makes it even more important to ensure the best use is made of limited resources, with more integrated services that have the citizen at their heart. There is scope to further improve performance and also to extend the role of some organisations such as housing associations. They currently deliver help to their tenants and their families that is helping to tackle inequalities in health that exist between our communities, and tackling poverty, and support to the wider communities in which they operate.

- 7.1 Providing everyone with a decent home that meets their needs is our ultimate goal and is a fundamental one in itself. Many housing and housing-related services delivered by a range of public, private and third sector organisations, are directly relevant to someone's ability to find a home. However, simply finding someone a home is often insufficient without the additional services and support that people need to enable them to keep that home and to live healthy, fulfilling lives, with opportunities that help them to overcome disadvantage, poverty, and the factors behind them.
- 7.2 We are committed to the delivery of effective and efficient public services that are accessible to everyone. Housing services and services that relate to housing directly or indirectly are many and varied but all have one thing in common. They help make a big difference to people's lives.



7.3 They:

- (i) Provide advice, information and in some cases, practical assistance, on an extensive range of housing matters.
- (ii) Help people deal with problems and failures in the housing system or market, such as disputes related to renting a home.
- (iii) Provide essential support to help people to find and keep a home e.g. homelessness services, the Supporting People programme.
- (iv) Enforce the law on, for example, health and safety matters relating to the condition of homes.

7.4 The services are provided by local authorities, housing associations, third sector organisations and by businesses, such as lenders and lettings agents. In some cases, the solution to someone's problems does not depend on one organisation alone but on the combined efforts of different organisations.

More integrated services and support

7.5 In some way, housing is relevant to almost all public services. Aside from investment in housing being an economic driver, which creates and supports jobs and training opportunities, a home or some form of suitable accommodation is a pre-requisite for good outcomes for other services. Health and social services are good examples. Integrated services are particularly important for disadvantaged individuals and groups, who suffer most when services are not joined up.

7.6 It is for this reason that our approach to public service reform is centred around collaboration, and designing services around people not organisations. The Compact for Change between the Welsh Government and Welsh Local Government Association signals a joint commitment to reform aimed at delivering improved and cost effective services to communities across Wales. The regional footprint for service delivery will provide coherence for future regional collaboration across public services, including on the housing agenda.

7.7 There is also important collaboration between local government and other public services, such as Health, police and the voluntary sector. Nationally this takes place through the reformed Partnership Council for Wales, the Public Service Leadership Group and its work programmes; regionally through the collaborative footprint of existing and emerging networks; and locally through the Local Service Boards.

7.8 New programmes to address housing matters will help. For example, our "Houses into Homes" programme to tackle empty homes is based on regional working arrangements. This will share resources and expertise.

7.9 People need, and depend upon, a wide variety of services through their lives. They help people in variety of circumstances, including those who find themselves in very difficult personal circumstances. Everyone needs a decent home or accommodation and housing-related support and services can help them cope with their situation and get their lives back on track. The multi-faceted issues of an ageing population are significant and will require joined up multi-faceted solutions.



- 7.10 Joint working results in better services for the people who need them. It has improved in recent years. To the credit of front-line staff and managers at all levels, there is also a wide range of good practice. However, joint working is by no means universal across Wales and good practice spreads slowly if at all. This leads to variations in the services that individuals and families receive, which must be addressed. Our goal is consistently good services for the public in all areas.
- 7.11 The needs of some groups of people within the population require particular attention. For example many people will fall into one or more of the following groups:
- (i) disabled people of all ages
 - (ii) older people
 - (iii) young people
 - (iv) individuals and families affected by domestic abuse
 - (v) minority groups within the population including lesbian, gay and bisexual people, people in black and ethnic minority groups
 - (vi) Gypsy and Traveller families
- 7.12 While there are common needs, a “one size fits all” approach does not always work and tailored support is important. The action set out in this White Paper will benefit the groups listed above and many others.
- 7.13 Experience shows that poor working links between organisations can have a range of outcomes. Some result in delays in services being received or affect the quality of services, particularly where different organisations each provide part of the support that someone needs. However, in some cases, there can be more serious consequences.
- 7.14 We are committed to more integrated public services and collaboration. For example, our consultation on the Social Services (Wales) Bill begins to explore how housing partners can play a more direct role in ensuring that better arrangements exist to protect and safeguard the public. We have also consulted on introducing Single Integrated Plans to replace the separate strategic plans to which local organisations have been working, thus facilitating better joint working and ensuring that people’s housing needs are considered as part of a wider strategic local needs assessment.
- 7.15 Local Service Boards too have played an important part in effective collaboration between local organisations although they vary in their composition. In some areas, housing associations are part of the Board but in most, they do not figure as prominently as they should, particularly in areas where the social housing stock was transferred to new, large-scale, housing associations. These associations are now landlords to thousands of people and as such, play a significant role in their lives.
- 7.16 Accommodation is relevant to the work of many departments in local authorities but doesn’t always feature as a consideration to the extent it should. Our proposals for new legislation to prevent homelessness, which are set out in the following chapter, will help raise the profile of housing and will also lead to more integrated services and support.
- 7.17 The ability of local government and other stakeholders to work strategically and innovatively is critical. Most local authority housing services have already recognised the



need to collaborate with other authorities in order to respond to the significant strategic and operational challenges that exist.

7.18 The model for collaborative working between local authorities was announced by the Minister for Local Government and Communities statement in July 2011 and included a footprint with six geographical areas. It has provided a focus for discussions about the potential for, and shape of, future collaborative working in housing services. Two key areas have already been identified. Our new “Houses into Homes” programme is organised around six regional collaborations as are the arrangements for regional collaborative committees for the Supporting People programme. Six action plans for housing services are being developed, based on the regions identified in July 2011. Themes being explored for inclusion in these action plans include regional common housing registers, regional home improvement loan schemes and a range of procurement issues.

7.19 We will:

- Work with local authorities to ensure that housing commitments in the Compact on regional working are delivered and evaluate the impact.
- Ensure that housing needs are considered by Local Service Boards as part of the strategic needs analysis for single integrated plans and that social landlords are engaged in the design and delivery of the plan.

Better services and support

7.20 There are few things in housing that do not involve a local authority at some point. They operate at the strategic level – for example, their duty to consider housing needs in their area. They also operate at the operational level, providing essential services on which people depend.

7.21 The services delivered include, for example, front line services such as homelessness advice and assistance and Housing Benefit. But their services extend well beyond this to the lower profile but equally important public protection and environmental health services. This tackles the problem of empty homes and checks on the condition of Houses in Multiple Occupation and health and safety matters relating to the condition of people’s homes, whether owned or rented. They work at strategic and operational levels.

7.22 Much has already been done by individual authorities and by the Welsh Local Government Association to secure improvements in the efficiency and effectiveness of services. And this is continuing apace as authorities look to rationalise services by way of, for example, integrated one-stop shops to provide better access for people to a range of services.

7.23 As a result of improvements to the way that housing associations are regulated, with the emphasis on monitoring what they deliver for their tenants and making the information available to tenants, there are now differences in the arrangements for tenants of those local authorities that still own their own homes. Some local authorities have made great strides in recent years in the way in which they engage with their tenants but we wish



to achieve greater consistency in the delivery of services across local authorities and continuous improvement.

7.24 Careful consideration has been given to new legislation for this purpose. We have concluded that in the first instance, a formal but voluntary arrangement would be sensible. We plan to develop a more focused and coherent approach to monitoring the performance of local authorities on housing and housing-related services. Arrangements will be made to monitor more closely their performance and information relevant to that, so that they can be held to account by the Welsh Government, by their tenants and by service users. We will work closely with local authorities and the Welsh Local Government Association to develop and implement the new arrangements.

7.25 We will:

- Develop, in conjunction with local authorities and the Welsh Local Government Association, a more comprehensive set of performance monitoring arrangements for housing and housing-related services.
- Establish a formal agreement with local authorities for the self-assessment and reporting of delivery outcomes that reflect the arrangements in place for tenants of housing associations.

7.26 The prime function of housing associations, or as they are more formally titled “Registered Social Landlords” is to manage social housing. That said, many associations are now active, and innovative, developers in their own right, building more affordable homes and in some cases, specialised care facilities that deliver health and care services to people in their communities.

7.27 Housing associations also provide valuable support to tenants and their families to improve their health and well-being, improve learning and education and life skills, and to tackle poverty. Research commissioned this year 2012²⁹ indicates for the first time the extent to which they are reaching people with support that is contributing to the Welsh Government’s broader policy objectives.

7.28 In 2010-11 it is estimated that more than 40,000 individuals and more than 2,200 families received help through more than 1,200 activities. Activities included those specific to the association and those delivered in partnership with others. The help included:

- (i) Improving health and well being to reduce inequalities in health
- (ii) Tacking poverty and the factors that cause it
- (iii) Improving education, skills and learning
- (iv) Providing jobs and training opportunities
- (v) Digital inclusion
- (vi) Promoting equality of opportunity and access
- (vii) Reducing carbon emissions
- (viii) Developing local capacity



- 7.29 The initiatives were many and varied. Not all associations took part but under some headings, up to 33 housing associations reported activities. The study reported a variety of outcomes including qualifications, jobs, better health, and skills, including personal skills such as increased confidence. While more monitoring and evaluation of such activities will be helpful to demonstrate the added value that associations can offer, this initial study provided sufficient evidence to show that they can make an even greater contribution to improving people's lives, their life chances, and to improving communities.
- 7.30 There is good anecdotal information on the "landlord effect", in which information received from, or delivered to people by, their landlord and its staff may receive more attention and consideration than that disseminated broadly to the whole population. This should not be ignored and we will consider how this communication channel can be used to better effect.

7.31 We will:

- Seek to expand the role of housing associations and the spread of good practice in supporting their tenants with activities that promote health and well-being to reduce inequalities in health, increase education and skills, including creating jobs and training opportunities.
- Strengthen the links between housing, health and social services, and encourage the greater use of not-for-profit organisations such as housing associations in delivering health and care services.
- Use our regulation role to assess what associations do in partnership with others to contribute to the Welsh Government's policy objectives of promoting equality, tackling poverty, and reducing inequalities.

Involving tenants, leaseholders and service users

- 7.32 The design of services needs to be underpinned by an understanding of people's needs and evidence of what works, fuelled by the goal of continuous improvement. Services are at their best when they are informed or even led by the people who use them.
- 7.33 Housing organisations have a very good story to tell about the steps taken to give tenants and service users a much greater say in the way services are run. But it goes further. Tenants have been involved in the selection of contractors for housing improvement programmes and a significant number receive help and support to enable them to improve their health and well-being and that of their families, their education and their skills. But there is scope to do more and better.
- 7.34 We are committed to greater transparency by making more information on housing matters more easily available to the public. This includes tenants, the users of housing and related services delivered by a wider range of organisations, and leaseholders in the management arrangement for their homes.
- 7.35 Our regulatory framework for housing associations³⁰ is a good example. The purpose of the framework is to ensure that every association is well governed, financially viable,



and delivers high quality services. Tenants are at the heart of the framework. Regulation helps ensure that tenants, potential tenants, and people who use services get a fair deal. It provides ways in which they can influence the way housing associations work and encourages continuous improvement. We make our judgements available to the tenants in associations' homes. The framework, and our proposals for monitoring the performance of local authorities, will help the public to hold the Government, local authorities and other public bodies to account. It will also enable tenants and service users to inform public service improvements.

7.36 We will:

- Continue to support organisations such as the Welsh Tenants Federation and the Tenant Participation Advisory Service and seek ways to increase collaboration between them to further the impact and effectiveness of their work.
- Use the regulatory framework and other mechanisms to continue to ensure that tenants are able to influence strategic decisions and service delivery at a local level.
- Housing Regulatory Advisory Board for Wales to commission an interim evaluation of the regulatory framework to inform further developments.

Improving health and well-being and reducing inequalities

- 7.37 Other chapters have highlighted the relationship between people's health and well being – physical and mental – and housing. Good working links between housing organisations and other public services already exist across Wales but there is scope for further improvement, particularly in spreading the good practices that exist in some areas but not in others.
- 7.38 We are committed to doing more to bring housing, health and social services closer together. Work with the Aneurin Bevan Local Health Board and the local authorities and housing associations in its area has already led to joint action to address priorities such as delayed transfers of care. It is also providing opportunities to explore the greater use of our not-for-profit housing associations to develop and deliver additional health and care services in their communities.
- 7.39 Effective joint working benefits everyone but particularly children. Children living in bad housing are almost twice as likely to suffer from poor health compared to other children. Children in overcrowded accommodation are almost twice as likely to suffer from poor respiratory health such as chest infections, breathing difficulties, asthma and bronchitis.
- 7.40 Access to good-quality and well maintained urban green spaces increases the use of public spaces. This promotes physical activity, positive mental wellbeing, healthy childhood development, and encourages the social integration of older people.
- 7.41 A 2010 report³¹ concluded that improving urban green space represents an important and cost-effective opportunity for people to transform their local neighbourhoods and improve their quality of life. It outlines how the most obvious opportunity is improving the open space on social housing estates and that local people are best placed to know



the benefits that good quality green spaces could contribute to their community. In Wales, we need to make better use of such opportunities.

- 7.42 Housing-related support and services, such as the Supporting People Programme which is featured below, make a significant contribution to people's health and well-being by helping people to live independently, helping them to address issues that can put them at risk of losing their home. As such, they also help to reduce demand on the NHS and social services.
- 7.43 Homelessness too, or the threat of it, can have a significant impact on a child's physical and mental health. Living in temporary accommodation for a prolonged period is associated with much higher levels of anxiety and depression in children. Although living in supported accommodation can in some circumstances benefit children and families, the condition and/or location of temporary accommodation can have negative impacts.
- 7.44 Our proposals for the Housing Bill for a greater emphasis on preventing homelessness will help address this. Other developments, such as the Mental Health (Wales) Measure 2010, which came into effect this year, will also ensure much better links between the different services, by requiring accommodation to be considered and if needs are identified, goals set as part of the care and treatment plan. The new Mental Health Strategy "Together for Mental Health" will reflect the importance of housing to people's mental health and well-being and to its importance in treating mental illness.

7.45 We will:

- Review the Health and Homelessness Standards that were first introduced in May 2009 and the associated guidance.
- Extend to other Local Health Board areas the joint action that is being taken by the Aneurin Bevan Local Health Board and the local authorities and housing associations in its area to improve working links and the outcomes for local people.

Supporting vulnerable people: a new model of delivery

- 7.46 Our flagship Supporting People Programme helps some of the most vulnerable people in Wales. Each year it provides essential support to around 50,000 people who find themselves in very difficult personal circumstances, enabling them to find or keep their homes. As such, it also makes a significant contribution to people's health and well-being.
- 7.47 The major independent review of the Programme in 2010³² concluded that there is compelling evidence that it is providing commendable and sorely needed assistance for our most vulnerable and disadvantaged people.
- 7.48 The review revealed considerable discontent with the structure and arrangements for the administration, commissioning and monitoring of support services and projects. It emphasised the need for effective collaborative working in order to ensure that the Programme is as effective and efficient as possible.



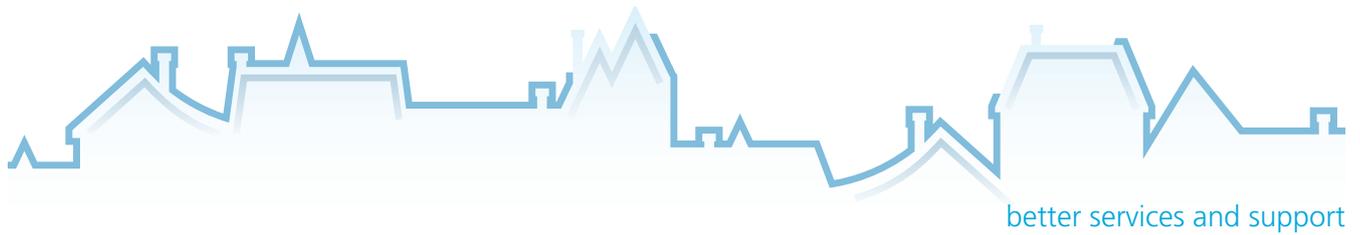
- 7.49 One of the review's more significant recommendations was the use of a multi-sectoral committee to administer the grants allocated to each local authority. The committees would include representatives of the local authority, housing-related services, Probation Service, providers of supporting people services, public health, and Local Health Board and independent members.
- 7.50 The purpose of the committees is to establish a collaborative approach to the administration, commissioning, procurement, quality assurance, local regulation and oversight of services, projects and programmes. During implementation of the recommendations, it was agreed that this collaborative approach to commissioning should be organised on a regional basis to reflect the Welsh Government's model for the delivery of public services.
- 7.51 Following consultation on the guidance for the new programme arrangements, questions have been raised about the accountability of Regional Collaborative Committees if as part of their role they are required to determine spending in individual local authority areas. As a result, and in order to ensure that services are not disrupted for those who depend on them, interim arrangements have been proposed. If the proposal is accepted, the Minister for Housing Regeneration and Heritage will approve the spending plans of each Regional Collaborative Committee and the grant that will be awarded on the basis of these spending plans. A more sustainable solution will be developed with partners.
- 7.52 The new programme breaks new ground for delivering services on a collaborative basis, including regional working between the Welsh Government, local authorities and the third sector. Monitoring and evaluation will feature prominently in order to ensure the best possible use is made of the Programme's funding and to secure tangible outcome for the people it helps. The new way of working is a challenge for all but making the new arrangements work is vital to ensuring that the Supporting People Programme continues to provide essential support to some of our most vulnerable people.

7.53 We will:

- Develop appropriately constituted Regional Collaborative Committees involving local government, the third sector and other key partners to deliver the Supporting People Programme.
- Further develop and implement revised guidance for the Supporting People programme.

Helping children gain a good start in life

- 7.54 Young people are important to us. They are our future society and workforce. So much depends on giving them the best possible start in life, helping them to achieve their full potential. A good home is an essential part of that.
- 7.55 Our proposals contribute to implementing the United Nations Convention for the Rights of The Child, notably Articles 3, 6, 18 and 27. The Rights were incorporated in Welsh law through The Rights of Children and Young Persons (Wales) Measure 2011 and came into effect on 8 May 2012.



7.56 The Articles noted refer to children’s rights to live healthily, the provision of services and the right to a standard of living good enough to meet physical and mental needs, including Government support for parents who cannot afford to provide it. The provision of affordable homes, action to improve the quality and safety of homes, and housing-related services, make a significant contribution.

7.57 We will:

- End family homelessness by 2019. Our approach is set out in the next chapter.

Meeting the needs of an ageing society

7.58 People are living longer. Wales has the highest proportion of people over 60 in the UK. Projections indicate that a quarter of the Welsh population will be 65 or over by 2030, compared to 22 per cent for the UK as a whole. Age Alliance Cymru estimate that, in the next 10 years, the number of people aged over 65 in Wales will increase by about 5 per cent, and the number aged over 85 will increase by 30,000.

7.59 The Welsh Government’s goal is to help people to live independently in their own home for as long as possible. Local authorities, the NHS, and other organisations provide an extensive range of services and support for this purpose.

7.60 A person’s home plays a crucial role throughout people’s lives. Its role as people enter late old age is particularly important. The design and location of a home, as well as its condition, can help or hinder the ambitions of living well and living independently.

7.61 Most people prefer to stay in their own home and many do, helped in some cases by adaptations to the property that reduce the risk of accidents and injury or which enable someone to move about more easily around the house; a stair lift for example. Chapter 5 describes the range of programmes and action by agencies such as Care and Repair that deliver this help to people in all areas. However, at some point, and it does vary considerably between individuals, alternative forms of accommodation may need to be found.

7.62 Housing policies and organisations continue to change to reflect the needs of an ageing population. These needs have to be central to our thinking and our planning and delivery of services. Our thinking has to change too. Inaccurate stereotypes that see older people as dependent and as burdens must be challenged. Future policy must recognise the wide diversity of older people and the increasing range of lifestyle choices they will make.

7.63 There are already very good examples in housing of developments that support well being, independence and dignity. This ranges from simple adaptations to Extra Care housing, which provides more support than traditional sheltered housing while at the same time offering greater independence. Compared to those living in the community and receiving domiciliary care, people in Extra Care are about half as likely to have to enter institutional accommodation. Also, a quarter of residents who enter Extra Care with additional social care needs experience an improvement in their health which decreases their need for social care.



better services and support

7.64 Our response to an ageing society needs to reflect people's needs and wishes. It needs to be flexible. In most cases, the support and services people receive is delivered by more than one organisation. More integrated services and even better joint working between organisations is essential if people are to receive the help they need when they need it. Professional and organisational boundaries must not be barriers to joint working.

7.65 We will:

- Support and disseminate good practice with all partners and within communities to assist the delivery of lifetime homes and lifetime communities.
- Seek to position housing clearly within planning and commissioning frameworks for local and community services, through Single Integrated Plans, to ensure the needs of older people are clearly articulated.

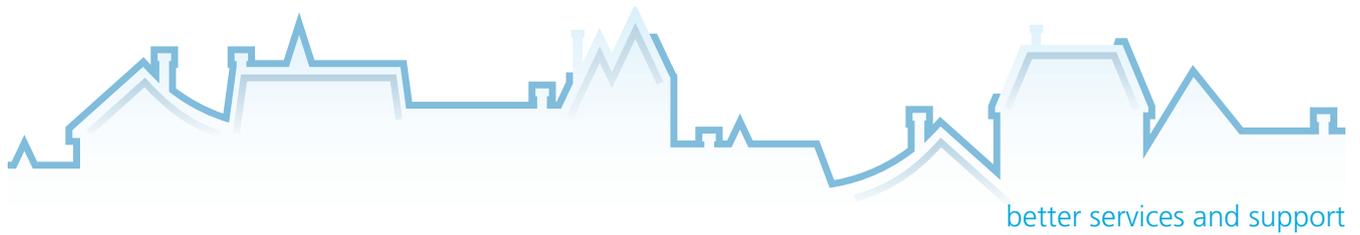
Promoting equality and inclusion

7.66 Wales today is a society of diverse and multi-cultural communities. Our principles of fairness, equality and social justice are close to our heart and are fundamental to giving people and communities the opportunity to grow and flourish. Ensuring that our values are embedded in the way our housing system works is vital given the importance of a home in people's lives and as the basis for living and working.

7.67 Our Strategic Equality Plan and equality objectives highlight the most pressing barriers to equality to be tackled by Government including those for housing. We are committed to a range of action in the plan to promote equality and, wherever necessary, to strengthen arrangements for that to happen in practice. In relation to housing, our equality objectives focus on:

- (i) Strengthening advice, information and advocacy services to help people understand and exercise their rights and make informed choices.
- (ii) Reducing the incidence of hate crime, evaluating and building on the social housing Hate Crime Toolkit.
- (iii) Tackling barriers for disabled people by supporting them to live independently and exercise choice and control in their daily lives.
- (iv) Improving the planning and managing of local housing stock by local authorities and social landlords to better meet people's needs for adapted and accessible housing, gathering evidence of, and promoting the use of, accessible housing registers.
- (v) Strengthening the evidence base and analysis of evidence on how housing services are meeting the needs of people, to help to identify and address issues of inequality.

7.68 Building on the Strategic Equality Plan, we are developing a Framework for Action on Independent Living which will promote the rights of disabled people to live independently and exercise choice and control in their daily lives.



7.69 We will utilise all the tools at our disposal including policy, programme and, in the cases of housing associations, our regulatory function.

7.70 We will:

- Implement the commitments in the Welsh Government’s Strategic Equality Plan.
- Contribute to the housing dimension of the Framework for Action on Independent Living.

Reducing anti-social behaviour

7.71 Whether intentional or not, anti-social behaviour causes unnecessary alarm and distress. When it happens, it can harm people’s health and well being, their quality of life and, in some cases, risk their safety. It ruins people’s lives and communities too, making whole areas feel unsafe.

7.72 Anti-social behaviour is unacceptable and must be seen as unacceptable. We want all landlords to be proactive to prevent it from happening in the first place. If it does occur, it must be tackled early and nipped in the bud. Local authorities and housing associations must have anti-social behaviour policies in place to deal with it and they can take action in a number of ways.

7.73 Local authorities and police, and some housing associations, work together in Community Safety Partnerships to stop anti-social behaviour. While the partnerships are led by local authorities and the police, housing providers play or should play a pivotal role. We want to see housing organisations engaging effectively with the police and Community Safety Partnerships to ensure there is a robust approach – based on zero tolerance – to tackling anti-social behaviour and hate crime. Housing providers should be able to demonstrate this partnership working.

7.74 Tenants and their families need to understand what is and isn’t acceptable. Tenancy agreements must set this out in clear and simple language. Some good examples of clear tenancy agreements exist and these provide the basis for others to review theirs. There is anecdotal evidence that tenants pay more attention to the threat of action from a landlord, which could involve them losing their house.

7.75 Anti-social behaviour, whether in social housing, private rented accommodation, or owner-occupied homes, must not be tolerated. Early intervention, followed by clear and well planned arrangements for escalating action to address the matter, is needed. Effective arrangements for sharing information between organisations are essential.

7.76 Good, proactive, estate management undertaken in conjunction with local police has been shown to work to the benefit of all concerned. Where anti-social behaviour has occurred, multi-agency approaches are most effective. Joint enforcement action involving police, local authority housing and environmental health staff has been particularly effective in dealing with the tenants of private landlords and the landlords themselves in some cases.



- 7.77 Eleven social housing landlords have achieved the Wales Housing Management Standard for Tackling Anti-Social Behaviour since its launch in 2008. We are aware that it has helped some landlords to focus their resources on addressing anti-social behaviour but we are mindful of the need to gain a more complete picture of its overall impact.
- 7.78 Current practices among landlords to tackle anti-social behaviour vary. Some are proactive and work closely with other organisations, sharing information in the process. Others don't. Some housing associations show a reluctance to share information, sometimes based on over-interpretation of current legislation. Inconsistencies have also been identified on what housing associations expect of their tenants and the clarity with which this is communicated to them.
- 7.79 We expect all landlords to take prompt, effective action in conjunction with the police and other agencies. The behaviours we expect them to demonstrate are those that represent best practice.
- 7.80 Our development of legislation to introduce the mandatory registration and accreditation of private landlords and lettings agents will take into account matters relating to anti-social behaviour. Over and above this, we have consulted on a new mandatory power of possession for anti-social behaviour. We will act on the results of this, taking into account any changes announced by Home Office following consultation on its toolkit for anti-social behaviour.

7.81 We will:

- Ask the Wales Anti-Social Behaviour Group to make a robust assessment of the current situation and good practice that exists, and to recommend further action for housing organisations.
- Take matters relating to anti-social behaviour into account in legislation for the private rented sector for the development of the registration and accreditation scheme.
- Evaluate the Wales Housing Management Standard for Tackling Anti-Social Behaviour and use the findings to inform future action.

Tackling domestic abuse and violence against women

- 7.82 Meeting the housing needs of people affected by domestic abuse, and violence against women in particular, is essential to their safety and well being. Wherever possible, victims should be kept safe in their own homes with the perpetrator having to leave; not the victim. However, there are occasions when the victim has no option but to leave because the risk to themselves and their children is so great.
- 7.83 Research³³ shows that support is uneven and inconsistent across Wales, with little or no strategic direction to meeting the needs of some of the most vulnerable people. The report also recognises that one solution does not fit all as a result of the diverse needs of individuals and the areas in which they live; rural and city locations for example. The review was grounded in the experiences of front-line staff that provide the support. This, and the forthcoming Domestic Abuse (Wales) Bill, provides a solid base for improving



services and will help to ensure that effective and efficient support is available where it is needed.

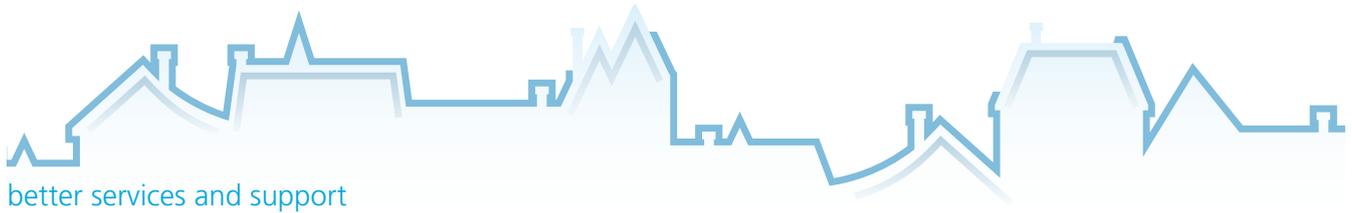
- 7.84 Local authorities have a particularly important part to play by ensuring their assessment of housing needs is not limited to new houses but to the full range of support that people need. This includes, but is not limited to, the effective use of the Supporting People Programme to identify those who may be vulnerable to domestic abuse and other forms of violence against women.
- 7.85 As part of their strategic housing role, local authorities must ensure that there is effective joint working between local authority housing and housing-related services, housing associations, health services, social services, the police, and voluntary organisations and charities to tackle domestic abuse and to prevent it wherever possible. This should feature in the work of Local Service Boards and in the new Single Integrated Plans.

7.86 We will:

- Use the findings of the “Modernising Housing Services for Those Experiencing Domestic Abuse Project” to inform future developments.
- Ensure coherence between The Housing (Wales) Bill and Domestic Abuse (Wales) Bill and take into account issues relating to domestic abuse in tenancy reform.

Tackling poverty through jobs and training and by creating strong, supportive and enterprising communities

- 7.87 There is a body of evidence that links poverty and the condition of housing, particularly for children. There is some evidence of causal links but in most cases, the evidence points to a strong correlation between poverty, housing and other factors. Children who live in poverty are almost twice as likely to live in bad housing; that is, housing that lacks basic facilities and/or is in poor condition.
- 7.88 Whether causal or not, poverty carries with it long-term effects on children’s prospects in life as their health and education suffers and as they are denied access to opportunities that are available to other children. Research suggests that bad housing can delay cognitive development or can result in behavioural problems. Homelessness in particular can have a particularly devastating effect on children. They may miss a significant amount of school as a result of disruption in their lives and moves into, and between, temporary accommodations. In the longer term, missed schooling and fewer qualifications can reduce employment prospects, particularly in tight labour markets, leading to unemployment or low-paid work in adult life. This in turn can lead to inter-generational poverty.
- 7.89 The commitments set out in this document – legislative and other – will make a significant contribution to delivering the Welsh Government’s commitment to tackle poverty through the forthcoming Tackling Poverty Plan.
- 7.90 Decent homes that people can afford help create conditions that can help lift people out of poverty. Amongst other things, they help people on low income by subsidising the costs of renting a home. Energy efficiency measures help to reduce the proportion



of income that people have to spend on energy and heating. Safe and secure homes are good for people's health and well being, which in turn determines participation in work, education and training, which are crucial to taking people out of poverty.

- 7.91 Over and above the contribution that good housing makes to tackling poverty, three other things are particularly important to helping people to overcome poverty and the devastating impact it can have on their lives and that of their children. These are:
- (i) Support and services built around people's homes to help people to live independently and to find and keep a stable home.
 - (ii) Strong and enterprising communities with the capacity and commitment to build strong social support networks locally.
 - (iii) Physically attractive communities, including large housing estates, which create a sense of pride and ownership among local people.
- 7.92 The range of existing services, from the Supporting People Programme, support to prevent homelessness and, for example, the work of Care and Repair agencies, all help to make a difference to people's lives. The action that will be supported by the new Communities First programme will also be pivotal to making a difference to people's lives.
- 7.93 As highlighted earlier in this chapter, the work of housing associations in supporting their tenants and their families also makes a significant contribution. The level of support and activities provided by associations varies and there is clearly scope for them to do more.
- 7.94 Housing associations vary in size but all have management skills and business infrastructure that could be used to greater effect. This includes action to tackle worklessness. Some of the more innovative associations have already developed successful programmes that are helping young people to find jobs, thus putting them on a path out of prospective poverty. Their business capacity could also help to boost the development of social enterprises.
- 7.95 The next round of European programmes is now being shaped. Jobs and growth are particular priorities as well as energy efficiency action such as the successful "arbed" programme, which is highlighted in Chapter 5. Housing associations are the landlords to many people who can benefit from European Commission programmes and thus are ideally placed to deliver job creation and skills training programmes that help unemployed people, particularly young people, into the labour market. This includes the potential to provide support for the development of social enterprises, which carry with them the combined benefits of job creation with additional support services for local people.
- 7.96 There is considerable merit in avoiding a piecemeal approach to programmes by developing and implementing a co-ordinated programme that delivers against the European Commissions³⁴ strategic priorities of smart, sustainable and inclusive growth. This will be more effective in the costs of administering the programme by economies of scale. It will also provide a better framework for evaluating the full impacts of the programme, which will also help to deliver the Commission's other priorities such as improving health and well being and reduced health inequalities. The action described here is not about investment in building more homes, which is outside the scope of



the European programmes, but the better use of not-for-profit housing organisations that, as shown earlier in this chapter, are already delivering education, jobs and training opportunities for the people that live in their properties.

7.97 Our commitment to make housing a greater priority in the coming years, to improve the housing system and to do more to prevent homelessness is therefore an investment in tackling poverty.

7.98 We will:

- Help housing associations to generate even more evidence of the outcomes of the support they provide to tenants across the range of this Government's policy priorities.
- Exploit the use of the next phase of European programmes to use the business skills, capacity and infrastructure of housing associations to deliver jobs, training opportunities and support for social enterprise growth through a significant, co-ordinated, programme of action in all the areas eligible for support.
- Encourage housing organisations to use procurement approaches that generate jobs and training opportunities.



8. Preventing homelessness

After years of decline, homelessness is rising. The economic prospects and changes such as Welfare Reform suggest that it is likely to continue to increase in coming years. This is of great concern and we are determined to do more to prevent homelessness. Our long-term goal is to eliminate homelessness completely.

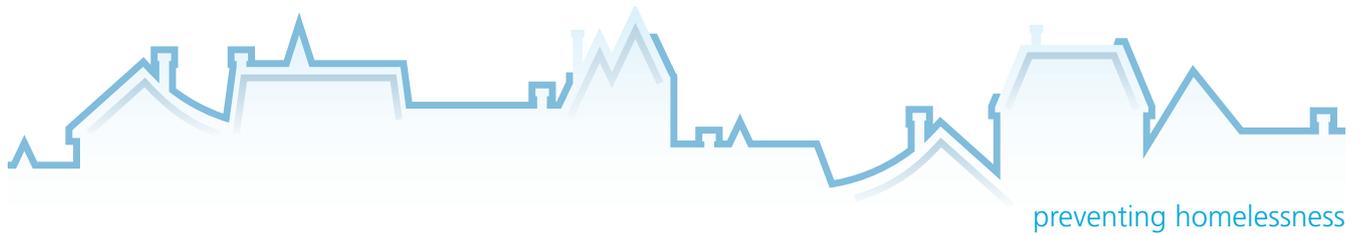
We have found inconsistencies in the way that current law is interpreted and applied, which means that the help that people receive varies. This must be addressed so that people receive consistently good services and support in all areas.

We will end family homelessness by 2019. We will make more options available to local authorities to discharge their duties on homelessness. A nationally branded, locally delivered, housing advisory service, is at the forefront of our thinking and this, and the right for people to receive help sooner, will do more to prevent homelessness in the first place. We will also address anomalies in the system. This will help to ensure that becoming homeless is not seen simply as a means of securing a home from a council or housing association.

- 8.1 Between 2004-05 and 2009-10, the number of people accepted as being homeless fell year-on-year. It is highly likely that this was the result of a greater effort to prevent it in the first place³⁵. Despite the latest figures³⁶ showing a 9 per cent fall in households accepted as homeless the overall trend is upwards and has been since the end of 2009. In 2010-11, around 6,300 households were accepted as being unintentionally homeless and in priority need. The impact of Welfare Reform, tighter public sector budgets and job losses, the rising costs of living, and the economic outlook means that it is likely to increase in coming years. This is a great cause for concern.
- 8.2 The main reasons for becoming homeless include loss of accommodation e.g. for mortgage or rent arrears, parents, other relatives or friends no longer willing or able to accommodate someone and the breakdown of relationships.
- 8.3 In slightly more than one in ten cases, homelessness households were in priority need as they were fleeing domestic violence or the threat of it. Also of concern is that in the last three months of 2010-11, seven per cent of all statutory homelessness acceptances were from black and ethnic minority persons. This is disproportionate to our population, in which just four per cent have such a background. We are supporting research to determine the reasons for this with a view to finding solutions.

Managing homelessness

- 8.4 The Housing Act 1996 places duties on local authorities to assist people who are homeless or threatened with homelessness. Local authorities have a strategic duty and duties to individuals. A local authority must have a homelessness strategy which addresses prevention and support as well as the provision of housing. This should be part of, or linked to, the authority's overall strategy for housing.



- 8.5 Access to good advice is the foundation for preventing homelessness. Whilst there is a duty to make available general information, local authorities are only obliged to assist someone if likely to be made homeless within 28 days.
- 8.6 Local authorities have developed their housing advice services to reduce homelessness, and a well-developed network of independent housing advice services exists to support and challenge the statutory sector. Nevertheless, housing advice and assistance does not always reach the people who need it, or it may be too late to prevent homelessness.
- 8.7 A series of tests are used to determine the help that someone receives from a local authority. Factors include, as above, the threat of becoming homeless within the next 28 days and whether they fall into a “priority need” category. The latter includes families with children, a woman who is pregnant, care-leavers, young persons aged 16-17, people leaving the armed forces, people leaving prison, and people escaping domestic abuse. There is a further test to determine whether or not someone is “intentionally homeless”; that is, they caused themselves to be homeless.
- 8.8 The assistance provided depends on the outcome of the assessment. Some people receive advice and information only. Some receive temporary accommodation for a limited period while others are given permanent accommodation. Approximately half of homeless households are provided with a social housing tenancy, usually after a stay in temporary accommodation. The fact that social housing provision is not increasing at anywhere near the rate to cope with the demands from both homelessness and from housing waiting lists means that stays in temporary accommodation can be much longer than anticipated.
- 8.9 For some time, it has been recognised that homelessness is rarely just a housing problem. Housing staff are often dealing with people with complex needs in relation to mental health issues, domestic violence, substance misuse issues and child protection. The pressure on staff to both identify and give support to vulnerable people is immense.
- 8.10 Housing associations do not have a statutory responsibility for homeless people but are expected to co-operate with local authorities and to give reasonable preference to homeless people when letting their homes. There are many examples of positive collaboration, but there is not a consistent picture. Housing associations must play a key role across the whole of Wales in supporting local authorities to tackle homelessness if we are to make further progress. A good example of such action is the mortgage rescue schemes which some housing associations operate using their own resources.

The law in practice

- 8.11 The help that people receive is governed by a variety of laws, policy documents and guidance. The law is generally regarded as complex. All local authorities have a duty to apply it fairly and consistently. They are also encouraged to follow good practice.
- 8.12 The current legislation involves a series of tests and hurdles, leading through a ‘rights-based’ safety net. Whilst this provides some protection for the most vulnerable, it has led to a process-driven environment with substantial resources devoted to inquiry, interpretation and challenge.



- 8.13 The research conducted for us by Cardiff University³⁷ has provided evidence of inconsistencies in the way that current legislation is interpreted and applied, other research has shown that service users, including young people, can receive inconsistent advice and assistance with some getting appropriate support and others not³⁸.
- 8.14 Previous research³⁹ has suggested that poor advice, misuse of exclusion policies and non-compliance with codes of guidance may have denied some people their legal rights.
- 8.15 The result is that depending on where they go for help people receive a different quality of service and in some cases a different level of support.
- 8.16 As an example the priority need test is clearly open to inconsistencies with single people needing to prove that they have a specific vulnerability; for example old age, mental or physical disability or 'other special' reason. People who are rough sleeping and refugees can find themselves treated in different ways by different local authorities and even in some instances, by different officers.
- 8.17 This is wrong. People should be able to receive consistently good services and expect to have the law applied in a consistent way in all parts of Wales.

Developments to date

- 8.18 Recent years have seen a much greater focus on prevention and early intervention. Developments have included mediation services, social lettings agencies and tenancy sustainment programmes. The approach, as a result of the efforts of local authorities and many others, is credited with the reduced levels of homelessness between 2004 and 2009.
- 8.19 Our Ten Year Homelessness Plan⁴⁰ sets the long term policy direction. Our Homelessness Grant programme of some £7 million supports local and national organisations to provide a broad range of services and action to prevent and manage homelessness.
- 8.20 We invest more than £1 million every year to support independent housing advice services. The services are threatened by cuts in UK Government funding, which will also affect advice such as debt and welfare rights. The Welsh Government has demonstrated its commitment to supporting a strong advice sector with substantial additional funding for the Citizens Advice Bureaux and will shortly commission a full review of advice services.
- 8.21 Young people are particularly vulnerable when leaving their parental home or care. Finding good quality housing is one of their greatest challenges. Good practice advice has been issued on joint working between social services and housing services. A series of projects has been funded to help young people to learn about homelessness and how to avoid it.
- 8.22 Projects to help people to cope with changes to Housing Benefit are being supported in all local authority areas. These include help for tenants to understand the changes, negotiating with landlords, and initiatives to help people move to more affordable accommodation. The Supporting People programme also plays a big part in helping people to overcome very difficult personal circumstances to find and keep a home. Much of the work is delivered by the voluntary sector.



8.23 We have a long standing goal to end the need for anyone to sleep rough. Services for rough sleepers have increased with a significant part of our Homelessness Grant programme devoted to meeting their needs. In order to achieve our goal, we need a clearer picture of how many people sleep out, and why and how they engage with services. We are currently funding four pilot projects aimed at helping long term rough sleepers based on the innovative Housing First model.

Delivering improvement and benefits

8.24 The opportunity to reform our homelessness legislation and to place prevention at its heart has considerable potential to mitigate the expected increases in homelessness. We will be the first part of the UK to refocus our homelessness legislation on prevention.

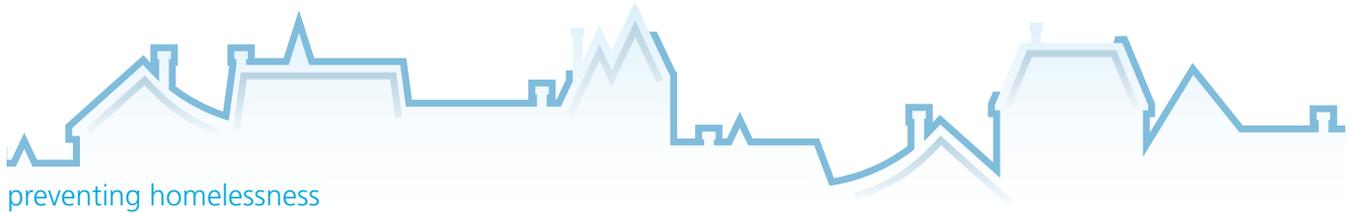
8.25 Despite the considerable good work that has been done on prevention, current law does not encourage intervention early enough. At present, the duty does not apply unless someone is within 28 days of losing their home. Some local authorities and voluntary organisations will help people sooner but unfortunately, some people find themselves turned away from statutory advice services until they fall within the time period. This is wasted time and earlier intervention is both sensible and necessary.

8.26 In parallel with requiring earlier intervention, we must strengthen the framework of housing advice services by way of a locally delivered but nationally-branded network to provide people with the help they need. It needs a strong public profile and should be recognised for the quality of its service, and for its ability to help people irrespective of their current tenure. In line with our commitment to involving people in the design and delivery of services, the network must have a clear user focus backed up by service standards for which they are accountable. Housing advice services also need to link into a broader spectrum of advice provision to help people address the range of issues that may affect their ability to keep their home.

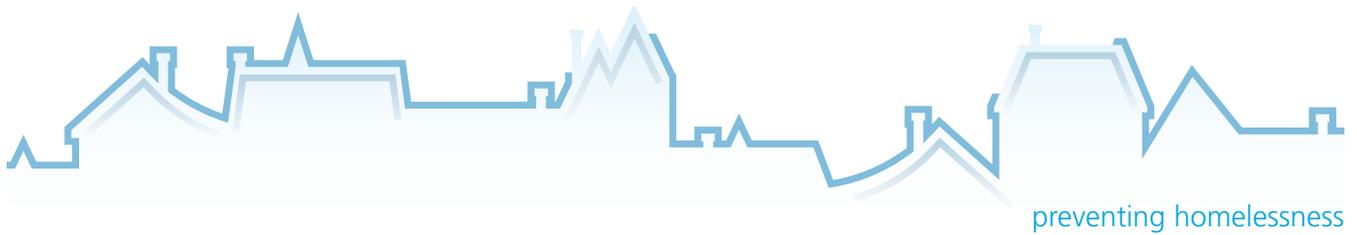
8.27 We will build on the outcome of the Welsh Government's review of advice services to ensure people can readily access the help they need through an effective and easily accessible network of specialist housing advice services.

8.28 There is widespread agreement that the current priority need groups should continue to be eligible for the full duty. However some important questions have been raised about who receives help and why. One in seven applicants housed by local authorities under their homelessness duty relate to persons released from prison. Some local organisations are suggesting that many are in an unbroken cycle of homelessness, being provided with accommodation, re-offending and prison. Crucially we have no clear evidence that the statutory duty placed on local authorities is actually producing the desired outcome, that of reducing re-offending. We intend to review the current duty to house homeless former prisoners to understand its value since its introduction in Wales in assisting rehabilitation and reducing re-offending, balanced against the impact it has on local authorities and others in housing need.

8.29 Recent research⁴¹ shows that one in four new social lettings is made to a homeless household. The private rented sector can be used but only with the agreement of the individual. In 2010-11, it happened in only one in twenty homelessness cases.



- 8.30 This has two effects. First, it limits the options that local authorities have to provide accommodation. Second, some argue that homelessness and social housing have become linked to such an extent that becoming homeless is seen as a route into a council house. The result is that households on housing waiting lists have to wait longer and longer.
- 8.31 The use of private rented properties has its downside. It can be expensive, short-term and of poor quality. However, it can offer a wider choice of areas in which to live. By making greater use of social lettings agencies through offering them guidance and support we can work towards overcoming the difficulties for tenants and landlords alike, by helping tenants to feel more secure and by professional management and maintenance of properties. As stated in Chapter 6, we are committed to ensuring there is an effective social lettings agency covering all areas.
- 8.32 The time has come to allow local authorities to use the private rented sector to discharge their homelessness duty. But it will not happen in isolation. The concerns about private rented properties have been heard. Proposals elsewhere in this White Paper will improve the quality of both accommodation and practices of private sector landlords and lettings agents. Tenancy reform would also make a positive contribution to preventing homelessness.
- 8.33 The ability to use the private rented sector will signal that homelessness no longer guarantees a tenancy in social housing. It will also refocus a local authority's role towards securing a suitable home instead of juggling the very limited amount of social housing that is available to the most vulnerable. It could also help to reduce the number of people and time spent in temporary accommodation which, amongst other things, is associated with a negative impact on people's health and well being.
- 8.34 Homelessness must not be seen purely as a housing problem within local authorities. Better working links between housing services, the NHS and social services departments are essential. As an example weaknesses in past arrangements for adults with mental health needs have been highlighted by the Welsh Audit Office. Developments such as the new Mental Health (Wales) Measure and the Mental Health Strategy Plan will help improve joint working between services and operational arrangements but we need to do more. In many cases people require support from a range of services. This is particularly crucial where working effectively together services can prevent homelessness from occurring. Some local authorities have been successful in adopting this approach especially in areas such as children leaving care, working with ex-offenders and family intervention; we want to ensure that this approach is adopted by all local authorities.
- 8.35 The current law provides very limited protection to people who are not deemed to be in a priority category. The result is that many single homeless people, including rough sleepers, receive limited assistance. We want to do more for single people. With that in mind, we will strengthen the safety net by extending homelessness prevention services to them through the new corporate duty on local authorities to take reasonable action to prevent homelessness at an early stage. This will ensure more single people are helped to keep their accommodation or, if necessary, helped to make a planned move.
- 8.36 There is widespread agreement across local authorities that the 'intentionality test' plays an important role in discouraging some households from giving up accommodation in



the expectation they will gain a social housing tenancy. Therefore, intentionality is a part of our proposals.

- 8.37 Assessing the impact of proposed changes to legislation is vital and arrangements are in hand for this. The use of Homelessness Grant also needs to be reviewed so that it can be used to provide effective local support for, and in line with, the amended legislation.
- 8.38 Legislation is, of course, not the complete solution. The changes will therefore be accompanied by actions set out elsewhere in this document which will lead to more homes, better quality homes, and improved services and practices by individuals and organisations involved in housing.
- 8.39 Homelessness services, both statutory and voluntary, need to have the service user at the heart of their delivery. Standards vary and are sometimes good, but too often people in housing need feel they are treated with inadequate care for their particular circumstances, as evidenced in the recent report by Shelter Cymru on service user perspectives. We need to drive improvements within a service user culture which treats people as individuals and with respect. We will place expectations on organisations with whom we work to set and monitor service standards, including enabling users to participate in setting those standards and influencing the way they are delivered.

Options

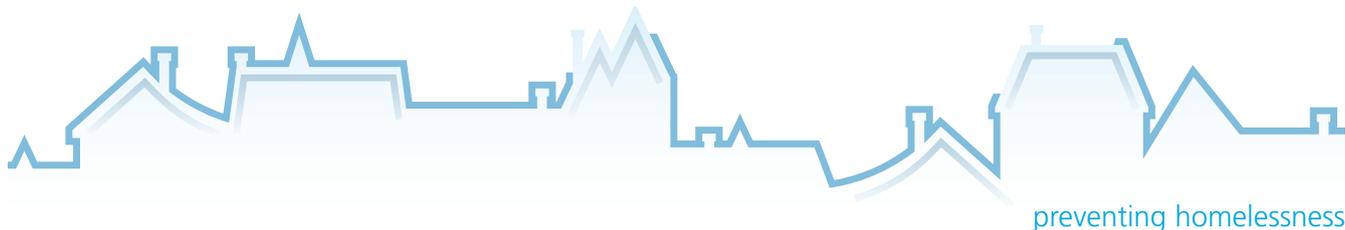
- 8.40 The research we commissioned identified three options. The first involved minor changes to existing legislation. The second focused on breaking the link entirely between the statutory homelessness framework and access to secure tenancies in the social rented sector. The third option, termed a “housing solutions” approach, would be a more radical shift from existing legislation. It would focus the duties on interventions designed to prevent homelessness. These could precede the assessment of entitlements under the existing statutory homelessness system, reinforcing its role as a ‘safety net’.
- 8.41 The “housing solutions” approach is the option we prefer, as this places the primary focus of legislation on the prevention of homelessness, which is the central theme of our Ten Year Homelessness Plan. The main elements of the housing solutions approach are set out below.

The “housing solutions” approach

- 8.42 The research included extensive discussions with organisations involved in homelessness and people who have used those services. The next stage of the research is considering the potential impacts of the proposals. We will continue to work closely with stakeholders and service users on the detail of the proposed legislation. This will include, but is not limited to, consideration of the following elements of the approach.
- 8.43 The definition of homelessness would remain as it is currently, but the definition of “threatened with homelessness” would be extended from 28 to 56 days. This provides the legal parameter for the new duty. However, the intention of this model is that people approach local authorities for assistance as early as possible when they experience a housing problem.



- 8.44 A new duty would be introduced for local authorities to take “all reasonable steps to achieve a suitable housing solution for all households which are homeless or threatened with homelessness”. This duty would be owed to all eligible homeless households. Assessments of priority need, intentionality and local connection are not carried out at this stage. However, identifying a suitable solution for any individual household will involve discussions of the reasons behind their housing problem. Information on how priority need, intentionality and local connection apply to the statutory homeless element of the model is set out below.
- 8.45 Local authorities would be required to consider what could be done to enable an individual to sustain their existing accommodation, to move to suitable alternative accommodation, or, if the individual is without accommodation, work with them to acquire suitable accommodation.
- 8.46 In discharging their duty to take all reasonable steps, local authorities would have to give due regard to local housing market conditions, the support needs of the applicant and/or household, and their views and preferences. They would also have to have due regard to any relevant legislation enacted by the National Assembly for Wales or guidance issued by the Welsh Government.
- 8.47 The model envisages local authorities having a duty to provide interim accommodation to people while housing solutions are being sought. It must be emphasised that this duty would only apply if, and only if, the individual has nowhere safe to stay but we recognise that this would, in effect, extend the current interim accommodation duty beyond the priority need groups. For this reason, the potential impact and feasibility of this element of the proposed model will be considered in detail with local authorities.
- 8.48 In the model, the duty to seek a suitable housing solution could be discharged in one of two ways. First, if a qualifying housing solution is offered or second, where a qualifying housing solution cannot be achieved, an assessment is made of the applicants’ right to a continuing homelessness duty. The ‘solutions’ duty would cease if contact was lost or the applicant wanted to withdraw from the process. A housing solution would be achieved if the individual is able to remain in their existing accommodation or moves to suitable alternative accommodation, or if an individual without accommodation acquires suitable accommodation.
- 8.49 Statutory guidance would need to cover several matters including:
- (i) The minimum set of mechanisms that a local authority must consider in its attempts to provide a housing solution.
 - (ii) The factors the local authority must consider in relation to giving due regard to local housing market conditions.
 - (iii) The scope of an initial basic support needs assessment which would need to be undertaken in order to demonstrate that the individual’s support needs have been considered.
 - (iv) How the local authority can demonstrate that the views and preferences of the individual have been considered.



- 8.50 Where having taken all reasonable steps to achieve a suitable housing solution, a local authority determines that this cannot be achieved within a period of six months, it could bring its housing solutions duty to an end by assessing the applicants' rights to a continuing duty under existing legislation. If a period of six months expires without a housing solution being achieved, the local authority would need to accept a statutory homelessness application.
- 8.51 The model would include a review and/or appeal mechanism to enable households to challenge whether or not a local authority has acted in compliance with the duty to take all reasonable steps to achieve a housing solution.

The statutory homeless application

- 8.52 Where a statutory homelessness assessment is undertaken and the main homelessness duty applies, this could be discharged in three ways:
- (i) The offer of a secure social tenancy or an assured tenancy as at present.
 - (ii) The offer of a suitable assured shorthold tenancy for a minimum of twelve months (without the need for applicant consent) or a minimum of six months (with consent).
 - (iii) The offer of suitable supported accommodation with a specified minimum term.
- 8.53 In principle, the priority need, intentionality and local connection tests could stay as they are at the moment. However, we have decided that the intentionality duty should become a power so that local authorities can choose whether or not to investigate intentionality. In relation to households with children, we intend to remove intentionality within the term of this Government. We will share the impact assessment of this proposal with local authorities and other stakeholders.
- 8.54 In relation to local connection, when undertaking a statutory homeless assessment, local authorities would continue to be able to refer an individual to another local authority under the existing local connection powers.
- 8.55 On priority need, the review identified three options:
- (i) Retain the existing priority need groups.
 - (ii) Expand the existing priority need groups slightly to include two additional groups: 'verified' rough sleepers and young people under the age of 25.
 - (iii) Pass legislation to gradually phase out priority need but not bring this into force until such time as the full impact of the housing solutions approach is clear and commands confidence with respect to the feasibility of phasing out of priority need
- 8.56 The third option is our preferred route, but would be dependent upon evidence of its feasibility.



preventing homelessness

8.57

We will:

- Introduce a new corporate duty for local authorities to take all reasonable steps to achieve a suitable housing solution for all households who are homeless or threatened with homelessness.
- End family homelessness by 2019 by removing the intentionality test for households with children.
- Establish a Ministerial Advisory Group to support the development of statutory guidance on the homelessness elements of the Housing Act and consider the impact of the legislation and any further steps which may be required to achieve our long-term goal of ending homelessness.
- Set out an expectation that action to prevent homelessness should be taken as early as possible and extend the statutory definition of ‘threatened with homelessness’ from 28 to 56 days.
- Require housing associations and other bodies to co-operate with local authorities in the implementation of the housing solutions approach and other aspects of the authorities’ homelessness duties.
- Allow local authorities to discharge their homelessness duty through an offer of good quality private rented sector housing.
- Work towards a nationally branded, locally delivered, housing advisory service, taking into account the cross-Government review of advice services.
- Commission a review of the Section 180 Homelessness Grant to ensure that it is deployed to best effect to support the new emphasis on prevention and other legislative changes.
- Review the way that homelessness is measured and work with local authorities to improve the monitoring of the performance of local services to ensure:
 - (a) people receive consistently good services wherever they are, and:
 - (b) a robust evidence base on the impact of the housing solutions approach is available.

8.58

We will consider very carefully the impacts of new legislation, working with other organisations to ensure effective implementation of the changes and a measured approach to the pace of change.

Appendix 1: Indicative timetable

The legislative and non-legislative action we are taking to help people to find and keep a decent home they can afford, will take place throughout the remainder of this Government. It also provides the foundation for further action beyond this Government to improve the overall housing system.

The table below provides an indicative timescale for the range of action being taken. It is grouped into six-month periods consistent with financial years, leading up to the introduction of the Housing Bill in autumn 2013. Some of the action set out in this document, such as development work on all legislative proposals, and identifying and spreading good practice, will be undertaken in all or most periods. These are not listed. Action that starts in one period may extend into subsequent periods.

The primary impact(s) of the action are noted against each of the actions. These correspond to our strategic priorities: improving the supply of homes ("Supply"), improving the quality of existing homes ("Quality"), and improving housing and housing-related support services ("Services").

Time period	Action	Strategic benefit
April 2012 to Sept 2012	· Phase 2 of homelessness research	Services
	· Ministerial Group established for homelessness legislation	Services
	· National "Houses into Homes" programme implemented to tackle long-term empty properties	Supply
	· Ministerial Task Force established to ensure further action is taken to achieve the Welsh Housing Quality Standard	Quality
	· Consider how Renewal Area funding can be used alongside Strategic Regeneration funding	Quality
	· Continued negotiations with HM Treasury on Wales' withdrawal from the Housing Revenue Account Subsidy system.	Supply Quality
	· Action with Local Service Boards to position housing in Single Integrated Plans	Supply Quality Services
	· Future developments on housing services for those experiencing domestic abuse	Services
	· Develop revised guidance and effective Regional Collaborative Committee to deliver the improved Supporting People programme	Services
	· Commence Implementation of housing commitments in the Welsh Government's Strategic Equality Plan	Supply Quality Services
	· Welsh Government's land release protocol updated to accelerate use of surplus public land for homes	Supply



Time period	Action	Strategic benefit
October 2012 to March 2013	· Support through the National Assembly for Wales the passage of the Member's Bill on park and mobile homes	Quality Services
	· Enhance services available to leaseholders and commence research into scale and nature of issues facing them to inform future action	Quality Services
	· Work with Wales European Funding Office on strategic projects on energy efficiency, and deliver jobs, training and social enterprise through housing associations	Services
	· Comprehensive set of performance indicators developed for local authority and housing-related services	Supply Quality Services
	· Establish a formal agreement with local authorities for the self-assessment of outcomes for tenants	Services
	· Evaluate the impact of regional collaboration on housing matters by local authorities	Supply Quality Services
	· Interim evaluation of the new regulatory framework for Registered Social Landlords	Services
	· Introduce a new scheme to provide 95 per cent mortgages for first-time buyers of new-build homes	Supply
	· Welsh Housing Partnership evaluated	Supply
	· Framework developed with Value Wales to promote and assess the community benefits that can be achieved through public procurement	Quality
April 2013 to Sept 2013	· Review of the Health and Homelessness Standards and associated guidance	Services
	· Review range of aids and adaptations programmes	Services
	· Review of s180 Homelessness Grant to ensure it supports new legislation	Services
	· Further guidance prepared on section 106 Planning Agreements for Affordable Housing	Supply
	· National Property Improvement Loans scheme developed with local authorities	Quality
	· Input to Domestic Abuse (Wales) Bill to ensure coherence with Housing Bill	Services
	· Review the "Design Quality Requirements" for new affordable homes	Quality
	· Accessible Housing Registers covering each local authority areas	Services
	· Input to Planning (Wales) Bill to ensure it reflects need for more positive outcomes for housing supply	Supply
October 2013 onwards	· Housing Bill introduced to the National Assembly for Wales and passage through scrutiny process	Supply Quality Services
	· Second Housing Bill on Tenancy Reform introduced to the National Assembly for Wales and passage through scrutiny process	Supply Quality Services



Appendix 2: Responding to the consultation

Your views are important. We believe the new legislation and other action we propose to take will make a difference to people’s lives. This White Paper is open for public consultation and your comments are welcome. The consultation will close on 17 August 2012.

To help record and analyse the responses, please structure your comments around the following questions. You do not need to comment on all questions.

1.	Do you support our ambition to make further improvements to the whole housing system?
2.	<p>Do you have any comments on the proposals for legislation and/or the issues being considered for legislation:</p> <ul style="list-style-type: none"> a) To improve the private rented sector, including landlords, lettings agents and managing agents. b) To prevent homelessness and to end family homelessness by 2019. c) To provide local authorities with a discretionary power to levy a higher rate of council tax on long-term empty properties. d) A statutory duty on local authorities to provide sites for Gypsy and Traveller communities. e) Defining Community Land Trusts f) Enabling a new co-operative housing tenure to aid developments. g) Requiring local authorities to produce and regularly update Local Housing Market Assessments. h) Tenancy reform to improve the way the housing system works for housing organisations, landlords and tenants alike. i) Setting standards for local authority rents, service charges and quality of accommodation to support the Welsh Housing Quality Standard. 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.
	Do you have any comments on any other action set out in this White Paper? <i>(please state the chapter(s) to which your comments relate)</i>

You can send your comments to us by email using the following address: HousingWhitePaper2012@wales.gsi.gov.uk or by post to: “Housing White Paper”, Welsh Government, Housing Directorate, Rhydycar, Merthyr Tydfil CF48 1UZ

Note that responses to the consultation may be published. Personal names and addresses will normally be withheld from publication but if responding on behalf of an organisation or group, you should say if you do not wish your name to be published



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