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**Chartered
Institute of
Housing**
Cymru

Draft development plans manual (Edition 3)

CIH Cymru inquiry response

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org

In Wales, we aim to provide a professional and impartial voice for housing across all sectors to emphasise the particular context of housing in Wales and to work with organisations to identify housing solutions.

For further information on this response please contact
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General Comments

CIH Cymru welcomes the opportunity to provide information to inform this consultation on the 3rd edition of the draft development plans manual.

Our response is informed by feedback from our members, our knowledge of the housing industry and expertise from our policy and practice teams.

CIH Cymru supports the development of Welsh policies, practices and legislation that aim to address the key housing challenges we face, to improve standards and supply, promote community cohesion, tackle poverty and promote equality. We promote a *one housing system* approach that:

- places the delivery of additional affordable housing at the top of national, regional and local strategies as a primary method of tackling the housing crisis;
- secures investment to ensure the high and sustainable quality of all homes in a sustainable framework;
- improves standards and develops the consumer voice within the private rented sector
- promotes the concept of housing led regeneration to capture the added value that housing brings in terms of economic, social and environmental outcomes;
- recognises that meeting the housing needs of our communities is a key aspect of tackling inequality and poverty;
- ensures that that there are properly resourced support services in place to prevent homelessness and protect the most vulnerable;
- uses current and potential legislative and financial powers to intervene in housing markets and benefit schemes;
- promotes consumer rights & tenant involvement;
- and supports the continued professional development of housing practitioners.

1. Introduction

- 1.1 The development plans manual plays a critical role in informing local authorities and the wider sector contributing to delivering new homes across Wales on the key consideration needed when bringing a development forward. There are clear links with how the plans place housing at the centre of economic growth and contribute to the wider agenda around regeneration and placemaking.

In the following we have responded to those question most relevant to the work of our members in Wales.

2. Questions

Q7. Is the guidance on housing and economic growth scenarios sufficiently clear to enable a plan maker to consider a range of growth options and identify a requirement/plan provision for both homes and jobs that is appropriate and deliverable?

- 2.1 Considering the guidance, it is clear that the supply of land is a crucial factor in considering how development can progress and how this informs the LDP. The effective use and strategic planning of public sector land is one of the underpinning characteristics of a housing system that works. In Wales, we know that despite positive progress within many local authorities, land availability data, and timely input into the Local Development (LDP) planning process.
- 2.2 The housing sector has an increasingly innovative track record in utilising public sector land for the purpose of not just affordable housing development, but also, in partnering with other organisations providing mixed-sites offering healthcare services and community facilities. We believe that exploring projects of this kind should be a key consideration within the guidance.
- 2.3 Working through this kind of model there is ample opportunity for the organisations involved to compliment the corporate objectives of local authorities in ensuring value for money and social return on investment. Working in this way means that achieving 'best value' doesn't (and shouldn't) always equate to 'best price'. Local authorities should be encouraged to consider the opportunities provided through 'less than best value' disposals and nil value disposals looking at the opportunities to provide social housing and supported housing services. Whichever route is selected, it will remain important that land disposals are subject to consistent rules across Wales and guidance in this area for Estates Departments on an on-going basis would be advisable.
- 2.4 In addition there are a number of key policy developments the manual should be sensitive to. Firstly the recommendations arising from the affordable housing review links strongly with some of the functions detailed within the manual. Not least, that of planning land use strategically. The Welsh Government are seeking to take forward ways to distribute social housing grant through affordable housing supply partnerships, which in theory is likely to compromise a set of partners delivering large-scale development across multiple sites within a region during a 5-year period. Whilst at present this approach is solely for the purpose of delivering additional affordable housing, we believe considering it in-line with how strategic planning is

done in other areas, not just housing, to be on of the opportunities to maximise the success of the approach.

- 2.5 Lastly, with the draft National Development Framework currently open for consultation, we would seek to see a clear link between this and the approach mirrored within the development plans manual.

Q8. Is there sufficient practical guidance on how to prepare a housing trajectory to support the delivery of housing? Are the definitions of the components sufficiently clear? If you disagree, please state what should be changed and why.

- 2.6 The guidance seem clear and understandable in relation to the rationale and the practicalities of establishing a housing trajectory. We do believe that the trajectory should be accompanied by an analysis of how this estimation meets the housing need established by the LDP. This should include an emphasis on how the trajectory should reflect that the needs of specific groups are going to be met, such as younger people, or those needing accessible/adapted housing.
- 2.7 The nature of the housing market is changing rapidly as house prices increase and intergenerational equity deteriorates with homeownership becoming increasingly difficult for younger people. The Resolution Foundation's recent analysis on this issue highlighted that if home ownership growth follows a similar pattern as the last decade then half of millennials could still be renting in their 40s (unable to become homeowners even if they desired to do so) and around a third could still be renting by the time they claim their pension.¹
- 2.8 In 2017 the number of dwellings built to rent, combining the social and private sectors represented 30% of all new homes built, with 70 per cent being for owner occupiers. Whilst we support people being able to realise aspirations of homeownership when it is possible, the above factors demonstrate the unsustainability of this model as the prevailing ambition in creating a home. We believe a major shift is needed in the culture of both the housebuilding sector and the Welsh Government to promote renting as a tenure for life as experienced in other European countries
- 2.9 Whilst no one tenure should dominate the housebuilding programme, considering the acute issue being faced both locally and nationally linked to the shortage of affordable homes, the Welsh Government must become increasingly ambitious in this area. This will require the leadership to go beyond the political-cycle of the Welsh Assembly and consider a cross-party approach to ensuring that the idea of access to a rented home, underpinned by a secure tenancy, becomes a common feature of our housing market.

¹ <https://www.resolutionfoundation.org/media/press-releases/up-to-a-third-of-millennials-face-renting-from-cradle-to-grave/> (Accessed 02/09/2018).