

## **Minutes of the Meeting of the Cross-Party Group for North Wales in the Welsh Senedd Friday 11th November 2022**

### **Present**

#### **Senedd Members:**

Mark Isherwood (Chair), Mabon ap Gwynfor (Vice Chair), Carolyn Thomas (Vice Chair), Sam Rowlands, Siân Gwenllian, Darren Millar.

#### **Local Authority Leaders:**

Cllr Dyfrig Siencyn (Gwynedd), Cllr Charlie McCoubrey (Conwy), Cllr Jason McLellan (Denbighshire).

#### **Speakers:**

Jim McKirdle (WLGA Housing Policy Officer), Mark Harris (Home Builders Federation), Ned Michael (Anglesey Council), Ffrancon Williams (Adra).

#### **Officials:**

##### **WLGA:**

Chris Llewelyn (Chief Executive), Lucy Sweet (Group Secretary), Stephen Jones (previous Secretary), Leroi Hanniford (Communications Officer).

##### **Welsh Government:**

Elin Gwynedd

Bryn Richards

#### **Apologies**

- Alwen Williams, Ambition North Wales
- Cllr Ian Roberts, Flintshire
- Cllr Mark Pritchard, Wrexham
- Mark Tami MP
- Liz Saville Roberts MP
- Ken Skates MS

#### **Actions Agreed**

1. Seek a progress report on the agreement to develop new Small Modular Reactors for North Wales (action relating to the previous meeting of the Group on 1/7/22). **WLGA Regeneration Team progressing.**
2. Organise a further meeting of the Cross-Party Group on solutions to meeting North Wales Housing Demand. **Lucy Sweet (Secretariat) to discuss timing with the Chair and WLGA housing colleagues.**
3. Cross- Party Group to send letter to Welsh Government/ Minister Julie James MS so they understand what issues the group has discussed and that they are high on the agenda for the group. (Include request for update on phosphate issue). **WLGA Housing Team progressing.**

4. Shared Prosperity Fund- share comments from meeting with North Wales MPs who engage with this group to check they are already raising them at Westminster level. **WLGA Regeneration Team progressing.**

### 1. Welcome from the Chair and Introductions

### 2. Minutes of the Previous Meeting held on 1 July '22 and Matters Arising

Group members agreed the minutes of the previous meeting provide an accurate record.

Sam Rowlands MS raised that there was no particular action on the back of the briefing from Rolls - Royce SMR and asked if the members of the group would be willing to write a letter of support to both Welsh and UK Governments.

Mabon ap Gwynfor MS and Carolyn Thomas MS said they couldn't support, as they are opposed to nuclear technology and do not agree it is the answer to needs of the area.

Due to the division of opinion, it was agreed that rather than letter of support, the group will seek a progress report.

### 3. Meeting Housing Demand in North Wales, Panel Session

Jim McKirdle- WLGA Housing Policy Officer

- New build supply doesn't meet level of need identified (WG [figures](#) on their website show shortfall in delivery of new homes).
- Mismatch between supply and demand most marked in social rented and affordable homes.
- 200/300 new homes have typically been delivered by RSLs (Registered Social Landlords) and councils in recent years, with a growing number from local authorities, but the need is for 500/600 each year.
- In the last period of government, The Affordable Housing Supply Review introduced a number of changes (and the 20k target for delivery of affordable homes was achieved).
- Significant number of housing related policy issues in the current period of government:
  - 20k new homes target, but now more specific (low carbon homes for social rent)
  - New National Housing Company
  - Clear focus on the issue of 2<sup>nd</sup> homes, seen most recently through the consultation and implementation of a range of measures
  - Focus on cooperative housing
  - Focus on timber and the timber based industrial strategy
  - Decarbonisation of all homes across Wales (started with social rented homes)
- Housing very high on the agenda for government and councils

- Welsh Government have followed through on financial support (Social Housing Grant, etc).
- It is not actually a shortage of capital subsidy that is the barrier to building of new homes, in many cases.
- There is also difficulty in supply in the existing housing market- the private rented sector is increasingly difficult for people to access (which NRLA would have elaborated on if they'd been able to attend).
- Breadth of housing need is now clearer - Covid-19 pandemic has helped housing need become more tangible, particularly re the approach to homelessness. We now have across Wales more than 8.5k households in emergency accommodation.
- Many more people presenting across Wales than we are able to move to more permanent housing solutions.
- Refugee resettlement schemes and changes to asylum dispersal arrangements.
- Mustn't lose sight of those already on housing register, in inappropriate housing. There is a community tensions risk in how we meet the challenge of balancing those different needs for housing.

Ned Michael- Head of Housing Services, Isle of Anglesey County Council

- Incredible additional pressure because of homelessness in Anglesey (10 times the number of individuals and households in emergency accommodation than would have had historically). Families rather than single people, used to be more single people. Have also welcomed number of refugees from Ukraine.
- As a sector, noticing substantial pressure on staff due to number of cases and complexity. Dispersal of asylum seekers by the Home Office will add to pressure.
- Concern across NW about number of suitable properties available and number of private landlords moving out of the market. Puts additional pressure on LAs in terms of being able to house families.
- Don't feel local housing allowance is a fair reflection of private rents at the moment. Makes private sector unaffordable for many.
- Unprecedented number of Section 21 notices given.
- Starting to hear that the Renting Homes (Wales) Act, coming in December, has encouraged some smaller landlords to move out of the market and this is putting additional pressure on LAs.
- Homeless people and refugees from Ukraine- if those people are housed by Housing Associations, this can create a perception to others that certain groups are being housed ahead of them.
- Second homes impact on Welsh speaking communities, as house prices are getting too high for them to stay.
- Need for houses much higher than supply at the moment.
- LAs who continue to have housing stock are seeing impact of increase in cost of products and maintaining housing stock (every unit is costing more so it's inevitable fewer houses can be developed).

- Challenges of meeting net zero targets- lack of capacity and skills in sector to allow LAs to meet the standards. Work needs to be done in the sector to maximise skills.
- Impact of cost of living on residents of North Wales and tenants- seeing more and more pressure on residents. Demand on food banks has become very high. Energy costs will certainly be a huge challenge over coming months.

#### Ffrancon Williams- Chief Executive, Adra (Social Housing Provider)

- Ffrancon said that he would be representing the RSL sector across North Wales, so some of his messages would not just be from the ADRA experience.
- Difficult time for RSL residents because of cost of living. Prominent in the minds of Housing Associations, in terms of support provided to tenants.
- Housing supply- LAs have prominent role in building new houses. Providing new houses is a great help in resolving the supply problem but the problem is pace and number of houses coming through (number lagging behind).
- Building the Development Plan in the current context is challenging- economic situation and inflation causing huge problems. Contractors usually set a build contract and the price won't change during lifetime of development. But now contractors are finding it difficult to price the work, so are pricing the risk involved in the development in to cost. Very challenging to make some of the schemes financially viable.
- Lack of land supply in NW- in those areas with biggest demand, land is few and far between. Housing Associations are trying to work together to stop competition. Important that a lot of priority is given to the upfront work every 5/6 years to give more opportunity to land that could be developed out in to the housing field. Lack of housing generally in NW.
- No doubt development process has been complicated and slowed down over recent years. Slow pace of planning process can be fairly restrictive and onerous- something all officers are very familiar with and they try to plan schemes that comply with the policies.
- Phosphate issue- Not objecting to what people are trying to achieve, but there are some areas in North Wales where the issues has killed the development plan of the area. If there isn't a quick resolution, it could slow things down to a stop.

#### Mark Harris- Planning & Policy Advisor Wales, Home Builders Federation

- Mark said he would try to add the detail to some of what had already been said.
- Lots affects delivery of housing, planning being one of the main issues. In Wales, Welsh Government clear builders must operate within a regulated system.
- Need to prove 5 year land supply has been removed. Caused concern, particularly in NW, that homes would be delivered in an uncontrolled manner. But it *did* deliver homes.

- National Development Framework set out by Welsh Government- 1,200 houses built in Wales over last 5 years, only about 200 affordable (low percentage)
- LDPs- 7 years since LAs were allowed to do LDPs. Wrexham and Flintshire, where most homes are needed, still don't have an LDP, will hopefully have one later this year/early next year.
- Phosphate is a major constraint; plans need to be reviewed immediately.
- Need for Strategic Development Plan, linked in to CJKs but this is probably at least 5 years away.
- Welsh Government housing ambition- clearly focused on affordable housing, not against that but data shows private housing sector delivers on 1/3 of affordable homes.
- Phosphates- around 2.5k units held up in N Wales, split between Wrexham and Flintshire (at least 500/600 affordable). Would suggest solution is at least 2 years away and we're already nearly 2 years in to not being able to build houses. It has stopped people putting in planning applications and applications being approved. 2, possibly 4 years of applications being delayed and stopped from being submitted. Impact of phosphates will be with us a long time.
- Skewing balance between private house builders and affordable houses but for growth ambitions, private housing is important too, for people building

#### Response from the Chair

- Flintshire did produce Deposit LDP in Oct 2020.
- Wrexham were on track to be first council in Wales to publish an LDP, but it was rejected by Welsh Government so they had to start again.

#### Cllr Charlie McCoubrey (Conwy)

- Replacement LDP in Conwy about to go in.
- Conwy seeing the complete collapse of their rental sector (because of increasing interest rates and Section 21s)
- Conwy 1/3 in national park. Also has flood plain, poor infrastructure (road network poor) and sewage system that won't take extra homes.
- People in existing houses don't want new houses to be built so some elected members are objecting- a difficult situation.
- Planning departments have been slashed and facing another round of cuts but have to keep stat services going. Hard to see how councils can achieve what they need to achieve

#### Cllr Jason McLellan (Denbighshire Council)

- Challenges facing Denbighshire include- flood plain, economic crisis, planning, supply issues, phosphates- the issue is a beast. Have to think outside box to find solutions.
- In Denbighshire, a planning application went through on Weds (despite a lot of resistance).

- Private housing has a role and LAs should be working with Housing Associations.
- This is the start of the conversation- let's talk solutions next time. Denbighshire Council is committed to building houses.

#### 4. Update from Ambition North Wales

Cllr Dyfrig Siencyn, Chair of the Ambition North Wales, gave a short update on the work of Ambition North Wales. Slides circulated to Group Members with Minutes.

#### 5. Annual General Meeting

The meeting was asked to elect the officers of the Group for the coming year.

- Chair- Mark Isherwood MS was re-elected
- Two Vice Chairs- Mabon ap Gwynfor MS and Carolyn Thomas MS were re-elected as Vice Chairs.
- Secretary- Lucy Sweet (WLGA) was re-elected as Secretary.

#### 6. AOB

##### Future Meetings

##### **Date of next meeting**

Friday 10<sup>th</sup> February.

##### **Length**

The Chair asked members if future meetings should be extended to 90 minutes.

Some members said they thought this would be difficult to accommodate in their calendars, as they are so busy.

It was agreed to continue to allocate an hour and overrun/reassess if necessary.