

Background

The Homes for Wales coalition was established in the run up to the 2016 Welsh Assembly election to campaign for an end to the housing crisis in Wales. The campaign brought together a wide range of organisations from the housing sector and beyond, and we were successful in getting every party elected to the Assembly to support the campaign in their manifesto. The campaign culminated in the Welsh Government setting an affordable housing target of 20,000 for this assembly term.

General Election 2017

On 18 April this year Prime Minister Theresa May called a snap general election across the UK, to take place on 8 June 2017, stating that stability was needed to allow the UK Government to deliver on the UK's decision to leave the European Union.

Power over housing is devolved to the National Assembly for Wales, but key powers – particularly relating to welfare policy and negotiations over leaving the European Union – are retained by Westminster.

This is why the Homes for Wales coalition is coming back together to campaign on two issues. While Brexit will undoubtedly dominate this election, we can't afford to waste this opportunity to make sure our concerns about welfare reform are raised with the new intake of MPs.

Who are the coalition?

There are some new faces in the coalition this time around.



What are we calling for?

The Homes for Wales coalition is calling on the next UK Government to:

- support a welfare system which ensures that everyone can access an affordable home
- support the construction industry so it can access the materials and labour it needs to build affordable homes.

Why do we need MPs to support a welfare system which ensures that everyone can access an affordable home?

Access to a good quality, affordable home has already emerged as an election issue and we expect all major party manifestos to outline their plans for housebuilding. This is, of course, important. What is equally important is ensuring that the benefits that some tenants receive is enough to pay the rent on a safe, quality and affordable home.

In our post-election work, Community Housing Cymru will be working with newly elected MPs and the UK Government on issues including the LHA cap, supported housing funding and Universal Credit.

The Local Housing Allowance cap on housing benefit will be introduced from April 2019, with the stated aim of bringing social and private rents in line with each other. Once introduced, the amount of benefit that some tenants receive will not be enough to cover their rent and they'll have to make up the shortfall – with many already struggling to make ends meet.

The way LHA is set means that almost 65% of LHA rates are below the 30th percentile of local rents¹. That means that people receiving LHA in those areas will struggle to find accommodation within their benefit entitlement. We will be talking to candidates about what this means for tenants and how they can ensure that LHA rates reflect local markets, and we would encourage members to do so too. The annex attached gives further information on local variances to help your conversations with candidates.

The LHA cap will also apply to **supported accommodation** – including specialist accommodation for older people, victims of domestic abuse and people with learning disabilities. There are currently 38,500 units of supported accommodation in Wales; 79% of these are homes for older people.²

¹ Welsh Government, Local Housing Allowance Rates applicable from April 2017 <u>http://bit.ly/2rlsUh0</u>

² Ian Copeman, Imogen Blood and Stephen Finlay, Supported Accommodation Review <u>http://bit.ly/2qLZ5Jh</u>

This will have significant implications due to the increasing cost of providing these specialist services, and the outgoing UK Government has indicated that the funding gap between LHA and the rent and service charge that tenants pay is planned to be made up through a devolved top-up fund. We will continue to lobby to ensure that this will meet current and future demand for the specialist services, providing certainty for landlords and tenants.

There are currently 21,000 people on **Universal Credit** in Wales³, with thousands more moving on to UC over the coming months.

The roll out of the full Universal Credit service in Wales began in Flintshire earlier this year, with Torfaen, Neath Port Talbot, Wrexham, Newport and Swansea all due to join the full service before the end of the year and the final cohort of Welsh Local Authorities joining in 2018. Housing associations have been preparing for the roll out but we shouldn't underestimate the impact this could have on tenants. Our research shows that the average tenant in Wales on Universal Credit experienced rent arrears of £449.97.⁴

CHC is working to ensure that the system works for landlords and tenants, with Trusted Partner Status and a Landlord Portal among our post-election priorities, to ensure that landlords can support tenants as they transition to UC.

Why do we need MPs to support the construction industry so it can access the materials and labour it needs to build affordable homes?

Housing associations have an important role in helping to deliver the 20,000 affordable homes Welsh Government has pledged to build by 2021 and, although housing policy is devolved to Wales, the next UK Government's policy on Brexit could have an impact on our ability to build the homes Wales needs.

EU nationals make up 7% of the construction workforce in Wales⁵ and, with work due to begin on a number of large infrastructure projects in the coming years, there will be 20,000 new jobs created in the industry⁶. Uncertainty over the free movement of people in any Brexit deal, and the additional knowledge that more than 400,000 construction workers will retire across the UK by 2022⁷, is causing concerns about capacity in the industry.

Alongside this, we are reliant on trade from the EU to supply materials to build homes, with more than a quarter of the materials used to build homes across the UK imported⁸, and a particular reliance on bricks from Europe. This has led to concerns in the construction industry about access to materials post-Brexit.

³ DWP Stat Xplore <u>http://bit.ly/2pRssFk</u>

⁴ Amanda Protheroe, Jayne Mudd and Marc Fury, *The Experience of Universal Credit: A Tenant's Perspective* <u>http://bit.ly/2mqAULK</u>

⁵ ONS, The nationality of workers in employment in the UK by industry sector <u>http://bit.ly/2dcxusl</u> ⁶ <u>http://bit.ly/2kvUre7</u>

⁷ Federation of Master Builders, *Federation of Master Builders' Programme for Government 2017*

⁸ <u>http://bit.ly/2i8rF23</u>

Additionally, the weakness of the pound since the referendum has caused an increase in the costs of materials, and 85% of small builders in Wales have said that they expect further price rises over the next three months.⁹

How can I get involved?

Contact your candidate

We are urging members to get in touch with your local candidates.

You could invite them to a site visit, introduce them to someone impacted by welfare reform or show them how you are working to improve the lives of their constituents.

Candidates from all parties will be campaigning and trying to gain votes in the coming weeks. Be proactive and start your relationship in a positive way. If they are the sitting MP, don't assume they know about your association or that they have detailed information on what we are calling for.

You can find out who your local candidates are, and their contact details, here: <u>https://whocanivotefor.co.uk/</u>

Let us know about any visits you have planned so we can help promote them on social media.

Attend our hustings event: 23 May

Attend our Homes for Wales hustings event in Cardiff to put questions to candidates. The event will take place in St David's Hotel in Cardiff on 23 May. You can reserve your place here: <u>https://www.eventbrite.co.uk/e/housing-hustings-cardiff-general-election-2017-tickets-21624131359</u>

Day of Action: 31 May

We've earmarked Wednesday 31 May as Welsh housing's day of action, and we need your help. This is the day we'll pull together to amplify our message to ensure that candidates from all parties hear about the great work we do as a sector and to give us the opportunity to raise our collective concerns. How can you get involved? Get active on Twitter, Facebook or Snapchat, or why not publish a vlog or blog - the sky is the limit! Please let us know what you're up to and remember to use the #homesforwales hashtag.

⁹ Federation of Master Builders, State of Trade Survey Q1 2017 <u>http://bit.ly/2qmNKOZ</u>

We will be getting in touch with your comms departments with further information on how they can get involved.

Social media

Visit our website and show your support for the campaign by generating a campaign tweet. To do this, visit <u>http://www.homesfor.wales</u>.

You can also contact your local candidate on social media by using the #homesforwales and #GE2017 hashtags. You can find their contact details here: <u>https://whocanivotefor.co.uk/.</u>

Televised debates

There are a number of televised debates taking place over the coming weeks. The Homes for Wales coalition will be in attendance, and we want as many members as possible to get involved on social media during these debates. Follow CHC on Twitter for the latest debate dates, panel members and hashtags: <u>www.twitter.com/chcymru</u>.

Blog for Cartref

We will be running a number of Election Special blogs in the run up to the Election, including posts from candidates and coalition members, but we want to hear from you too.

What are the impacts of our calls on your association? Do you have a tenant willing to blog about their experience of welfare cuts? Get in touch to reserve your space online by emailing <u>bethan-davies@chcymru.org.uk</u>

Use your vote

Encourage staff and tenants to vote. The deadline to register is 22 May and it only takes five minutes. To register, visit: <u>https://www.gov.uk/register-to-vote</u>

If you need any further information, please contact CHC's Public Affairs Manager Aaron Hill on <u>Aaron-Hill@chcymru.org.uk</u> or by calling 029 2067 4800.