

# Affordable Housing Review - an update

Lynn Pamment, Panel Chair

[Lynn.pamment@pwc.com](mailto:Lynn.pamment@pwc.com)

[@PammentLynn](https://twitter.com/PammentLynn)

# A reminder of what the review is all about

*'The review will examine whether more can be done to increase the supply of affordable housing in Wales, maximising the resources available'*

The review will:

- examine the scope for increasing **match funding** to build more affordable homes, to maximise the number of homes created by the Welsh Government's contribution to social housing
- review the arrangements governing **partnership working** between local authorities and housing associations
- consider the implications of moving to deliver **zero carbon homes** by 2020, including the role of off-site manufacture and modern methods of construction
- review the **standards** governing affordable housing and advise on whether they require updating
- make recommendations regarding a **sustainable rent policy** that will both allow long term affordability for tenants and allow viability of existing and new housing developments.



# Involving stakeholders in the work

- Participation from stakeholders in workstream groups
- Visits around Wales taking evidence centred around themes
- Call for written evidence
- Events and communication
- Engaging with tenants
- Engaging with politicians
- Integration and collaboration with other reviews - eg Decarbonisation Advisory Group and the Digital Innovation Review
- Engagement with the Office of the Future Generations Commissioner

# Where have we got to in our work?

- Workstreams are at various stages of completion
- Some specific consideration of themed issues including rural challenges, city deal potential and local authority building
- Engagement with TPAS on understanding the tenants voice
- 5<sup>th</sup> Panel meeting took place this week to consider progress, themes and further work needed
- Exploration of the cross over and potential trade offs between the workstreams has begun (and will continue in the workshop sessions today)
- Mid term review and future challenge sessions are planned



# Some of the overall themes from the call for evidence

- Better understanding of need
- Ideas on potential changes to grant allocation, attracting alternative and additional sources of funding (including borrowing cap reform)
- Differing views on rent policy options
- General support for a potentially reformed set of standards
- Interest in modern methods of construction
- Building sustainable communities
- Skills availability
- Desire for more streamlined and consistent processes
- Need for greater collaboration and partnership working

# Housing need

- Needs to be better understood at a national and a local level
- Trusted data needs to be available
- Its not just about the numbers

# Standards

- Support for keeping standards in some form, particularly space standards
- What should the standards be for market housing and affordable housing delivered through s106



# Modern methods of construction

- Interest in these is there
- Views of tenants/public acceptance
- Mortgageability issues
- Speed and quality considerations
- Supply chain



# Grant allocation and other sources of finance

- Consensus that a more flexible system is required
- What should be the place of initiative led funding pots
- How should value for money considerations be built into the system
- Timeliness of availability of grants and other funding mechanisms
- What is the most effective distribution model?
- What more can be delivered if more certainty is built into the system?
- What role should ACGs play?
- Who should be entitled to grant?

# Rent policy

- There is evidence to support continuation of a rent policy
- The rent policy should deliver affordable rents
- Recognition that some flexibility is a good thing

# Dowry and MRA

- Does certainty deliver more?
- Link to standards required post WHQS
- Impact on overall business plans and funding arrangements



# Local Authority Building

- Removal of the borrowing cap
- Ambition, capacity and resources
- Collaboration to deliver in practice

# Public sector land and use of existing powers

- More effective collaboration on public sector land
- Effective use of s106 and other powers
- Recognition of housing in wider policy considerations

# Capacity

- Capacity constraints in all parts of the current system
- Availability of skills to deliver
- Availability of resources on the ground
- How to maximise funding capacity



# Today's workshops

- Standards
- Finance and grants
- Capacity and collaboration