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**Chartered
Institute of
Housing**
Cymru

Re-imagining social house building in Wales

CIH Cymru consultation 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.

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General Comments

CIH Cymru welcomes the opportunity to provide information a response to this consultation on re-imagining social house building in Wales.

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 – Off-Site Manufacturing in Wales

There can be no doubting the potential to realise significant benefits to both the delivery of new homes and the wider economic impact on Welsh communities through the enthusiastic development of the Off-Site Manufacturing industry (OSM) in Wales.

With the ongoing housing crisis, our members across housing associations, local authorities and the private rented sector work tirelessly to address the sharp end of the current situation addressing rough sleeping, those at risk of homelessness and waiting lists for social housing. We strongly welcomed the Welsh Government's 20,000 affordable housing target and further revenue funding for homelessness and housing-related support services.

What remains clear, is that the need to deliver more social housing at pace must remain a priority. The opportunity through OSM to meet immediate and acute housing demand in the coming years is significant, with less direct labour requirements, reduce build times and potentially significant savings through economies of scale. Now is the time to consider how OSM can become a regular part of how we develop new homes in Wales and compliment both traditional and other innovate methods of developing homes.

Whilst OSM may be applicable to a range of industries, housing is largely recognised as an area ripe for this method to allow for homes to be delivered at pace, without compromising on quality of the final product. At present, OSM accounts for around 10 per cent of the overall construction output in the UK.¹

The benefits of OSM spans a number of areas:

- **Production speed** can be greatly enhanced when combined with a skilled workforce operating in a factory setting. This is also of benefit to people living, or businesses operating, near construction sites as disruption is minimised
- **Health and safety** is improved by a reduced workforce operating on a build and the majority of construction taking place with a factory setting
- **Advances in automation** mean that constructing homes has the potential to undergo a similar revolution to the car building industry
- **Local economic impact** of using OSM can mean that long-term jobs creation is more likely as factories are able to service a number of sites simultaneously
- **Material usage** can be more closely controlled and planned for resulting in less wastage

A number of barriers to truly realising the benefits of OSM across the housing system continue to exist – these require urgent attention to ensure that the opportunities to benefit from OSM are realised as soon as possible. The Construction Industry Training Board highlighted:

- Limited training and qualifications that are specific to off-site construction, rather than traditional construction
- Training that is available does not typically include coverage of relevant 'softer skills', including behaviours and attitudes for off-site, even though these are very important for the holistic nature of off-site work

¹https://www.citb.co.uk/documents/research/offsite_construction/offsite_construction_full_report_20170410.pdf (Accessed 20/08/2018).

- There is a shortage of skilled tutors and assessors with relevant and sufficient knowledge of off-site to be able to deliver high-quality training
- Where relevant training and qualifications are available, most employers are not aware of them, or are unable to access them because few providers offer the courses or because they are not able to release employees to attend training
- The tutor/assessor shortage is one reason for the limited training provision on offer. However, this is also because of a tendency among employers to assume relevant training does not exist and to train in-house use instead. As a result this suggests to training providers there is limited demand.²

In addition there is a need for further progress in:

- Supporting companies involved in delivering OSM to grow and generate greater economies of scale
- Training/ information-raising with staff across the housing system to better understand the place of OSM and its link with a range of disciplines within the sector
- The connections between on-site and off-site teams, particularly in ensuring assembly practices are well-honed and considered as a collaborative process

The innovative housing programme is proving to be a catalyst in developing approaches to OSM but also other forms of construction that could be utilised on a mass scale. This progress is to be truly welcomed and it is vital that the learning informs the longer-term view of how we deliver high quality social and affordable housing at an event greater scale in Wales than we achieve at present.

2. OSM Strategy – General Comments

We broadly welcome the objectives set out in the s

Building performance requirements (6.2)

This objective rightly recognises that in terms of OSM Wales does not have well developed infrastructure to deliver at scale. Despite that, we believe it is important that any strategy sets out clearly what level of OSM we should seek to achieve, how these could link to specific housing needs (such as homelessness and accessible housing) and the sustainable nature of this develop programme over the longer-term; in addition to a detailed understanding of how costs and risks will be managed whilst the infrastructure remains in its underdeveloped state.

Standardised approaches to design (6.4)

The standard refers to ‘affordable fabulousness’ which despite clearly demonstrating ambition for high quality homes is too vague to truly inform what housing organisations should be delivering. There needs to be greater clarity of what this mean in practice.

²https://www.citb.co.uk/documents/research/offsite_construction/offsite_construction_full_report_20170410.pdf (Accessed 20/08/2018).

We welcome the suggestion that tenant involvement should be clearly evidenced in the design of homes delivered through OSM. We are concerned however that at present the strategy does not expand on the reason behind the Welsh Government’s Technical Scrutiny team assessing the extent and effectiveness of this engagement. Great clarity should be given around the skills/expertise possessed within this team and knowledge of best practice in meaningful tenant engagement to underpin this process. Further to this, there could be additional opportunities to involve tenants in reviewing the extent to which a scheme truly reflects the extent to which the views and expertise of tenants have been incorporated into the overall design.

Any area that considers the re-imagining of social housing should not ignore the current challenges around stigma and negative perception of social housing in Wales – both in terms of the developments themselves and the tenants who live in those communities. Through our Tyfu Tai Cymru project we asked people what were the most important issues facing Wales:

- Housing and Homelessness were chosen by 25 per cent of the respondents – making **housing one of the top five issues**, chosen by more people than Defence, Education, the Environment or Crime.
- **60 per cent of respondents felt that it is a government responsibility** to provide housing to a decent standard and this was the majority view across all age groups and social grades.
- **72 per cent believe it people sleeping rough on our streets should be eligible for help**

Who should be eligible for help from the state to meet their housing needs?

People sleeping rough on the streets	72%
Housed in temporary B and B accommodation, paid for by LAs	63%
Sleeping in shelters provided by charities	63%
Sleeping on a friends couch and moving on	45%
Have to live with parents as cannot afford to buy or rent on their own	21%

The support is particularly high amongst people renting privately or living in social housing and lower amongst home-owners. The survey then asked people their views on a series of statements about social housing. The answers to these questions revealed the divergence in opinion between people who live in social housing and people housed in other tenures. The first group have a much more positive opinion of the quality, safety and need for social housing than the latter.

Statement	Home-Owners	Private Renters	Social Housing Occupants
I would never want to live in social housing	47%	42%	9%
I would be happy to see more social housing built near my own home	26%	38%	69%
We need more social housing in my local community	35%	38%	63%
Social housing estates suffer from high levels of anti-social behaviour and crime	56%	58%	25%
Social housing is of a low quality	23%	37%	18%
Social housing is where we hide people with problems	30%	31%	16%

We would therefore urge the Welsh Government to consider 'attractiveness' in context, demonstrating a clear understanding of how this may go some way towards addressing the stigma outlined by our research.

Socio-economic impact of manufacturing in Wales (6.5)

We strongly welcome the common-sense emphasis on the foundational economy and a clear view that OSM presents a tangible opportunity to re-vitalise local economies through employment, training and supply opportunities. The Welsh Housing Quality Standard (WHQS) is a clear example of where major investment in housing can create clear links with reducing poverty, increasing employment and supporting local businesses. Opportunities to ensure the same positives are realised through undertaking OSM at scale should not be missed.

Collaboration and partnerships (6.6)

We believe that this objective needs to reflect strongly on the role of Affordable Housing Supply Partnerships (AHSP) recommended by the panel and accepted by the Welsh Government following the review of affordable housing supply in Wales.

It is clear that in gaining Welsh Government grant to build homes, this partnership system will embody the entire approach. This partnership approach in tandem with the potential richness of data produced by local authorities to inform Local Housing Assessment present an opportunity to explore sharing risks, developing supply chains and benefitting from economies of scale by ensuring OSM is considered as a key inclusion of any regional bids to developed homes utilising Welsh Government grant.