

**Cartrefi
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Affordability update

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Today we will:

- Reflect on the journey so far, and the direction of travel laid down by the **Independent Review of Affordable Housing Supply**
- consider the recently published **Welsh Government Rent Policy** and the work in place to support members to deliver local rent policies
- Reflect on our work to date on **sector wide affordability principles**

The journey so far

- HA and CHC have long called for locally determined rent policies in dialogue with tenants
- In 2019, the Independent review of Affordable Housing Supply, recommended a five year, sustainable rent settlement
- Commitment from HA to put in place local rent policies by 2021, in dialogue with tenants and partners

Independent Review of Affordable Housing Supply

- recommended a five year, sustainable rent settlement
- consideration of value for money alongside affordability
- an “annual assessment of cost efficiencies should be part of the rationale for **justifying** any rent increases”

Independent Review of Affordable Housing Supply

“Tenant affordability is paramount and should be a key driver for rents alongside provider viability as distinct from the creation of surpluses which might then fund new development”

“ ... rent and affordability issues should be regularly debated at the highest corporate level, backed up by an up to date evidence base on their tenants circumstances”.

Rent Policy 2020 - 2024

The details

- Five year settlement, 2020 – 2024
- Balance between affordability for tenants and landlords
- Annual rent uplift of up to CPI +1%
- Individual flexibility up to £2 over CPI +1%, as long as total rent income doesn't exceed CPI +1%

Rent Policy 2020 - 2024

Wider sector commitments

- Minimising evictions, and no evictions into homelessness
- Standardised tenant satisfaction survey
- Aspiration for DQR 2020 standards across tenure
- Aspiration for all new build housing to reach EPC A standards with funding from WG from April 2021

Our work to deliver affordable rents

5 strands

1. Learning from existing practice
2. Tool to understand housing related costs for tenants
3. Support to engage and make decisions with tenants
4. Support to demonstrate value for money
5. Sector wide affordability principles

Our work to deliver affordable rents

Learning from existing practice

- Webinar in January to share learning from MVH and Trivallis
- FAQ document being developed
- Monthly virtual calls to reflect and share learning
- New CHC webpage to host resources
- Survey of sector to understand 2020/21 decisions

Our work to deliver affordable rents

Tool to understand housing related costs for tenants

- Working with HouseMark and SFHA to explore adapting Scottish tool
- Working with Welsh Government to seek new public data sets
- Task and Finish group established to help interrogate data questions

Our work to deliver affordable rents

Support to engage and make decisions with tenants

- Event with TPAS Cymru, April, with tenants
- Survey to understand current practice
- Developing briefing on current tenant participation tools and techniques

Our work to deliver affordable rents

Value for Money

- Delivering value for money/framework
- Peer support
- Tenant/customer services and engagement
- Evidencing value for money

Our work to deliver affordable rents

Sector wide affordability principles

- Task and finish group established
- Challenge session with external organisations in April
- Out for sector wide consultation by Easter

Clear: We will be open and transparent about how we make decisions and set rents.

Engage: We will work with our tenants to develop our approach and take decisions on rent levels

Affordable: We will work to understand our tenants real cost of living and set fair rents that ensure they can maintain their tenancies.

Fair: We will strive to ensure no one is disproportionately affected by any changes, and changes are made gradually over time.

Sustainable: We will set rents that allow us to continue to provide high quality, safe, warm homes for the people who need them in the communities we serve

Informed: We will ensure our decisions are based on evidence, including what our tenants feel is fair, incomes and cost of living

Accountable: We will publically explain how we have made decisions about local rent levels, and report each year to the Welsh Government

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Diolch
Thanks

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