



Llywodraeth Cymru
Welsh Government

Affordable Housing Supply Review: Finance and Grants Workshop

Helga Warren

November 2018

Rent Policy

Held three meetings to date with a further two planned.

Discussions around:

- Draft findings and recommendations of Heriot Watt Review
- A revised rent policy that gives certainty to Social Landlords and balances need for continued development and affordability for tenants
- Rent uplift for the transitional year 2019/20

Emerging Recommendations for consideration by Panel:

- Affordability should be taken into consideration
- Need for certainty – longer terms agreements put in place
- No consensus on revised rent policy – either retain with “tweaks” or alternative model proposed
- Tweaks include: Locational index, understanding of flexibility
- Alternative proposals - includes flexibility for individual landlords to set long-term local rent policies, in consultation with tenants and partners, within an over-arching affordability framework

Grants

Held two meetings to date with a further one planned in December.

Discussions around:

- How to make grant funding system work in a more optimal way to increase the supply of affordable housing.

Emerging Recommendations for consideration by Panel:

- General consensus that a more flexible grant funding system is required
- Increased certainty in terms of grant funding available to RSLs
- Zoning – generally positive - but a recognition that more flexibility is needed in the current system so **regional zoning** to be explored
- Support for mixed tenure schemes
- Role of ACGs – Mixed view

Dowry and MRA

Held two meetings to date with a further one planned at the end of November.

Discussions around:

- Who needs the funding to achieve and maintain WHQS, remain financially viable and/or develop
- How can we maximise value for money/return on Welsh Government investment?
- Is there an opportunity to build more homes or improve the quality of housing, in line with the decarbonisation agenda

Emerging Recommendations for consideration by Panel:

- General consensus is that certainty of funding provides an opportunity to raise further private finance and so build more affordable homes; and
- The funding is needed for continued achievement of housing standards

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Lynn Pamment

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Questions – Set 1

1. If more flexibility was built into the grant system, how should value for money be assessed in determining an appropriate level of grant to allocate to a scheme?
2. What is the best way to maximise funding available for affordable housing from sources outside of Government subsidy and traditional bank borrowing?
3. Could a combination/rationalisation of government funded schemes result in more affordable housing being built? If so, why and what government funded schemes should be combined/rationalised?

Questions – Set 2

1. What is the best way to ensure rents remain affordable for tenants in Wales?
2. How would longer term stability and certainty over grant levels and Dowry/MRA result in more affordable housing being provided?
3. How could a policy aim of zero carbon housing be built into future grant or funding mechanisms?