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HB 31
National Assembly for Wales
Communities, Equality and Local Government Committee
Housing (Wales) Bill: Stage 1
Response from: Bridgend County Borough Council

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Ask for / Gofynnwch am: Martin Ridgeway

Our Ref / Ein cyf: hsgstrat/mr/resphsgbill

Your Ref / Eich cyf:

Date / Dyddiad: 16th January 2014

Committee Clerk
Communities, Equalities and Local Government Committee
National Assembly for Wales
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Dear Sir/Madam

Consultation on the Housing (Wales) Bill

With reference to your recent request for consultation on the above Housing Bill, following consultation with colleagues within the Council, please find below a response from Bridgend County Borough Council (BCBC).

Private Rented Housing

- The reform and regulation of the private rented sector is generally welcomed to raise the standards of accommodation, however there are some concerns that we would raise.
- There is concern that the changes in the registration process could lead to some small portfolio landlords (especially accidental landlords who 'inherit' a property) leaving the private rented sector altogether, rather than go through the registration process. Alternatively, as a consequence, landlords may raise their rental charges to cover the registration costs, impacting on affordability levels.

- The Bill indicates that training will be provided to the landlord but it does not indicate by whom and at what cost. We would wish this be provided as part of the administration fee, as local authorities are facing severe financial pressure already and would not be able to provide this.
- The indication is that there will be one administrator of the registration scheme and they will receive the fee but that the individual local authority where the property is located would be responsible for enforcing the registration and we would seek clarification that this is indeed the case. If it is, it will place an unfair resource burden and issues of capacity on local authorities who will have the expense of policing and enforcing the scheme with no additional income being made available from the scheme.
- In addition, if rent stop notices/orders are implemented, this could lead to an increase in unlawful evictions, with local authorities potentially having to bear the costs of accommodating someone whilst the matter is resolved.
- In general, whilst attempts to raise standards are to be welcomed, local authorities will have difficulty being able to undertake this work without diverting resources away from other services. In addition, funding for effective enforcement will also need to be made available by Welsh Government or the emphasis will be moved to councils with its resulting resourcing implications. Alternatively, the setting up of an independent Wales wide body (akin to the newly created helptobuywales ltd) to administer, provide training and to enforce the proposal could be considered as an alternative.

Homelessness

- The intention to eradicate family homelessness by 2019 has clear resource issues, as we have insufficient housing to meet the demands currently. In addition, the proposal that intentionality is to be removed brings the concern that there will be little incentive for families threatened with eviction to address the issue, in the knowledge that, even if found intentionally homeless, they will be owed a duty for rehousing. This may, therefore, have the unintended consequence of increasing anti-social behavior and rent arrear cases.
- Inadequate thought has been given to where a household has been evicted by social landlord and it would be unwilling to re-house the household, even if there has been a break in the chain of homelessness, thereby limiting options for re-housing. In addition, even if successful in placing such a family, the full support package required to ensure that the family maintains the tenancy would involve cost to the local authority in terms of revenue for such intensive support packages.
- The extension of the duty to prevent homelessness and provide advice and assistance for all people to all groups will result in significant costs for local authorities, who are already under pressure from spending reviews and increased demand. Other consequences could include an increase in the number of households in temporary accommodation, including B&B, and an inability to focus resources on those in need due to capacity issues.
- The extension of the definition of “threatened with homelessness” from 28 to 56 days will work well within the context of providing a good housing solutions approach and is currently being operated in BCBC. However, greater emphasis needs to be placed on individuals, landlords and lenders to ensure an early approach is made, as without this council’s will still be in the position of having less

opportunity to assist with potentially increased costs of arranging temporary accommodation at short notice. We would, therefore, welcome a national campaign to raise awareness of this proposal.

- Discharging housing duties into the private sector is welcomed and will help to reduce the burden on Social Housing and will help local authorities deal with the increased demand on services as a result of welfare reform. However, there are issues of capacity within the private rented sector, as the sector is currently small in some local authority areas and some landlords still have a stigma regarding social housing tenants and will not accept them. The proposed tenancy reform could assist this and, therefore, consideration of the date of implementation is a key factor to its success.
- The removal of the automatic priority need for ex-prisoners is welcomed and there will be greater need for emphasis on dialogue prior to discharge to ensure that this change is emphasised to the affected persons and institutions. This dialogue and intervention prior to release should be made obligatory on the prison/probation service. There needs to be an assurance that, as a by-product, discharged prisoners will not become rough sleepers just to obtain vulnerable status. We would, therefore, recommend that rough sleepers do not have automatic priority status.
- The duty on RSLs to co-operate with LAs in preventing homelessness and assisting with accommodation is welcomed. However, the terms “incompatible with the duties of the RSL” and “adverse effect on the RSLs’ function” are of grave concern. In particular, where voluntary transfer has occurred and the local authority has no stock, the duty on RSLs must be worded more strongly. We would seek that assistance becomes a duty on the RSL, backed up by it being included in the RSL Regulation process to enforce this.
- The Bill recognises the affordability issues over “bedroom tax”. However, it should be clarified that, where the applicant has demonstrated that they have prioritised credit debts in preference to rent payments through choice, they should not be deemed as not being able to afford the accommodation due to bedroom tax issues.
- Finally, the proposal to produce a homelessness strategy in order to prioritise services within the local authority area is broadly welcomed. However, it is queried whether a separate strategy is required. A separate strategy will have resource implications for local authorities and its necessity is questioned. We would suggest that the requirement could be satisfied in the form of a regular assessment and linked with Supporting People review and planning or to form part of the Local Housing Market Assessment and/or Local Housing Strategy already being undertaken by councils.

Gypsy and Traveller Sites

- There will be a statutory duty to provide new gypsy and traveller accommodation needs assessments – this again will be a resource intensive exercise for local authorities.
- The Bill implies more emphasis could be placed on local authorities to produce gypsy and traveller sites. The concern is that the methodology the WG seek to implement may lead to permanent sites when the need is not overly demonstrable, leading to an inefficient use of resources. Reference is made to an assessment of

needs in the Planning (Wales) Bill and we would seek clarification that this is the same assessment and not an additional and duplicated one.

- Finally, whilst indication has been given by Welsh Government that some funding will be available, if it is at the current level, this could be insufficient – in the current financial circumstances it should not fall to local authorities to meet the deficit.

Local Authority Standards

- Whilst the intention to ensure all social landlords reach WHQS will have no direct impact on BCBC, as it is not a stock holding Council, it will ensure that all tenants housed in social tenancy properties in the County Borough have good quality, affordable and secure accommodation.

Council Tax on Empty Homes

- The proposal to bring more empty properties back into use, through discretion to levy a higher rate of Council Tax is welcomed. In addition, it could raise more Council Tax revenue from the owners of those properties that would fall into this category.
- However, for some long-term empty properties, the council does not have the owner details, cannot trace owners or they simply will not pay. Increasing charges, therefore, could increase bad debts and reduce our collection performance. The ability to charge the additional levy is discretionary and it will be up to each local authority to choose to implement it - this could send out mixed messages.
- In addition, with the identification of such properties comes an onus to tackle the problem. This is extremely resource intensive and would require dedicated staff to tackle the issue comprehensively which would have resourcing implications. We believe, therefore, that the additional income should be ring-fenced to resourcing this work.
- Currently, all owners have the right to request that a property is removed from the valuation list, where the property is not capable of being inhabited. These are quite often the empty properties that the local authority and community wish to see tackled. If they are removed from the list then increasing the amount of Tax will not have any effect, as these properties are exempted from paying any Council Tax. This decision about exemption is made by the Valuation Office and not the local authority. We would propose that valuation exempted properties should be included in order to bring them back into use.
- However, for those properties that are empty and listed with Council Tax, the Bill may wish to consider increasing this charge to 200% or allow local authorities the discretion to vary the percentage according to local requirements and need.

HRA Subsidy changes

- As a transfer authority, this will not directly effect BCBC.

Co-Operative Housing

- As another method for the creation of affordable housing, this is welcomed. However, its contribution could be limited at first whilst models are developed and

become more widely accepted as mainstream. We would request that further guidance, such as a resource guide, be produced to cover.

Mobile Home Act

- The amendments highlighted in the Bill are minor and are broadly welcomed.

Subordinate Legislation

- Legislation in relation to Housing is a very important matter that has a huge impact locally and nationally. It is believed, therefore, that any additional legislation should be subject to the primary legislation process of full consultation, scrutiny and consent.

In conclusion, Bridgend County Borough Council broadly welcomes the Bill but requires further information and the opportunity to comment as individual elements of the Bill develop.

I trust this is of assistance to you and if you require any further information, please do not hesitate to contact me.

Yours faithfully



SATWANT PRYCE
Head of Regeneration and Development