Introduction

Joint working across Wales continues to deliver results. Housing is key to our Programme for Government and it is important that we are making a difference to people and I am delighted to be able to share our successes with you in this edition.

These achievements include my recent announcement that we are set to exceed our ambitious target of delivering 10,000 affordable homes by the end of this Government through working with housing associations and local authorities. Also 72% of social housing stock now meets our Welsh Housing Quality standard. With our ‘Houses into Homes’ programme we have reached our target of delivering over 7,500 empty homes back into use with over a year to go, another significant milestone that we have achieved working with stakeholders across Wales.

This bulletin enables us to highlight the initiatives being successfully delivered and how we are working with partners across Wales. There is still much more for us to do and there are challenges ahead but I am confident that with continued partnership working, we will deliver for those individuals and communities who are in need and whose lives we can improve.

Lesley Griffiths
Minister for Communities and Tackling Poverty
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Housing Supply

Affordable Housing Statistics – Welsh Government is set to exceed ambitious 10,000 affordable homes target

Figures announced on 21 October 2015 reveal the Welsh Government has already achieved 91% of its target to provide 10,000 additional affordable homes this Assembly term, with over a year to go.

In 2014/15, 2,218 affordable homes were delivered across Wales, bringing the total number provided since 2011 to 9,108. The data is a clear signal the Welsh Government is on track to well surpass its ambitious target by May 2016.

Welsh Registered Social Landlords (RSLs) delivered 89% of the additional affordable housing in 2014/15 (1,971 units), while 563 of the homes were built on land made available by the public sector.

The Welsh Government is investing over £400 million through the Social Housing Grant (SHG) programme during this Assembly term to increase the supply of affordable housing and support the Welsh economy through the creation of construction jobs and apprenticeships.

Minister with responsibility for housing, Lesley Griffiths, said:

“Boosting housing supply not only creates much-needed homes, but also provides jobs and training opportunities in the construction industry. This is why, at the start of this term of Government, we made a clear commitment to the people of Wales to increase affordable housing across the county. I am delighted today’s statistics reveal we are well on course to deliver on this key commitment.

It is a huge achievement to have already reached 91% of our target of providing 10,000 additional affordable homes with a year still to go. However, we are not resting on our laurels.

We will continue to work closely with our partners across the sector, who have shown such commitment and determination to increasing housing supply, to ensure the people of Wales have access to the homes they need.”

The Welsh Government is committed to increasing housing supply across all tenures, and recently signed a pact with the Home Builders Federation to increase the availability of market housing in Wales.

Figures released in September revealed a continuing positive trend in house building in Wales, with 6,955 new homes started during 2014/15 – a 20% increase on the previous year and the highest number recorded since 2007/08.

The Minister added:

“The affordable housing statistics, which come on top of positive homebuilding data, are further proof the housing sector in Wales is truly on the up.”
Houses into Homes – Empty homes target reached and Programme for Government commitment delivered with over a year to go

Over 7,500 vacant properties have been saved from falling into disrepair and transformed into homes for families in Wales during the past four years.

The Welsh Government has gone above and beyond its ambitious 5,000 target, with over a year to go. In 2014/15, 3,089 empty properties were brought back into use thanks in no small part to the innovative Houses into Homes scheme, bringing the total to an impressive 7,560.

During its first three years, the initial investment of £20 million has enabled local authorities to provide 360 interest-free loans to owners of properties which have been empty for more than 6 months, to bring the properties back into use for sale or rent.

As well as increasing housing supply, bringing properties back into use removes unsightly empty buildings, regenerating communities and reducing incidents of vandalism and anti-social behaviour in properties which have fallen into a state of disrepair.

The Minister with responsibility for housing and regeneration, Lesley Griffiths, said:

“Transforming 7,500 vacant properties into homes for families in Wales is a wonderful achievement. Houses into Homes has galvanised local action and the result is more homes for more people.

I am delighted we have not only delivered, but exceeded our Programme for Government commitment, with more than a year to go. Vacant properties falling into disrepair are a blight on our communities which, not only spoil the appearance of our towns and cities, but are also associated with increased incidences of vandalism and anti-social behaviour.

These latest figures are a clear marker of our continued commitment to meeting housing need. In doing so, we are boosting employment in the construction industry, helping local businesses, and supporting jobs across the whole of Wales.”

Houses into Homes is delivered by local authorities and is an example of effective local, regional and national collaboration, with all 22 councils working together to share resources and expertise.

The Minister added:

“I am very grateful to local authorities for the drive and determination they have shown to develop high quality and affordable housing within their communities. In addition to the £20 million provided to local authorities, I have made an extra £10 million available to maintain the momentum achieved so far.”

Cllr Dyfed Edwards, WLGA Housing Spokesperson said:

“Councils across Wales have demonstrated their effectiveness in tackling empty properties, and have made a real difference. Bringing empty properties back into use as homes not only brings a much-needed increase in the supply of housing in many communities, but also removes the problems, such as vandalism and anti-social behaviour, that can often be associated with unoccupied buildings. The dramatic
increase in the number of additional homes being provided in this way is a real success story.

The funding made available by Welsh Government for loans has been a valuable addition to support other actions being taken by local authorities to tackle the issue of empty properties. This work also directly benefits other strategic objectives such as generating employment and supporting regeneration initiatives.”

For further information on the Houses into Homes Scheme visit: www.gov.wales/topics/housing-and-regeneration/housing-supply/empty-homes/houses-into-homes/?lang=en

PPIW Report Publication – Future Need and Demand for Housing in Wales

The Public Policy Institute for Wales published a new report on Future Need and Demand for Housing in Wales in October 2015. Following a request from the Welsh Government, the PPIW commissioned the late Alan Holmans to formulate a new estimate of the need and demand for housing in Wales over the period 2011 to 2031. The report presents the findings of this work.

Two estimates are presented – one based on the Welsh Government’s official projections for the growth in the number of households (the ‘principal projection’), the other based on a projection developed by Dr Holmans (the ‘alternative projection’), who argued that the Welsh Government may have under-estimated future growth in the number of households.

Based on the principle projection, Dr Holmans estimates that in the period 2011-2031, an additional 174,000 houses or flats will be needed, which equates to a need for 8,700 new homes each year. 63% of which are expected to be in the market sector (5,500 a year, 109,000 over the period), and 37% in the social sector (3,300 a year, 65,000 over the period).

The alternative projection gives a higher estimate of need and demand: 240,000 units over the period, or 12,000 a year; of which 65% would be in the market sector (7,800 a year, 156,000 over the period) and 35% in the social sector (4,200 a year, 84,000 over the period).

Put alongside historic rates of house building in Wales, Dr Holmans’s analysis suggests that if future need and demand for housing in Wales is to be met, there needs to be a return to rates of house building not seen for almost 20 years, and an increase in the rate of growth of affordable housing.

The report can be viewed here:


Evaluation of Vibrant and Viable Places Targeted Regeneration Investment - Independent group heralds success of flagship £100m regeneration programme

An independent review of Vibrant and Viable Places (VVP), the Welsh Government’s flagship £100 million regeneration scheme, has found it is delivering significant benefits to the Welsh economy and communities across the country.
The report highlights the programme will create more than 2,000 jobs, support 3,000 people into work and bring a further £300 million into Wales. It is also expected to deliver 1,000 additional affordable homes and more than 2,300 homes in the private sector.

Through VVP, 11 local authorities across Wales are sharing £100 million in capital funding between 2014 and 2017. The funding is being invested in a range of regeneration projects in town centres, coastal communities and Communities First areas, with significant progress being made across Wales.

An independent group was appointed to review the success of VVP to inform future funding decisions for the programme. Their report endorses the scheme’s aims and says it is generating major benefits for Welsh communities, while setting out ways the programme could be strengthened even further in future, should there be another funding round.

Minister for Communities and Tackling Poverty, Lesley Griffiths, said:

“Our flagship VVP programme is at the very heart of our work to create jobs, boost the economy, increase the supply and quality of housing, and tackle poverty.

This is why I am delighted this independent report so clearly endorses our approach to regeneration and highlights the huge impact the programme is set to have in Welsh communities.

I would like to thank the group's members for using their wealth of expertise in various areas to assess the success of VVP and inform future work.”

The Ministerial Advisory Group (MAG) is made up of key representatives from housing, business and the third sector, including Wales and West Housing, Airbus, Boots, Home Builders Federation, Federation of Small Businesses Wales, Citizens Advice Cymru and the Welsh Local Government Association.

Over the past year the group has visited a range of projects across Wales and saw the good work being achieved through VVP. In Wrexham, the programme has backed the creation of Sprouts nursery, which provides quality childcare facilities for local families. The group also saw how VVP is creating new homes and commercial space in Swansea and Newport, and supporting an Enterprise Centre on Merthyr High Street, which is helping new and existing businesses to grow.

Anne Hinchey, Chair of MAG and Chief Executive of Wales & West Housing, said:

“VVP is offering the Welsh Government a very positive foundation to build upon. It offers a clear vision and provides a flexible framework on which bespoke regeneration strategies can be developed. We have seen some excellent projects in progress. Our key over-arching recommendation to the Welsh Government is that this policy area should continue. It is still early days, but the position where we are currently is positive and the programme is making a valuable contribution in many areas across Wales.”

In addition to the above report, we also commissioned an evaluation of the implementation of Vibrant and Viable Places through qualitative research. This evaluation involved a review of key documentation and interviews with Welsh Government and local authority staff and their partners involved in the policy. It reviewed the programme design, the programme set-up and implementation plus a review of the project delivery structure and models. Recommendations to inform future programme implementation and development are also included.
Housing Finance Grant (HFG) II Progress

Welsh Government continues to work in collaboration with the Registered Social Landlord (RSL) sector and local authorities to develop the second phase of the Housing Finance Grant. Work is underway with each sector, in order to achieve the ambitious target of 2,000 units.

Three work streams were set up earlier this year for the RSLs, large-scale voluntary transfers (LSVTs) and local authorities. Each group has been exploring financial and development capacity and barriers to participating and this work is ongoing.

A HFG II Development Working Group is currently looking at the development process and how this can be improved. Additionally, a HFG II Finance Working Group has also been set up to discuss the process of finding suitable options for HFG II.

For further information, please contact innovativefinance@wales.gsi.gov.uk

Welsh Government and Home Builders Federation Housing Supply Pact

The Welsh Government and the Home Builders Federation (HBF) agreed a pact on 21 September 2015 to increase housing supply and maximise the local jobs and training opportunities created by the construction industry in Wales.

Welsh house building has seen strong, sustained growth in recent years, with statistics released on 16 September 2015 showing during April-June 2015, a total of 1,750 new homes were built – a rise of ten per cent on the same quarter last year.

The pact seeks to build on this good work, helping ensure housing supply meets growing demand and making the most of the community benefit opportunities created by local investment. It also sets out the Welsh Government’s commitment to extend the successful Help to Buy – Wales scheme, which is providing a boost for buyers and builders alike; make more public sector land available for private investment; and cut unnecessary red tape.

Speaking ahead of the launch of the pact at The Quays, Barry Waterfront development, Minister with responsibility for housing, Lesley Griffiths, said:

“Confidence has returned to the housing industry in Wales, with large annual increases in both new developments started and new homes built. This is good news and demonstrates the impact Welsh Government policies are having through schemes such as Help to Buy – Wales, which has already supported the construction and sale of 2,235 properties by the end of September this year.

I am determined to see this momentum continue and believe there is still more we can do to continue delivering homes for people across Wales. The pact I have announced today has been developed in close partnership with the HBF and its members, and will help us achieve our priority of increasing housing supply.”
As part of the pact, the HBF and its members commit to maximise the local jobs, apprenticeships and training opportunities from construction work, provide detailed evidence to inform housing policy, and work with Housing Associations to deliver affordable housing as part of private estates.

Mark Harris, HBF Planning and Policy advisor Wales said:

“Building the homes needed will provide all areas of Wales with significant social and economic benefits. If Government can introduce policies that create an environment within which house builders can operate, the industry will deliver the new homes required. Ensuring people can buy and that the planning system delivers enough land in the right places is key. The industry is committed to working closely with politicians to increase the provision of high quality new homes. The Pact builds on the relationship already developed between government and the house building industry as all parties look to play their part in ensuring the homes Wales needs get built.”

Housing Quality

Latest Welsh Housing Quality Standard (WHQS) Statistics

New data published on 8 October 2015 shows the progress made by social landlords in achieving the Welsh Housing Quality Standard (WHQS) for all their stock. The figures show that 159,317 (72%) of households now live in good quality homes, a rise of 9,562 compared with this time last year and an increase of 4 percentage points since 31 March 2014. In addition, all social landlords are currently on track to meet our 2020 achievement date. This is possible because the Welsh Government continues to provide £108m of capital investment every year, which leverages almost five times that amount for social landlords across Wales, helping to support investment in housing for some of our least advantaged people. As a result, 90% of the stock now has sound roofs, 95% has secure external doors, 97% has secure windows, 98% has mains-powered smoke alarms and 87% up to date kitchens and 88% up to date bathrooms, 85% are energy efficient and 96% has central heating.

The Welsh Government’s priorities are health, jobs and educational attainment. This programme underpins all of those priorities and uses a community benefits approach to creating jobs and providing training and supply chain opportunities in some of our poorest communities. To date, the Welsh Government’s Community Benefits Measurement Tool has tracked contracts worth £215 million, demonstrating that 84% of spend has been re-invested in Wales. This has helped more than 403 people into employment or training and provided the equivalent of 19,000 weeks of training.

The data published on 8 October is very good news for our people, our communities and our businesses.
Community Benefits Workshops

Four workshops are being held with social landlords to ensure the substantial community benefits being achieved through our collective investment in housing are captured on a clear, consistent and comparable basis. The first successful workshop was held in North Wales on 22 October. The remaining three are:

- 26 November 2015 – Cardiff
- 14 December 2015 – Merthyr
- 19 January 2016 – Swansea

All social landlords have received invitations but in the event you have not received it or you want further information about the events, please contact Mark Price (029 2082 3431) or Julie Dentus (0300 061 5554) in the Housing Quality Standards team.

Legislation

Starting Date for Rent Smart Wales – new requirements under Part 1 of the Housing (Wales) Act 2014

Rent Smart Wales, the brand name for the new registration and licensing requirements under Part 1 of the Housing (Wales) Act 2014 will be launched on 23 November 2015. From this date, the Rent Smart Wales team will be in place and the website (www.rentsmart.gov.wales) and helpline will be live.

Landlords who need to register, and landlords and agents who need to become licensed, will be able to register and apply for a licence from this date. They will have 12 months from 23 November 2015 in which to comply with the new legislation. During this first year there will be a focus on raising awareness of the new requirements and encouraging compliance.

Rent Smart Wales will improve the image of the private rented sector, which is an increasingly important housing option for many people. It will benefit people who rent their home in the sector and improve the practices of landlords and agents and help to tackle the bad practice amongst some private landlords.

Following its launch, the next 12 months will see landlords registering with Rent Smart Wales and, for some, they will be considering whether they wish to become licensed themselves, or commission a licensed agent to manage and let their properties. Alternatively, of course, they may choose an approach including both.

Letting agents will need to ensure that they are complying with the new licensing obligations. Many have indicated that they want to comply early to ensure their client landlords are reassured that they are licensed.

Further information is available at www.rentsmart.gov.wales / www.rhentudoeth.llyw.cymru where you are also able to subscribe to receive updates.

You can also follow on Twitter @rentsmartwales / @rhentudoethcym
Renting Homes (Wales) Bill

The Bill has completed Stage 3 of the Assembly’s consideration process, during which amendments to the Bill were considered by Assembly Members in Plenary on 10 November. The aim remains for the Bill to be passed before the end of the current National Assembly term in 2016.

For further information please see www.wales.gov.uk/rentinghomes and www.senedd.assembly.wales/mgIssueHistoryHome.aspx?IIId=12055

Welfare Reform


In response to the significant welfare cuts announced in the UK Government’s Summer Budget 2015, the Welsh Government’s Ministerial Task and Finish Group for Welfare Reform has approved a forward research programme to consider the impact in Wales in order to inform a policy response. The welfare cuts of particular relevance to the housing sector in Wales include: freezing Local Housing Allowance for 4 years from 2016/17; removing the family premium in Housing Benefit for children born or claims made after April 2016; reducing the household benefit cap to £20,000 outside London from 2016/17; ending automatic entitlement to housing support for out-of-work 18-21 year olds from 2017/18; limiting backdating in Housing Benefit from 2016/17; and, changing Support for Mortgage Interest from a welfare payment to a loan from 2018/19.

The Group’s latest report, published in September, provides estimates of the numbers affected by the Summer Budget welfare cuts and impacts on household income. Consideration has also been given to the effect of the personal tax measures and changes to the minimum wage for those aged 25 and over. The report can be accessed via the links below.

Our next research report, which is being produced by the Institute for Fiscal Studies (IFS), is due to be published later this year. This will further consider the effect of the welfare, personal tax and minimum wage changes on household incomes in Wales, and will also provide estimates of the effect of these changes on work incentives.

Useful Links

Business Improvement Districts

The Welsh Government is supporting the development of 10 additional Business Improvement District (BIDs) in Wales, as a key component of its commitment to encourage economic development and to deliver its new regeneration framework, Vibrant and Viable Places. BIDs are an innovative way of bringing local businesses together to improve their local trading environment and increase their profitability by pooling their resources and working as a team.

To date three ballots have been announced, unfortunately, Abergavenny was unsuccessful but positive ballot results were had in Caernarfon and Bangor. Over the next few months Colwyn Bay, Llanelli and Neath will be going to ballot. The Communities and Tackling Poverty Minister visited Llanelli to launched the ‘Ymalen Llanelli’ BID proposals on the 5 October 2015, for further information visit: [www.gov.wales/newsroom/housing-and-regeneration/2015/151005-minister-backs-traders-bid-to-boost-lanelli-economy/?lang=en](http://www.gov.wales/newsroom/housing-and-regeneration/2015/151005-minister-backs-traders-bid-to-boost-lanelli-economy/?lang=en)

Aberystwyth, Pontypridd, Bridgend and Merthyr Tydfil will all be going to ballot early in the new year. For further information visit: [www.gov.wales/topics/housing-and-regeneration/grants-and-funding/business-improvement-districts/?lang=en](http://www.gov.wales/topics/housing-and-regeneration/grants-and-funding/business-improvement-districts/?lang=en)

Support your High Street Campaign

High Street Week took place again this year, the focus of a national campaign encouraging people to support their vibrant local high streets.

High Street Week took place from Saturday 19 September 2015 with events and fun family activities such food and craft fairs, children’s activities, vintage days and street parties across Wales.

The week is the focus of the Welsh Government’s ‘Support Your High Street’ campaign, which raises the profile of Welsh high streets and recognises the valuable contribution they make to the economy and community life.

As part of the celebrations, Communities Minister, Lesley Griffiths announced the winners of the prestigious new High Street Heroes awards during High Street Week.

The winner and overall High Street Hero was Beth Giles of Giles Gallery, Pontyclun. Winners of the High Street favourites categories of the awards, determined by public vote, were also awarded. The awards celebrate the retailers, services and individuals who deserve recognition for helping to make their local high streets great.

Minister for Communities and Tackling Poverty, Lesley Griffiths, said:

“Our high streets and town centres are a key part of the fabric of Welsh community life. They not only offer vital services and great produce, but also valuable places for family and friends to come together to socialise.”

For further information on the Support Your High Street campaign visit: [www.gov.wales/topics/housing-and-regeneration/regeneration/high-street/?lang=en](http://www.gov.wales/topics/housing-and-regeneration/regeneration/high-street/?lang=en)
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E-bulletin
If you have previously received an e-mail with links to this bulletin, these have now been replaced by an e-bulletin. You will now receive all links to editions in an e-bulletin where you can choose to unsubscribe.
For those who do not receive links to the bulletin via e-mail, you are able to subscribe on-line as outlined to receive these bulletins automatically.

Feedback
We always welcome feedback to help us to continue to develop this bulletin. If you would like to provide us with comments or request further information, please contact: HomesforWales@Wales.gsi.gov.uk

Twitter Update
You can follow the Welsh Government Minister for Communities and Tackling Poverty @WG_CommunityMin and the Communities and Tackling Poverty Department @WG_Communities