

Julie James AS/MS
Y Gweinidog Newid Hinsawdd
Minister for Climate Change



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref P-06-1204
Ein cyf/Our ref JJ/11393/21

Jack Sargeant MS
Chair - Petitions Committee
Senedd Cymru
Cardiff Bay
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8 October 2021

Dear Jack,

Thank you for notifying me of Petition P-06-1204 – “Protect the people of Wales - Take urgent action on the housing crisis now”.

We recognise the serious challenges in the supply of affordable housing and are indeed taking action across a broad range of areas. This government remains absolutely committed to increasing access to good quality, low carbon and affordable housing in Wales. The case for investing in social housing is as strong as it has ever been. This is why we will deliver 20,000 new low carbon homes for rent within the social sector during this government term; and also why we have allocated £250m to the Social Housing Grant in 2021-22: almost double the budget in 2020-21.

Whilst our target focuses on social housing, we also know there is continued need for support for home ownership in Wales. Programmes including Homebuy Wales, Help to Buy Wales and Self Build Wales, are an important part of the toolkit to ensure people and families have the home that is right for them.

Second Homes

We also remain focused on the issues relating to second homes and ensuring opportunities for people to have affordable options to remain living in their home communities. We are taking forward a range of actions across the Welsh Government, in line with my oral statement:

<https://record.assembly.wales/Plenary/12321#A66334>).

There are, of course, a range of views and it is important that we take communities with us, and hear voices and consider issues from across all interests and sectors. You will be aware of the ongoing consultation on local taxes for second homes and self-catering accommodation, which is open until 17 November; I attach the relevant link:

<https://gov.wales/consultation-local-taxes-second-homes-and-self-catering-accommodation-html>.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

We will also consult this autumn on our Welsh Language Communities Housing Plan and the specific actions we can take across housing and more broadly to support the health and sustainability of Welsh as a thriving community language. Our work on a statutory licensing scheme for all holiday accommodation, including short-term lets, is underway and will report in December.

In all of this we remain particularly mindful of the need to avoid unintended consequences as we seek to achieve a practicable, effective, fair and balanced system.

Rental Agreement

Access to good quality and affordable homes is at the heart of our broad approach. As you will be aware, Housing Associations are regulated by the Welsh Government to ensure they are well governed, financially robust and provide high quality services to tenants. In 2019, we agreed a five-year rental agreement which restricts all social landlords increasing their rents by more than the Consumer Price Index (CPI) +1%. CPI plus 1% is the maximum rent increase social landlords can apply, and it is for them to ensure rents are affordable for their tenants.

Private Rented Sector

We are also working on further initiatives to improve the supply of affordable housing, including our Private Rented Sector Leasing Scheme. This scheme encourages owners to lease their property to local authorities. The local authority can then use properties on the scheme to house those at risk of homelessness, or actually homeless, at local housing allowance rates. We anticipate that this scheme will attract a variety of different types of property owners including those who might otherwise contemplate leaving the market. Although the scheme is currently operational in a small number of local authorities it forms a key Programme for Government commitment to extend this scheme across all local authorities in Wales.

As the Committee is aware, we are working to implement the Renting Homes (Wales) Act 2016 during this first year of our legislative programme and have confirmed our commitment to provide at least six months' preparation time for tenants, landlords and others by issuing the key documentation they will need. The implementation of this ambitious Act constitutes a complex whole-system change by transforming the rented sector in Wales.

Planning

The planning system in Wales recognises that we need to build more homes in a way that stabilises and enhances our communities. National planning policy has been redrafted around the development of sustainable places which have access to good quality infrastructure and open spaces. Local Planning Authorities must understand the need for housing in their communities and where they have the evidence can seek to control the occupancy of new homes for local people. We continue to work with local authorities and others to ensure that the needs of local people are reflected in development plans.

Finally, I acknowledge the concerns reflected in this petition and will, of course, continue to work with representative groups as we progress our ambitious and far-reaching agenda and our numerous commitments.

Yours sincerely,

A handwritten signature in blue ink that reads "Julie James". The signature is written in a cursive, flowing style.

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