

Affordable housing

Introduction

The Assembly Government's vision for housing in Wales is that everyone should have the opportunity to live in good quality, affordable housing; and to be able to choose where they live and whether buying or renting is best for them and their families. The delivery of this vision is set out in the National Housing Strategy: *Better Homes for People in Wales*ⁱ.

Affordable housing is provided by various means, including local authority and Registered Social Landlord lettings, and the provision of low-cost home ownership. The Assembly Government has aimed to address the issue of affordable housing through various methods:

- ◆ The Social Housing Grant assists the provision of affordable housing through housing for rent and assisted ownership. The planned budget for the Social Housing Grant programme is £96.4 million in 2007-08ⁱⁱ.
- ◆ In 2006, the Assembly Government issued a package of policy measures and guidance aimed at clarifying the tools and powers available to authorities in delivering affordable housing and promoting good practice throughout Walesⁱⁱⁱ. The package included the Affordable Housing Toolkit^{iv}, Local Housing Market Assessment Guide^v, and Technical Advice Notes 1^{vi} and 2^{vii}.
- ◆ A protocol^{viii} for the disposal of land owned by the Assembly Government and the former Assembly Sponsored Public Bodies to aid the development of affordable housing has been developed by the Assembly Government. Local authorities have also been given the freedom to sell land at a discount to stimulate the provision of affordable housing^{ix}.
- ◆ The principal means of assistance to first-time buyers in Wales is through the Homebuy^x scheme, which provides an interest-free equity loan. Housing associations have been given the facility to offer Homebuy loans to both new and existing tenants to enable them to access home ownership^{xi}.
- ◆ The Right to Buy^{xii} and the Right to Acquire^{xiii} offer tenants of social landlords a more affordable way to become homeowners. Orders have been made restricting the Right to Acquire and re-sales of former Right to Buy properties. The maximum discount allowed under the Right to Buy has been reduced to £16,000. These measures aim to help preserve the stock of affordable housing, particularly in rural areas^{xiv}.

Overview of current statutory powers of the Assembly

"Housing" is Field 11 of Schedule 5 of the *Government of Wales Act 2006*. This means that the National Assembly for Wales can seek Measure-making powers over housing matters through Legislative Competence Orders.

The following responsibilities relating to affordable housing fell within the portfolio of the Social Justice and Regeneration Minister during the Second Assembly:

- ◆ Allocation of housing resources to local authorities and to housing associations in Wales, and oversight of their activities;
- ◆ Oversight and regulation of the activities of Registered Social Landlords in Wales, and of the private rented sector;
- ◆ The provision of housing in Wales for those with special needs;
- ◆ Regeneration of problem estates and of low-grade housing in Wales;
- ◆ The prescription of persons who are not to be eligible for housing assistance (not housing benefit).

Key Assembly Government strategy documents and action plans from the Second Assembly:

- ◆ The Better Homes for People in Wales – Action Plan^{xv} provides a summary of how the Assembly Government is delivering its national housing strategy and progress toward the targets.
- ◆ The Ministerial Interim Planning Policy Statement 01/2006^{xvi} provides a revised Chapter 9 of 'Planning Policy Wales' (2002).

Legacy issues from the Second Assembly

The Social Justice and Regeneration Committee legacy paper highlights the following issues relating to affordable housing for the attention of the Third Assembly:

- ◆ Affordable housing – including the Social Housing Grant, the impact of Right to Buy legislation and the condition and supply of social housing in both the public and private sectors.

Useful links

1. The Housing section of the Welsh Assembly Government web-site:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/?lang=en>
2. Welsh Assembly Government information on the Social Housing Grant:
<http://new.wales.gov.uk/topics/housingandcommunity/grants/shg?lang=en>
3. A Review of the Homebuy Scheme in Wales:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/homebuyreview/?lang=en>
4. A Review of Low Cost Home Ownership Policies in Wales:
<http://new.wales.gov.uk/topics/housingandcommunity/research/sjrrr0306?lang=en>

Further information

For further information on any aspect of affordable housing, please contact:

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ⁱ Welsh Assembly Government, *Better Homes for People in Wales: A National Housing Strategy for Wales*, July 2001:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/betterhomes?lang=en>

ⁱⁱ National Assembly for Wales, WAQ46736, RoP p28-9, 11 May 2006:
<http://assembly/rop/ROP/Answers%20to%20Written%20Questions/2006/May/WAQ060511-e.pdf>

ⁱⁱⁱ *ibid*

^{iv} Welsh Assembly Government, Affordable Housing Toolkit:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/affordablehousingtoolkit?lang=en>

^v Welsh Assembly Government, Local Housing Market Assessment Guide:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/marketassessguide?lang=en>

^{vi} Technical Advice Note (TAN) 1: Joint Housing Land Availability Studies (2006):
<http://new.wales.gov.uk/about/departments/depc/epcpublications/PlanPubs/TAN/tan1?lang=en>

^{vii} Technical Advice Note (TAN) 2: Planning and Affordable Housing (2006):
<http://new.wales.gov.uk/about/departments/depc/epcpublications/PlanPubs/TAN/tan2?lang=en>

^{viii} Welsh Assembly Government, Protocol for the Disposal of Land for Affordable Housing:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/protocoldisposaland?lang=en>

^{ix} National Assembly for Wales, OAQ1096(SJR), RoP p6, 7 March 2007:
<http://www.wales.gov.uk/documents/cms/2/ChamberSession/380313AC00046B17000028C300000000/edb422e308a65732a63121f9060d17ae.pdf>

^x Welsh Assembly Government, *Homebuy: A Guide for Applicants*:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/homebuy?lang=en>

^{xi} National Assembly for Wales, WAQ49055, RoP p47, 1 February 2007:
<http://www.wales.gov.uk/documents/cms/2/RecordOfProceedings/3803150E000BB9790000297800000000/af29f2d55621027b587578a7d338885c.pdf>

^{xii} Department for Communities and Local Government, *Your Right to Buy Your Home*: <http://www.communities.gov.uk/index.asp?id=1151285>

^{xiii} Welsh Assembly Government, *Right to Acquire – A Guide for Tenants*:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/publications/righttoacquire?lang=en>

^{xiv} National Assembly for Wales, WAQ46736, RoP p28-9, 11 May 2006:
<http://assembly/rop/ROP/Answers%20to%20Written%20Questions/2006/May/WAQ060511-e.pdf>

^{xv} National Assembly for Wales, *Better Homes for People in Wales – Action Plan*:
<http://new.wales.gov.uk/topics/housingandcommunity/housing/strategy/publications/betterhomesactionplan/?lang=en>

^{xvi} Welsh Assembly Government, Ministerial Interim Planning Policy Statement 01/2006:
<http://new.wales.gov.uk/about/departments/depc/epcpublications/PlanPubs/MIPPS1/housingmipps?lang=en>