

Communities, Equality and Local Government Committee

Inquiry into the provision of affordable housing in Wales

Response from Snowdonia National Park

1. How effective is public subsidy, in particular the social housing grant, in delivering affordable housing;

The social housing grant has been an effective way of delivering affordable housing. Several affordable developments have been completed to meet local needs using the social housing grant within Snowdonia National Park in recent years. It is regretful that the level of public subsidy is decreasing annually as this will make it far more difficult to meet the needs of our rural communities. It is questionable whether other options eg intermediate rents would meet the needs of rural areas. There are no regional developers operating within the National Park because it is a rural area and the scale of the sites are so small – therefore there are not many options for developing affordable housing as part of the development of a wider open market.

It is essential that the number of affordable homes developed is consistent with local need and that the number also reflects the size of the rural village. In rural areas, this means developing exempt sites of approximately 3-5 affordable units. It is probably more expensive to develop smaller sites as there is no gas supply, employees must travel further to work etc. A number of areas within the National Park have been banded as level 2 (Welsh Government's acceptable Cost Guidance Level). There should be additional remuneration in rural areas / on smaller sites to take into consideration issues such as infrastructure, site conditions etc.

Where there are no opportunities to develop new housing, it is important that money is prioritized for other methods of meeting local need eg Homebuy, empty dwellings etc.

The Government should increase the social housing grant in particular at the moment because the private housing market is so sluggish and is likely to remain so for some years because of the economic recession.

2. Are alternatives to public subsidy being fully exploited?

Without doubt, more needs to be done with the existing housing stock. There is a need to work with private owners and landlords, targeting areas where there are no opportunities to develop new housing.

Another option would be to raise additional tax on second homes and using the additional funds to provide affordable housing in the community.

Local government is trying to secure affordable housing through the planning process but again, because of the economic recession, private companies are not building and therefore donated affordable housing is decreasing. Donated housing is also decreasing because providing affordable housing on some sites is not viable. Again, the situation is unlikely to improve in the short term.

3. Is the Welsh Government, local authorities and registered social landlords effectively utilising their powers to increase both the supply of, and access to, affordable housing;

The use of existing housing and empty properties needs to improve eg money lending schemes and enforcement powers.

There is also a need to look at differentiating between local housing and local affordable housing. The difference between them is clear in policies for English National Parks, such as the Lake District, so why can't this be done in Wales as well. Such differentiation would increase the local housing stock for local people and, to some extent, would deal with the problems concerning borrowing money. We do not believe that such a change would be contrary to national planning policies.

4. Is there enough collaborative working between local authorities, registered social landlords, financial institutions and homebuilders?

Collaborative working is increasing but still needs to improve.

Collaborative working between financial institutions has improved recently - but this needs to be strengthened. A specific group is considering problems with section 106 agreements nationally – we need to ensure that a standard 106 agreement is published jointly so that Planning Authorities can use and modify it as appropriate locally.

There is a need to collaborate to develop new financial models. We believe that financial lenders use local affordable housing need as an excuse not to lend money where the actual risk is no higher than for loans for housing on the open market. This problem is worse in rural communities where there are not as many cheap houses

available on the open market and where there are also generally fewer large building companies operating in the market.

5 Could innovative methods of delivering affordable housing such as Community Land Trusts or co-operatives be promoted more effectively by the Welsh Government.

The concept of Community Land Trusts has existed for some time but I am not aware of any development which has been completed yet in Wales. I understand that a considerable amount of expertise and skill is needed within communities to progress such projects – is there scope to use the expertise of housing associations to develop community trusts in partnership with the local community and is funding available to finance such Projects?

It is unrealistic to expect smaller communities to establish Land Trusts and to take on the responsibility of government to provide affordable housing in rural, and often deprived, communities. Where are the examples of this type of development in England and Wales, and what kind of long-term control exists? ie will they be affordable in twenty years time and which body / organization will be responsible for them?

We need to strengthen the economic / social / community regeneration elements in rural areas to ensure that local wages increase in line with house prices in the future.

More work needs to be done in the private rented sector.

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Empty properties should be given more priority in terms of work and powers.

More work is needed to develop the existing housing stock.

We should consider using methods that are not dependent on public grants, such as compulsory purchase to acquire land for affordable housing that can work in rural areas to ensure the sustainability of rural communities.

The National Park officials would appreciate the opportunity to elaborate on the above points at any hearing organized by the Committee. In addition, more information can be provided on any particular comment.