

HB 52

National Assembly for Wales

Communities, Equality and Local Government Committee

Housing (Wales) Bill: Stage 1

Response from: Rhondda Cynon Taff

January 2014

Rhondda Cynon Taf (RCT) is the third largest Local Authority in Wales with a population of 234,400 (2011). The area has 52 electoral wards and overall RCT is the third most deprived local authority in Wales, as measured by the Welsh Index of Multiple Deprivation (WIMD) 2011.

In 2007 Rhondda Cynon Taf transferred its housing stock to RCT Homes. Since then, the 'double dip' economic recession, restrictions on lending and Central Government austerity measures have led to changes in the housing market and local housing need and demand patterns.

'Delivering Change' is Rhondda Cynon Taf's new Single Integrated Plan and 'Building on Firm Foundations' is the Local Authority's housing delivery plan. We welcome the opportunity to take part in this approach to the development of the Bill.

Regulation of Private Rented Housing for Landlords and Managing Agents

Rhondda Cynon Taf welcomes the proposals for standardisation and a clear outline of both landlords and tenants' rights and responsibilities which is transparent and can be easily understood.

The duty on private landlords and managing/letting agents to register with the local authority to become licensed is also welcomed. Rhondda Cynon Taf currently works very closely with a number of private landlords and this duty will enable the local authority to build on these relationships especially when there is a significant shortage of available properties in the social rented sector and where the local authority will rely on the private rented sector to assist in bridging the gap of available properties.

As in all areas, as well as high quality rented accommodation, Rhondda Cynon Taf also encounters some very poor quality private rented accommodation. The duty to be licensed will mean that the local authority has more powers to deal effectively and carry out enforcement action against non compliant landlords and agents. The licensing proposals will mean that authorities can work closely with the landlords from the onset, in a more strategic way, and prevent properties in the private rented sector from falling into more disrepair.

The requirement for landlords to successfully complete approved training before they are licensed is welcomed and this can only be seen as a positive proposal given the severity of some of the conditions of some private rented properties.

Although overall these proposals will initially impact on existing resources, in the long term it will allow Officers to play a more preventative role by improved communication with landlords and offering support and advice from the beginning.

Homelessness

We welcome the proposals within the Bill in respect of homelessness particularly the strengthened duty to prevent and relieve homelessness and the ability for local authorities to discharge the legal duty in to the private rented sector with a six month Assured Shorthold Tenancy.

Rhondda Cynon Taf welcomes the proposals for a clear focus on early homelessness prevention. In Rhondda Cynon Taf we have undertaken a restructure of our Housing Advice Service to ensure that service users are provided with information and advice on a range of housing options available to them. The Authority recognises that costs will initially increase as prevention services will need to be provided to anyone who is threatened with homelessness but again the restructure of the Housing Advice Service and the emphasis on improved Housing Options already means that we are providing this service.

We are slightly disappointed that in order to apply the prevention duty we will be required to take applicants through a formal homelessness application which may be perceived as a backward step in reducing homelessness statistics. We would have instead welcomed the opportunity for prevention to be at the front end of service delivery with formal application taken where prevention has been applied but has not been successful.

The Housing (Wales) Bill places a duty on Local Authorities to undertake and publish a homelessness review and develop a homeless strategy. This contradicts the Local Authorities Single Integrated Plan which is a new approach as it replaces a number of different partnership plans to produce a holistic approach to delivering change. Whilst we agree that different services will have different action plans for delivery, the emphasis in Rhondda Cynon Taf is to move away from a number of different strategies and integrate the review of need and the strategic planning of homelessness in the SIP. However the proposal set out in the Housing (Wales) Bill reverts back to the needs for individual strategies.

Although the definition of 'homeless' will remain the same the Housing (Wales) Bill requires local authorities to have regard to whether a person's accommodation is affordable to them. Our Common Housing Register waiting list has already seen an increase in the number of applicants applying for social housing as a result of Welfare Reform and this proposal will potentially mean that the number of homelessness cases will increase further.

Rhondda Cynon Taf welcomes the proposal to use the private rented sector to discharge their homelessness duty particularly due to the shortage of smaller units within the social rented sector. However a recent Stock Review and the Impacts of Welfare of Reform which has recently been undertaken in Rhondda Cynon Taf has revealed that the availability of smaller units within the Private Rented Sector is also extremely limited. The use of the Private Rented Sector will mean that Local Authorities will need to revise their resources in order to expand their relationship with private landlords. In order for this proposal to be successful it is imperative that Local Authorities have dedicated Officers whose roles and responsibilities are to maintain relationships with landlords and ensure that landlords have a single point of contact. In addition to this there will be an increased duty on local authorities for checking the standards of the private rented accommodation that homeless duty will be discharged to. Ideally local authorities will be required to carry out periodic inspection to ensure standards are being maintained and whilst this is recognised as something positive there will inevitably be significant cost and resource implications. In order to assist local authorities in this some guidance on assessing standards for this purpose would be welcomed.

Rhondda Cynon Taf supports the proposal to amend the priority need status to accommodate former prisoners. The unfairness of awarding priority need status to all former prisoners over a vulnerable person is a valid argument as vulnerable applicants may often be overlooked for accommodation. Rhondda Cynon Taf has a large number of offender homeless applications and upon release very few have identified support needs or could be deemed vulnerable. The high number of prison leaver applications is overwhelming for local authorities in respect of securing both interim accommodation and permanent accommodation. The cost of securing interim accommodation is an increasing factor as money could be spent on other more appropriate prevention services. In terms of barriers for implementing this proposal there is currently a lack of effective support for high risk former prisoners and as a result Housing has become a revolving door where Officers are experiencing the same people being housed and then re-offending. Resources need to focus on the support and prevention of re-offending. In RCT we have developed the role of a Prison Link officer who will work closely with the Prisons to offer early advice and assistance to all prisoners.

The proposal to place a duty on Authorities from 2019 to provide accommodation for intentionally homeless families with children causes concern as this could potentially lead to an increase in homeless families with children. This could exacerbate the perception of a dependency culture and may see families with children following the homeless route as a way of securing social housing. There also needs to be clarity around duty for dealing with re-occurrence if households are continually making themselves homeless intentionally just to be able to move home for other reasons. Re-occurrence could be costly for local authorities and may not encourage people to take any responsibility.

Gypsies and Travellers

Local Authorities are required to undertake an assessment of the accommodation needs of Gypsy and Travellers in their area however the new proposal will require Authorities to provide a site where there is an identified need. This will apply to gypsy travellers living in and also passing through the area. Whilst Rhondda Cynon Taf recognises the importance of this proposal and the shortage of the provision of suitable sites for this group, robust mechanism will need to be put in place to suitably record transient gypsy travellers.

In order for Local Authorities to adequately assess gypsy travellers passing through their areas improved recording of the unauthorised encampments need to be established. Proposals to amend and further improve the biannual count of gypsy travellers have already been made and if these proposals are established then these will help Authorities to have a clearer understanding on how to better identify the accommodation needs of gypsy travellers.

Although the importance of carrying out an initial assessment of need within the 12 months of the commencement of the legislation is recognised, this may prove difficult for some Local Authorities. As a hard to reach group many Authorities rely on the assistance of specialist organisations to carry out the assessment of need of gypsy travellers. Many of the Local Authorities in Wales utilise the same individual/organisation to help them carry out assessments with gypsy travellers and therefore the timescale of 12 months might prove a little short. However Rhondda Cynon Taf welcomes the fact that statutory guidance on assessing the need for sites will be issued.

There has been growing concern with the proposed statutory duty to provide sites where there is an identified need and the total amount of grant available which is currently £1.5 million to be shared across all the 22 Local Authorities in Wales. Whilst Local Authorities where possible will work regionally to provide provision where needs are identified the figure of £1.5 million is not enough. Therefore Rhondda Cynon Taf welcomes that the Welsh Government is looking to increase the capital funding for new sites and agrees that authorities should not be compelled to provide new sites where there is no grant funding available. Good practice also suggests that transient sites should be separate to permanent sites and therefore this will present considerable resource implications.

Standards for Social Housing: rents, property condition and service charges

Rhondda Cynon Taf recognises the need for the standardisation of the quality of the social rented sector and the transparency and consistency that this will provide for tenants. We understand the need of having consistent standards between local authorities and housing associations and the security that this will provide to tenants.

The standardisation of rents and service charges will also provide greater security and transparency for tenants allowing them to better understand how their rent has been set and the services they receive.

Housing Finance: Housing Revenue Account Subsidy (HRAs)

Although this proposal does not affect Rhondda Cynon Taf CBC as we have transferred our stock and are no longer a landlord, we support the proposal to replace HRAs with a new self financing system which will allow Authorities to retain their rental income. The proposal will allow stock retaining authorities to improve the quality of their existing stock and to provide new affordable homes.

Co operative Housing: allowing fully mutual housing associations to grant assured tenancies

Rhondda Cynon Taf CBC welcomes the proposals to allow fully mutual housing associations to grant assured tenancies as a way of increasing the range of housing options available by assisting co-operatives in obtaining finance from lenders. In addition the proposal will increase security for tenants as granting assured tenancies will provide use of standard and generic tenancy agreements which are well-understood by tenants.

Discretionary Power to increase council tax on empty homes

Rhondda Cynon Taf has a significantly high number of empty properties many of which are long time empties and in a poor state of repair. The local authority has an Empty Properties officer who works closely with owners, where possible, to bring properties back into use.

We strongly support the proposals to provide local authorities with the discretionary power to increase council tax on 'dwellings that have been unoccupied and substantially unfurnished for a continuous period of at least one year'. Initiatives already put in place by Welsh Government, such as the Houses into Homes Loan scheme or local initiatives, have created a real demand for empty home redevelopment but demand outstrips supply and therefore an initiative which dissuaded owners from leaving homes empty by choosing to sell or renovate is welcomed. However, although this proposal is supported, it must be recognised that there could be some barriers to its effectiveness, as some areas are in low demand or stigmatised and even if owners and landlords actively market their empty property, it may not be easy to let or sell. In this situation, owners would still have to pay the extra council tax even though the factors contributing to it being empty are outside of their control. It is important therefore that local authorities take a holistic view of empty properties and area based regeneration and increase in council tax are used as a tool within the context of wider strategic approaches to creating sustainable communities.

In addition, currently empty property owners inform the council that the property is empty to achieve some discount but an un-intended consequence of increasing council tax may result in some owners furnishing the homes and/or not informing the council they are empty and just paying 100% council tax. It is unlikely that Councils will have the resources to police all their empty homes and as such many empty homes may go under the radar unless a complaint is made to the Council by neighbouring residents. In essence this may mask the problem of empty properties.

While it may be outside the scope of the Housing Bill due to responsibility lying with the Valuation Office Agency, we also believe consideration should be given to making “delisting” of homes more difficult, or time limited. In Rhondda Cynon Taf alone there may be up to 500 de-listed empty properties, which are no longer classed as dwellings and therefore not counted by Welsh Government statistics, but impact negatively on communities. We have examples where owners of long term empty properties will “deconstruct” the internal arrangements of their property in order to apply to the VOA to have their property removed from the valuation list and exempted from Council Tax. Clearly it would be most helpful if this loop hole was removed because regrettably these properties tend to be the most problematic to our communities, yet will still remain outside the scope of increased Council Tax after the proposed changes.

We suggest that consideration should also be given to limiting the time period a property may be delisted before it must be re-introduced into the Council Tax list. For example a dwelling could be taken out of the Council Tax list for a maximum period of 2 years to allow adequate time for the property to be redeveloped or demolished. After this time the property would be re-introduced into the valuation list and Council Tax charged at the appropriate rate. Any arrears which may then be accumulated after this time will allow consideration to be given to undertaking an Enforced Sale of the property under the Law of Property Act 1925. Whilst such action would provide short term additional administrative burden, long term it would bring about a more sustainable reuse and improvement of our communities and act as a deterrent to speculative property investors who have no intention to utilize properties in the immediate future.