



Gwasanaeth Democraidd
Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Cyfarfod / Meeting

**PWYLLGOR CRAFFU CYMUNEDAU
COMMUNITIES SCRUTINY COMMITTEE**

Dyddiad ac Amser / Date and Time

10:00AM DYDD MAWRTH, 5 CHWEFOR, 2013

10:00 AM, TUESDAY, 5 FEBRUARY, 2013

Lleoliad / Location

**SIAMBR ARFON/CHAMBER
SWYDDFEYDD Y CYNGOR/COUNCIL OFFICES
PENRALLT, CAERNARFON**

****Noder y man cyfarfod ogydd/Please note the venue****

Pwynt Cyswllt / Contact Point

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Dosbarthwyd 29-01-13

Aelodaeth/Membership (18)

Plaid Cymru (9)

Y Cynghorwyr/Councillors

Craig ap Iago	Annwen Hughes	Gethin Glyn Williams
Dilwyn Morgan	Linda Morgan	Tudor Owen
Caerwyn Roberts	Mandy Williams-Davies	Eurig Wyn

Annibynnol/Independent (4)

Y Cynghorwyr / Councillors

Eric M. Jones	Nigel Pickavance	Angela Russell	Mike Stevens
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Llais Gwynedd (3)

Y Cynghorwyr/Councillors

Louise Hughes	Gruffydd Williams	Robert J. Wright
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Llafur/Labour (1)

Y Cynghorydd/Councillor

Gwynfor Edwards

Democratiaid Rhyddfrydol / Liberal Democrats (1)

Y Cynghorydd/Councillor

Stephen Churchman

Aelodau Ex-officio / Ex-officio Members

Cadeirydd ac Is-Gadeirydd y Cyngor / Chairman and Vice-Chairman of the Council – Y Cynghorwyr / Councillors Selwyn Griffiths a / and Huw Edwards

AGENDA

1. APOLOGIES

To accept any apologies for absence.

2. DECLARATION OF PERSONAL INTEREST

To receive any declaration of personal interest.

3. URGENT ITEMS

To note any items that are a matter of urgency in the view of the Chairman for consideration

4. MINUTES

The Chairman shall propose that the minutes of the last meeting of this committee, held on 4 December 2012, be signed as a true record, (copy herewith – **yellow** enclosure).

Please note that the times listed below are estimates only.

5. REPORT OF THE SCRUTINY INVESTIGATION INTO THE PROVISION OF AFFORDABLE HOUSING FOR LOCAL PEOPLE

To consider the report of the Scrutiny Investigation Group, (copy herewith – **white** enclosure)

10.40am – 11.40am (one hour)

6. SCRUTINY OF SOCIAL HOUSING

Cabinet Members– Councillors John Wyn Williams – (Planning) and John Wynn Jones – (Economy)

To consider the report of the Cabinet Members, (copy herewith – **grey** enclosure)

11.40am – 12.40pm (one hour)

COMMUNITIES SCRUTINY COMMITTEE, 04-12-12

PRESENT (Committee Members) - Councillor Eric M. Jones (Chairman);
Councillor Angela Russell (Vice-chair).

Councillors:- Craig ab Iago, Stephen Churchman, Gwynfor Edwards, Annwen Hughes, Louise Hughes, Dilwyn Morgan, Linda Morgan, Tudor Owen, Caerwyn Roberts, Mike Stevens, Mandy Williams-Davies, Gethin Glyn Williams, Robert J. Wright and Eurig Wyn.

ALSO PRESENT: Councillor Sion Wyn Jones (in relation to item 5 on the agenda – Bypass), Councillor W. Gareth Roberts, Cabinet Member – Environment, (in relation to items 5, 6 and 7 on the agenda, namely: Bypass, Waste Strategy and Transport).
Councillor John Wyn Williams (Cabinet Member – Planning, in relation to item 8 on the agenda – Wind Energy).

OFFICERS: Arwel Ellis Jones (Senior Manager – Corporate Commissioning Service, for item 5 on the agenda – Bypass), Dilys Phillips (Head of Democracy and Legal Department, for item 5 on the agenda – Bypass), Aled Davies (Head of Regulatory Department), Dafydd Wyn Williams (Chief Engineer – Transportation and Street Care), Gerwyn Jones (Integrated Transport Unit Manager), Gareth James (Member Support and Scrutiny Manager) and Ioan Hughes (Member Support and Scrutiny Officer).

GOOD WISHES

It was noted that Councillor Nigel Pickavance could not be present as his daughter had suffered a period of illhealth and that she was continuing to receive treatment in Alder Hey Hospital. Best wishes were extended to the family.

APOLOGIES: Councillors Nigel Pickavance and Selwyn Griffiths.

1. DECLARATION OF PERSONAL INTEREST

The Member Support and Scrutiny Manager declared a personal interest in item 5 on the agenda - Bypass, because he lived in Bethel.

2. MINUTES

The Chairman signed the minutes of the previous meeting of this committee, held on 4 September 2012, as a true record, subject to the following addition:

Page 1: To note that Councillor Craig ab Iago was present.

3. THE DECISION OF THE REGULATORY DEPARTMENT'S TRANSPORT SERVICE TO SUPPORT THE GOVERNMENT'S ASSESSMENT OF THE ROUTE OF THE CAERNARFON AND BONTNEWYDD BYPASS.

(i) The report of the Cabinet Member – Environment was submitted and the Chair outlined the background to the matter.

(ii) The Head of Democracy and Legal Department explained:

a) that this was an Assembly Government plan under consideration, and that officers had responded to the Plan purely on a technical basis thus far;

b) that there was therefore an opportunity for the Committee to scrutinise that technical response and scrutinise the Assembly Government's process;

c) that any other observations relating to land use and visual amenities etc. would be matters considered in a public inquiry;

ch) that the Scrutiny Committee was authorised to make recommendations to the Council's Cabinet with regard to any matter it was dissatisfied with, but it would need to provide clear reasons for the recommendations.

(iii) Councillor Sion Jones, representing Bethel Ward, gave a presentation, objecting to the opinion of the Transportation Service of the Council's Regulatory Department, which had expressed support to the outcome of the Government's assessment which, on technical grounds, favoured the **purple** route.

The member underlined his support to the **yellow** route for the bypass, namely the Bontnewydd and Caernarfon bypass up to Plas Menai.

He made the following main points:

- the purple route would run through the Garreg Goch farm and would split it between two homes;
- that some of the members of the Communities Scrutiny Committee as well as Assembly members from North Wales, including the local member, Alun Ffred Jones, had visited the site and were shocked by the impact of the purple route;
- that the Council's Deputy Leader, namely the member representing the Felinheli Ward, Councillor Sian Gwenllian, also supported the campaign in favour of the yellow route;
- that the communities of Bethel and Felinheli were in support of having a bypass, but they favoured the yellow route, as it would safeguard good agricultural land and businesses;
- that owners were willing to sell land in order to adopt the yellow route;
- the yellow route would mean a financial saving of £8.5 million;
- the yellow route would spare five fatal accidents, 23 serious accidents and 105 other accidents;
- the purple route would cause problems in respect of flood risks.

(iv) These observations were endorsed in presentations by two representatives of the community of Felinheli, namely Kenneth Brown, Chairman of the Community Council and Nerys Mair, who was also a member of the Community Council.

They noted further that the purple route would impair the environment and the area's beauty, and public footpaths would also be lost. They emphasised that one could not ignore the detrimental impact of the purple route and the advantages of the yellow route in various respects, including local industry, now and in the long term.

(v) Gareth Graham from the Bethel Ward gave a Powerpoint presentation and he noted that the aim was to draw attention to the technical matters of the yellow route.

He elaborated on the following main issues:

- save lives;
- save money;
- save livelihoods since there were many employers in the area;
- avoid flooding in two villages;
- retain quality of life;
- save agricultural land.

(vi) The Cabinet Member - Environment noted that the engineers had only considered technical matters to date, and this had led to the purple route being favoured. He therefore believed that the matters referred to in the presentations would be considered in a public inquiry.

(vii) The Head of the Regulatory Department referred to one correction required in the written report, which was in paragraph 3.15, so that it read as follows:

*“One thing is clear, and it has been considered by the Transport Service engineers as part of their considerations, is that the Plas Menai roundabout and the number of accidents occurring there have not been considered **in full** in this assessment”.*

However, the Manager noted that the correction did not affect the assessment made by the engineers.

(viii) The Chief Engineer – Transportation and Street Care, responded appropriately to the observations made in the presentations, and specifically addressed the following main points:

- that estimating the number of accidents on any scheme was assessed based on the average number of accidents that happened per kilometre on similar roads. Consequently, the figures for accidents appeared higher on the purple route because the distance of the road was longer;
- that the Plas Menai roundabout was a five branch roundabout where several accidents occurred, and the purple route would reduce traffic flow problems there;
- that engineers would design the road so as to avoid the danger of flooding once a route had been chosen;
- that the benefit extended beyond construction costs, with several matters such as the environment and heritage being considered;
- that different communities preferred different routes, and that the yellow and purple routes were not the only ones that had been considered;
- that the purple route was a completely separate line which would not impact on the existing local network;
- that 7.5 decibels was noted as the noise level for the purple route, which was very little;
- that the yellow route would have a greater archaeological impact than the purple route.

(ix) The Cabinet Member - Environment warned that a delay, and stepping beyond the recognised procedure, could jeopardise the Plan at a time when there was considerable pressure on the Welsh Government’s resources, and competition for them.

(x) Members of the Committee expressed varying opinions.

(a) Some members expressed their views that the Assembly Government insisted on savings, and there was no sense therefore in favouring the purple route. It was emphasised that the purple route would pass within 12 metres of one house. Due to such issues, they wished for a site visit to be arranged so that any impact on local residents would receive fair consideration.

It was added that there was a need to consider the benefits as a whole, with the financial savings in respect of accidents included in these figures. Furthermore, it was noted that the impact on Caernarfon should be considered, and concern was expressed regarding the impact the purple route could have on traffic flow in the vicinity of Ciblyn.

(xi) On the other hand, it was noted that the development would be an enormous investment that would benefit Gwynedd's economy. It was added that this would be evident in respect of workers in the south of the county, as the bypass would eliminate travelling difficulties if jobs were available in other parts of Gwynedd or on Anglesey, and it would form an easy connection to the A55.

Because of such matters, there was concern that the money would be lost, and it was noted that people could voice their opinions regarding the impacts on communities in a public inquiry.

Reference was made to an e-mail received from the Council Leader, expressing concern regarding the risk that a delay could lead the Welsh Government to question the development, and the entire plan could be lost.

The member also referred to a letter received from the Minister for Local Government and Communities, which referred to the steps that would be taken before a final decision was made on the development.

(xii) The following was proposed and seconded – *that a recommendation is made to the Council's Cabinet that it should be declared that this Council is not satisfied that the concerns of local residents and communities have been considered, and that consideration should be given to the alternative yellow route in order to safeguard communities around the Caernarfon area during the provision of a bypass which enables the rest of the County to connect with the A55 expressway.* The proposal fell.

(xiii) Some members noted that local residents could be supported in a public inquiry.

RESOLVED to recommend to the Council's Cabinet that the Council should request confirmation from the Minister that he and his officers have given due weight and attention to all relevant aspects in selecting the favoured route, and that local residents and communities who have expressed objections to specific aspects will have a fair opportunity to submit those objections and prepare for a public inquiry.

4. WASTE STRATEGY

i) The report of the Cabinet Member – Environment, Councillor W. Gareth Roberts was submitted, providing an update on the Waste Strategy.

ii) The Cabinet Member and the Head of Highways and Municipal Department responded appropriately to the members' comments, and they made the following main points:-

- That Gwynedd Council had slipped from the 14th to the 20th position, (out of 22 counties), in relation to the percentage of waste sent to landfill, but the officers and Cabinet Member were confident that the Council would keep within the landfill allowance and avoid fines;
- That some other counties had chosen to follow a commingled system of collecting recycling materials which meant that everything was collected in one box. The residents sorted the materials in the Gwynedd system, which is favoured by the Government. In light of this, Gwynedd could go a step further with the recycling system so that an improvement would be more noticeable in the future;
- That a campaign was in the pipeline to encourage more Gwynedd residents to use brown bins to recycle food waste;
- That the system of collecting food waste was hygienic as the contents were in a bin liner;
- Enquiries would be made regarding dripping liquids from the garden waste collection vehicles;
- That waste collection vehicles had been improved but further work was needed and this again could reduce any difficulties with spillages;
- That better machines had been purchased to collect waste from the blue boxes to ensure that less waste would be blown away from the vehicles;
- That the blue box system had been operational in the County's primary schools for some time and that it had recently been extended to the secondary schools;
- That each school in Gwynedd was providing the food waste separately and that this was very encouraging;
- That it was possible for residents to make an application to receive up to four blue boxes;
- A scheme would be introduced in February to broaden the range of recyclates that could be collected so that it included poor quality soft plastics and cartons;
- That attention was given to cases when workers who collected waste rushed excessively, although this also reflected busyness;
- That a programme was in the pipeline to deal with waste collection from flats;
- That food waste collection needed to be substantially increased in order for the new site being developed at Llwyn Isaf, Clynog Fawr to be efficient;
- That it was important to ensure that there were provisions in order to recycle as much as possible;
- Gwynedd residents should be encouraged to seriously commit to the work of recycling as many materials as possible;
- That the relatively low percentage of 30% had been set for waste to be burned as this meant that more materials, such as poor quality plastics, would be recycled;
- That returned broken bins and boxes were recycled.

RESOLVED to accept the report noting the observations made.

5. TRANSPORT

i) The report of the Cabinet Member – Environment was submitted, addressing the latest situation regarding the process of re-tendering and learner travel costs. It was noted that the information had already been considered in the Dwyfor and Meirionnydd Area Committees and that it was intended to submit it before the Arfon Area Committee in the near future.

ii) Members were given an opportunity to submit observations and to ask questions. The officers and Cabinet Member responded appropriately and the following main points were made:-

- That the difference between making journeys between two locations attractive in terms of time, and the possibility of diverting from the main route in order to pick up passengers, should be evaluated;
- That a substantial number of services were being run on a commercial basis by the companies. The Council's role was to try and fill the gaps considering the financial restrictions and other factors in the network;
- That the situation was different when services were being run on behalf of the authority, but that the importance of having a viable network had to be considered;
- That several of the public services were being provided in accordance with the demands of buses transporting children to school and then, in other periods during the day, vehicles were used for public service;
- The possibility of using community transport could be considered rather than substantially extending and changing the bus service;
- That consideration was being given to the use made of some bus routes and that some could be abolished, or rationalised, if there was no demand for them; In terms of this possibility, the taxi service should be considered;
- That a 'Dial-a-Bus' service was running in some areas, such as Penllyn, Bala, but consideration was needed as to whether this type of service was sustainable or not when only a few individuals were using it.

iii) Members noted that the elderly, especially, needed an effective and reliable bus service and that they faced huge costs when using other services. It was emphasised further that more advertising was needed for services in such circumstances.

iv) In response, it was noted that it had to be asked if it was the Council's duty to provide a service for every individual case of this type. It was added that it was possible to provide the service, but that it would certainly be difficult to achieve, with the costs also demanding attention.

v) In response to further comments, it was confirmed that discussions would be held regarding transport from the vicinity of Barmouth to Ysgol y Gader, Dolgellau.

RESOLVED to accept the report noting the observations made.

6. WIND ENERGY

i) A report was submitted by the Cabinet Member – Planning, Councillor John Wyn Williams in response to questions relating to wind turbines near the Llŷn AONB and a letter received from Cyfeillion Llŷn expressing concern regarding what they considered was an exceptional threat to the beauty of Llŷn as a result of the development of the wind energy industry.

ii) Specific reference was made to Policy C26 of the Gwynedd Unitary Plan, which deals with wind energy, and it was noted that the Planning Committee's role was to consider each planning application on its own merits, and consider the impact of any development.

iii) It was confirmed that Council officers had answered Cyfeillion Llŷn's letter and had arranged to meet them to consider the Policy.

Reference was made to the Supplementary Planning Guidance, that would be going out to consultation in the near future, and it was explained that the intention of the Guidance was to provide more detail so that it would be easier for everyone to interpret the Policy.

iv) When considering a planning application, the Head of Regulatory Department elaborated that the Unitary Development Plan must be considered as a whole, rather than restricting consideration to one policy. Also, it needed to be borne in mind that National Policies were part of the assessment context of every planning application.

v) He added that members of the Planning Committee had visited sites prior to making a decision on applications for specific sized wind turbines and that this gave them valuable guidance.

vi) In response to an enquiry, it was explained that the Crown Estate and the Government had the authority to deal with wind turbine developments beyond the lowest tide line. The Planning Authority would deal with any ancillary development or impact on the land.

vii) A call was made for the Policy to be strengthened in relation to wind farms, and in response, it was indicated that the existing Policy noted that renewable energy / wind turbine schemes on a small scale or community based schemes up to 5MW were supported in the Local Development Plan. The Supplementary Planning Guidance was expected to provide a more detailed explanation on this.

RESOLVED to accept the report noting the observations.

The meeting commenced at 10.00am and concluded at 1.40pm.

Report of the Scrutiny Investigation into the Provision of Affordable Housing for Local People

Members of the Investigation

Councillor Stephen Churchman (Chairman)

Councillor Angela Ann Russell

Councillor Louise Hughes

Councillor Mandy Williams-Davies

Councillor Dilwyn Morgan

Councillor Linda Morgan

Councillor Nigel Pickavance

Officers

Arwel E Jones (Lead Officer)

Elliw Llyr (Support Officer)

Sam Studt (Support Officer)

Ioan Hughes (Support Officer)

Gwynedd Council

Shirehall Street,

Caernarfon,

Gwynedd

LL55 1SH

January 2013

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1. Context

- 1.1 The Council has had considerable success in encouraging and developing affordable units from different ventures by the Council and its partners.
- 1.2 However, some unexpected side-effects arose from some of those ventures as the market developed and it was difficult to identify the most effective ventures to realise the Council's ambition.
- 1.3 It was strongly suggested that one of the greatest difficulties for people wishing to enter the housing market is to secure the deposit for entry into the market.
- 1.4 On the 6 March 2012 a report on First Time Buyers Scheme was presented to the Board. The report stated that officers had been working on two schemes that the Council could introduce, namely:
 - a. A scheme developed in collaboration between Flintshire and Gwynedd Councils and Arc 4 Consultants which would introduce mortgage deposit loans to help local first time buyers to meet the deposit requirements of lenders to access home purchase mortgages
 - b. The Local Authority Mortgage Scheme developed by Sector which is a U.K. wide scheme where a Council would provide assistance to a potential first time buyer in the form of an indemnity to that buyer's lender.
- 1.5 Scheme a) was felt at the time to be the most appropriate as the Council could decide on the access criteria and therefore the ARC 4 Deposit Scheme for First Time Buyers was recommended by officers and subsequently approved by the Council Board. The Report highlighted the increasing market of first time buyers who are unable to access homeownership because of the onerous deposit requirements of lenders of up to 25% of the property value.
- 1.6 One of the results of the credit crunch is the stricter controls on the sourcing of funds for home owner mortgages. Additionally, rules on lenders capital adequacy have been strengthened i.e. the higher 'loan to value' mortgages provided by lenders and the higher provision in deposited funds required. The more capital lenders have to keep 'on deposit' the less borrowing and lending they can do. Deposit requirements hence remain high. This is the situation which means that a group of people who would be able to sustain home ownership but require support to access the finance from lenders.
- 1.7 Table 1 below clearly demonstrates how over the period 2000 to 2010, the average deposit provided by first time buyers has increased significantly from around £6,000 in 2000 to around £29,000 in 2010.

Table 1 – Average first time buyer deposits 2000 – 2010



1.8 Table 2 below brings together the latest information on the prices of different types of properties within the county.

Table 2 – Figures on house sales in Gwynedd

House Type	Number of Sales	House Prices			
		Median	Lower Quartile	Upper Quartile	90th Percentile
Detached	411	£ 195,000	£ 150,000	£ 250,000	£ 342,000
Semi-Detached	260	£ 135,000	£ 115,000	£ 172,250	£ 217,900
Terraced	522	£ 110,000	£ 85,000	£ 133,125	£ 165,000
Flat / Maisonette	59	£ 102,000	£ 69,500	£ 140,000	£ 197,500
Total	1,252	£ 132,000	£ 100,000	£ 185,000	£ 250,000

Source: Land Registry

NB Clearly, the above are county averages In addition and it is important to acknowledge that there is a significant difference in prices of different properties in different areas across the county. The table below shows the average house prices in the 20 wards within the county with the highest average prices.

Table 3: Average house prices (October 2011- March 2012) – 20 wards with highest percentages of average house prices

Area	Average Price (£) (October 2011 – March 2012)			
	Terraced	Semi detached	Detached	Flat
Abersoch	235,317	410,000	1,233,333	-
Llanengan	195,000	124,500	337,042	-
Brithdir & Llanfachraeth/ Ganllwyd/Llanelltyd	-	176,296	293,143	-
Criccieth	175,000	270,000	291,995	137,500
Corris/Mawddwy	114,000	87,500	279,236	-
Llanuwchllyn	92,250		295,000	-

Efail-newydd/Buan	-	169,000	260,938	-
Aberdaron	-	-	226,900	-
Abererch	-	135,000	276,667	-
Tudweiliog	-	170,000	230,000	-
Tregarth & Mynydd Llandygai	141,000	177,000	277,500	-
Waunfawr	99,000	144,000	250,533	-
Llanbedrog	245,000	207,500	205,666	-
Llanbedr	-	120,000	217,714	-
Porthmadog West	150,000	270,000	219,150	109,000
Bontnewydd	115,000	145,000	227,625	-
Glyder	-	182,409	221,333	-
Cwm-y-Glo	115,000	187,500	237,488	-
Groeslon	134,167	122,000	241,667	-
Aberdovey	195,000	138,500	303,750	137,500

*Source: Hometrack
- Data not available*

2 The Purpose of the Scrutiny Investigation

2.1 The Scrutiny Investigation was established by the Communities Scrutiny Committee in order to seek to answer the following questions:-

- a) Are the Council's current efforts to address the problem of assisting people to secure mortgage deposits likely to be enough?
- b) Does the "Sector Scheme" offer benefits that are in line with the Council's ambition?
- c) What are the risks associated with the Sector and can they be managed adequately?
- ch) Are there any other ventures that could prove effective in terms of securing access to the housing market?
- d) To look at buyers' issues only since the rental sector could be the subject of another inquiry in the future

2.2 It was noted at the start that, if the Investigation is successful, it would:-

- Prepare clear evidence-based recommendations for the Cabinet Member to consider implementing the scheme or not
- Offer further suggestions on other ideas that the Cabinet Member could consider

2.3 The Investigation was established by members of the Communities Scrutiny Committee at the Preparatory Meeting on 18 September, 2012 and the Report will be presented to the Communities Scrutiny Committee on 5th February, 2013

2.4 The Investigation has looked specifically at the “Sector Scheme”. The main features of that scheme are:-

- The property is in the ownership of the buyer
- A deposit of at least 5 % is required by the purchaser with the Council offering a guarantee for the remainder of the deposit up to 25%
- All applications are assessed for affordability and credit checks

2.5 The Council specifies the:

- Maximum level of the indemnity
- Maximum loan size
- Control of where the scheme is available is decided by the Council by setting the postcodes for the properties to be included in the scheme
- The Council is unable to set local connection covenants for purchasers
- It is a National UK wide Scheme
- 6 Authorities in Wales have joined the scheme
- Cyngor Gwynedd has signed up to look further into the scheme
- On average £108,000 is the sum of a mortgage application from first time buyers
- So far, over 95% of applicants who have bought a property through the scheme to date live or work within the Local Authority area
- At the end of September 2012 there had been no mortgage repossessions (April - October 2012)
- If £1m was put into the scheme, it could assist around 40 first time buyers
- The scheme is available through a limited number of banks / building societies

3. The Main Activity of the Investigation

3.1 The Investigation set itself a challenging work programme. These are the main elements of that programme:-

23 October, 2012	Setting the Context An initial analysis of the situation, the information available and an outline of the schemes to receive attention Planning Session to decide on:- <ul style="list-style-type: none">• what further information the Investigation wishes to receive• witnesses• the questions to be asked to the witnesses• the possible use of the Residents Panel for seeking local residents' views on the scheme and its risks
13 November 2012	Holding interviews with the following witnesses:- <ul style="list-style-type: none">• The Cabinet Member• Professional officers including the Corporate Directors leading on Housing and Resources
November 2012- January 2013	A period of research with local residents on the obstacles for first time buyers in accessing the housing market
4 December	Holding an interview with a Local Estate Agent

2012	
13 December	Holding a meeting with Sector to question them on the benefits and risks of the scheme
2012	
14 January,	<ul style="list-style-type: none"> • Holding a video-conference meeting with officers from Powys and Ceredigion Councils who have already implemented the scheme to assess real experiences in those areas
2013	<ul style="list-style-type: none"> • Coming to an initial view on proposals to be tested with a Focus Group
16 January,	Session with a Focus Group from the Residents Panel to test the initial conclusions of the Investigation
2013	
22 January,	Final Analysis
2013	<ul style="list-style-type: none"> • To consider and summarise information and experiences • To agree the main recommendations for the report and the way forward
5 February,	Scrutiny Committee to consider a draft report and recommendations to be sent forward to the Executive
2013	

DS The notes of the individual meetings of the Scrutiny Investigation are available on request

4 The Main Findings of the Investigation

4.1 The Findings of the Investigation are:-

4.2 Findings from the interview with the Estate Agent (see the questions asked in Appendix 3)

- The housing market is weak
- There is a lack of confidence amongst first time buyers
- Stamp duty has increased the financial burden on first time buyers
- The Home Purchase Scheme is considered a success in Gwynedd
- There is a significant proportion of low cost housing now being bought by landlords in order to let rather than being bought by first time buyers

4.3 Findings from the interviews conducted with the Corporate Directors and Cabinet Member (see the questions asked in Appendix 3)

- The scheme would enable first time buyers to obtain a mortgage and create movement within the market
- There is potential for turnover of properties within the private and social rented sector
- There are risks associated with the scheme one being that the Council would have to pay the deposit if there was a repossession on a property

4.4 Findings from the Sector Presentation (see the questions asked in Appendix 3)

- There was no evidence to suggest that First Time Buyers defaulted on their payments i.e. leading to arrears / repossessions

- There is no evidence to suggest that people from outside the County are able to take advantage of the scheme
- The Sector company are looking to develop other products such as help for self build, renovating properties and shared ownership

4.5 Findings from interviews with Officers in other Counties which have participated in the scheme (see the questions asked in Appendix 3)

- There is no evidence that people from outside of the County are able to take advantage of the scheme
- The Scheme is advertised locally within the County
- Both Counties has set their maximum loan value at £175,000 a £152,000
- So far, Powys had helped 28 mortgagees, all of whom were Powys residents, in a relative short period since launching the scheme whilst Ceredigion had launched in July 2012 had approved 2 and another 10 were currently being assessed
- The success of the scheme in Powys was also illustrated in the average age of those taking advantage of the scheme, 29 compared to the national average age for first time buyers of 35 to 38
- There could be a problem with post-codes crossing the boundaries of two counties that could not be part of the scheme. There are 658 properties in Gwynedd falling into this category and therefore that could not be included in the scheme

4.6 Findings from the Focus Group (see the notes of the meeting in Appendix 4)

- It is nearly impossible in trying to save for a deposit as well as paying for living costs
- The perception that a mortgage would be less than their current rental payments
- The location of their prospective home is important as this could have an impact on travel costs
- Costs associated of buying a home, such as legal, surveying and mortgage fees
- Clear support for this scheme

4.7 Findings from the questionnaires returned (fuller details in Appendix 2). 43 responses to the first time buyers questionnaire were received, but not all questionnaires were answered fully. We had several individuals complete the questionnaire in the First Time Buyers Fair which was held on January 22, 2013 in Porthmadog with 70-80 present on the night.

- 25 respondents were between 18-29 years old and 10 respondents were between 30-39 years old
- The two main reasons given for failing to get access to the housing market were the lack of the deposit, with 28 noting this reason and house prices being too high, with 18 noting this
- 12 noted that a terraced house was the type of property they would like to buy
- A 2 and 3 bedroom house was the most favoured property. 29 chose this option
- 16 of the respondents noted that they had less than £5,000 of savings

- 12 of the respondents noted that they could afford to buy a house between £90,000 - £110,000
- 31 were supportive of the scheme

4.8 Main Findings

- It is estimated that approximately 40 first time buyers will be able to take advantage of this scheme
- If first time buyers are able to access the housing market this would enable the seller to move on thus promoting movement within the housing market, unless the first time buyer buys an empty home
- The scheme does not solve all the housing issues in Gwynedd
- Concerns were raised that this Scheme would replace assistance already offered by parents or grandparents of first time buyers. From the interviews it can be gathered that this is not the case
- Concerns were raised that the Council had no control of the scheme and that people from outside the area could take advantage of buying home in Gwynedd. Interviews show that this is not the case or at least that it is a very low risk

4.9 Should the Council agree to implement the Scheme, the following would need to be addressed:

- As the Council is able to set the level of loan, consideration must be given to variances in house prices within Gwynedd, whilst some areas have high property prices other areas are more affordable
- The Wales Audit Office have stated the method for accounting the money that the Council invests in the scheme in the Council's accounts needs to be looked at
- The choice of bank / building society with whom the Council would be willing to partner, considering, amongst other things, their presence within the county
- The Council would be able to draw attention to the scheme and the bank / building society would be able to advertise the scheme within its branches
- The Council is able to restrict the scheme to certain post codes. All of those interviewed all agreed that it should be a county wide Scheme

5 The Main Recommendations and opportunities to improve

5.1 The Scrutiny Investigation is recommending to the Cabinet Member with responsibility for Housing that:-

- ##### 5.1.1 To implement the scheme with the commitment to considering investing £1 million in the scheme and to
- set a financial maximum for the value of the house and the loan by looking at the variation in house prices across the county so that it could be operated throughout the entire county
 - choose a Bank / Building Society to partner in the scheme that can offer a local presence to ensure that local people can have easy access to the scheme
 - make every effort, within the rules, to ensure attention to the scheme within the county to raise awareness about it amongst local residents

5.1.2 Since the Sector Scheme could address the needs of a number within a specific group, consideration should be given to developing schemes that address the other groups facing different needs, such as:-

- Those interested in self-build
- Those interested in shared ownership schemes
- Those wanting a new build property who are facing difficulties because of the requirements of section 106 agreements.

The Questionnaire used to seek views on obstacles to the housing market

MORTGAGE QUESTIONNAIRE

FIRST TIME BUYERS



A Scrutiny Investigation is being carried out by the Communities Scrutiny Committee on a scheme that assists first time buyers with a deposit for a mortgage. We are eager to find out more about this group of people to better understand their needs and identify what barriers face first time buyers in Gwynedd today.

If you are a first time buyer and live in Gwynedd we would be grateful if you could take a few minutes to complete this survey and submit your response by

Friday 23rd November 2012.

For more information regarding the survey or for assistance in completing the survey contact the Strategic Housing Unit, Strategic and Improvement Department, Gwynedd Council by phoning (01286) 679304 or e mailing HousingStrategicUnit@gwynedd.gov.uk

You can send your response by e-mail or by post:

E-mail it back to: HousingStrategicUnit@gwynedd.gov.uk

Post it back to: Housing Strategic Unit
Strategic and Improvement Department
Mona Building
Gwynedd Council
Shirehall Street
Caernarfon
Gwynedd
LL55 1SH

Want to buy a home in Gwynedd but can't afford one? Go to:
www.taiteg.org.uk

1. Are you a:

Choose only one response

Single person

Couple

Family (one or two adults with children)

Other (specify below)

2. How old are you?

Choose only one response

Under 18

18 - 29

30 - 39

40 - 49

50+

3. What is your current situation?

Choose only one response

Live at home/ with family

Rent privately

Rent from social landlord

Other (specify below)

4. What is your post code?

5. In which area would you like to buy?

Choose only one response

Arfon

Dwyfor

Meirionnydd

Outside Gwynedd

6. What is preventing you from buying a house?

Select all relevant responses

I have the deposit but I am not able to get a mortgage

I don't have a deposit

House prices are too high

The type of property is not available

Not sure what the process is

Uncertainty in employment

Debt

Other (specify below)

7. What type of property would you like to buy?

Choose only one response

Detached

Semi detached

Terraced

Flat

8. What size property would you like to buy?

Choose only one response

1 bedroom

2 bedroom

3 bedroom

4+ bedroom

9. A property of what price would you be able to afford to buy?

Choose only one response

Up to £70,000

£70,001 - £90,000

£90,001 - £110,000

£111,001 - £130,000

£130,001 - £150,000

£150,001+

10. Do you have any savings/ funds that you could use to buy your own property?

Choose only one response

No savings/ funds

Less than £5,000

£5,000 - £10,000

£10,001 - £20,000

£20,001 - £30,000

£30,001+

11. Would you be interested in a scheme that would assist first time buyers to be able to buy a property in Gwynedd?

Choose only one response

I would

I would not

12. Do you have any further comments as a first time buyer in Gwynedd?

**Thank you for your time in completing this questionnaire.
We value your opinion.**

DRAFT

An analysis of the results of the Questionnaire

1. Are you a:	Single person	Family (one or two adults with children)	Couple	Other (specify below)				
Response	16	3	16	1 (Single mother)				
2. How old are you?	Under 18	18 - 29	30 – 39	40 – 49	50+			
Response	0	25	10	0	1			
3. What is your current situation?	Live at home/ with family	Rent privately	Rent from social landlord	Other (specify below)				
Response	14	17	2	1 (University)				
4. What is your post code? (In which area)	Arfon	Dwyfor	Meirionnydd					
Response	15	13	4					
5. In which area would you like to buy?	Arfon	Dwyfor	Meirionnydd	Outside Gwynedd				
Response	13	12	5	1				
6. What is preventing you from buying a house?	I have the deposit but I am not able to get a mortgage	I don't have a deposit	House prices are to high	The type of property is not available	Not sure what the process is	Uncertainty in employment	Debt	Other (specify below)
Response	1	28	18	5	6	6	1	1
7. What type of property would you like to buy?	Detached	Semi detached	Terrace	Flat				
Response	9	6	12	0				

8. A size property would you like to buy?	1 bedroom	2 bedroom	3 bedroom	4+ bedroom			
Response	0	14	15	0			
9. A property of what price would you be able to afford to buy?	Up to £70,000	£70,001 - £90,000	£90,001 - £110,000	£111,001 - £130,000	£130,001 - £150,000	£150,001+	
Response	3	7	12	1	1	1	
10. Do you have any savings/ funds that you could use to buy your own property?	No savings/funds	Less than £5,000	£5,000 - £10,000	£10,001 - £20,000	£20,001 - £30,000	£30,001+	
Response	5	16	5	5	1	1	
11. Would you be interested in a scheme that would assist first time buyers to be able to buy a property in Gwynedd?	I would	I would not					
Response	31	1					

Further Comments

- You have left out questions relating to people with disabilities
- I had hoped to be able to apply through the Council's latest scheme - the deposit scheme for first time buyers to purchase a vacant property. But after carrying out some research (asking banks, estate agents and a financial expert) it was not such a good scheme.
- Private landlords needs registering. We pay £550 for a cold (3hrs of central heating on max & temp is still only 13c in living room!) damp (kitchen is full of damp in cupboards & walls - bedroom too!) ridden property & can't afford to get out.
- House prices are too high and wages too low. No help is available for single people.
- I have been on Tai Teg's website and completed a first time buyers form but I have not received a response
- I am a professional person and work in Dwyfor as a homecare manager. I am currently renting privately and failing to save because of the high costs of rent and also energy costs are high. I would like to have the opportunity to have a home of my own.
- I would like to see that there is some kind of financial assistance given to first time buyers through some sort of scheme that provide a contribution towards the house e.g. 30% from the Council and 70% from the buyer, with the option of purchasing the Council out in time.

A copy of the questions raised at meetings with the various witnesses

Meeting 1 – The Cabinet Member and professional officers including the Corporate Directors leading on Housing and Resources

A. Interview with Councillor John Wyn Williams, (Cabinet Member) and Dafydd Lewis, (Corporate Director) answering together

1. From your understanding of the Scheme, what do you see as the main advantages and risks?
2. What difference would such a scheme make to movement within the local housing market?
3. What is your opinion of the risk of people outside the county taking advantage of a scheme that Gwynedd public money will be supporting?
4. Are there any arguments in favour of limiting it to some code-code areas within the county or should it be available throughout the whole of the county?
5. If the Council was to establish such a scheme for first time buyers, what maximum amount should be set / what other possible restrictions should be discussed with Sector?
6. What questions do you think should we ask Sector when the Inquiry interviews them?
7. What other initiatives or ideas need attention in order to help first time buyers?

B. Interview with Dilwyn Williams, (Corporate Director)

1. From your understanding of the scheme, can you see that it would be possible to use resources that the Council holds in reserve to fund the underwriting that arises from it?
2. What would be the financial risks and opportunities arising from doing so?
3. What would you see as the process to be followed to ensure that it is possible to earmark such moneys?
4. Are there any other options in terms of funding such a scheme?
5. What questions do you think should we ask Sector when the Inquiry interviews them?

Meeting 2 – An interview with a Local Estate Agents

1. What do you see as the main obstacles for first-time buyers gaining access to the market?
2. In your opinion, do parents contribute in funding deposits for first time buyers in many cases?
3. Has the stamp duty placed additional pressures on first time buyers?
4. Is there a danger that we are looking at a scheme that is addressing the needs and wishes of a comparatively small proportion of those seeking a house and that this proportion is likely to reduce further because of market pressures that we cannot influence?
5. One of the principles of the Sector scheme is to promote movement within the market by bringing first time buyers into the market and that this would stimulate movement within the market. Is there enough confidence in the market to ensure that this will happen or is there a risk that all we will achieve is that the prices for first time buyers will increase?
6. Are there any arguments in favour of limiting it to some post-code areas within the county or should it be available throughout the whole of the county?
7. If the Council was to establish such a scheme for first time buyers, what maximum amount should be set for house prices / what other possible restrictions should be discussed with Sector?
8. What questions do you think should we ask Sector when the Inquiry interviews them?
9. What other initiatives or ideas need attention in order to help first time buyers?

Meeting 3 – A meeting with Sector to question them on the benefits and risks of the scheme

Access to the Scheme

1. What is the scheme's definition of a first time buyer?
2. Is it possible to include "self-build" schemes for first time buyers as part of the scheme?
3. Why is it not possible to limit the availability of the scheme to local people only?
4. What is our definition of affordability for the purposes of the scheme?
5. How would any such scheme be marketed?

The Mortgage Decision

6. Does the scheme not take us back to the time when over-risky 95% mortgages were being awarded (with the consequent problems)?
7. What would be the process for deciding on applications and what assurances can be given that the bank's processes would be less robust because there is an element of comfort in the underwriting of the deposit by the Council?
8. When would the individual decision be made, before or after securing the property?

The Effect of the Scheme

9. What information would the Council receive about the success of the scheme?
10. Is there a danger that the scheme will simply take the place of provision made at the moment by parents, who can afford to do so, to help with the deposit?
11. What sort of upper limits on house prices have been set by other councils?
12. Accepting that this is affected by the local decision on the maximum and the scale of the Council's underwriting of the risk, can you provide some sort of idea of the numbers that we could help?
13. With regard to "defaults", what is the evidence on "default rates" where the scheme is operational at the moment, particularly in rural areas where there is a significant dependence on public sector employment at a time of significant pressures to cut?
14. Is the scheme able to address needs in different areas eg areas where house prices are significantly higher because of second homes?
15. What is the evidence from area where the scheme is currently operational with regard to the scheme promoting wider movement within the housing market?

The Operational Arrangements

16. Explain further the options in terms of the financial arrangements by the Council, a transfer or underwriting?
17. What would be the financial advantages to the Council in taking one option of the other?
18. What are the limitations in terms of the relationship with a specific lender . That is, at what point would an individual be free to consider moving to another lender?

Meeting 4 – A video-conference meeting with officers from Powys and Ceredigion Councils who have already implemented the scheme to assess real experiences in those areas

1. What were the main reasons for the Local Authority in joining the Sector scheme?
2. Do you feel it has met its objectives of enabling people to access first time homes?
3. Has there been much interest from first time buyers in the scheme?
4. Do you feel the scheme has replaced the role parents or grandparents have in helping first time buyers with the deposit?
5. Do you feel the scheme has made a difference, even though it might be a small number which have been helped?
6. In your opinion, has it simulated the housing market within the area?
7. Was having a scheme which did not require a local connection with the County an issue?
8. Have you noticed an adverse effect of not being able to include a local connection?
9. What level have you set the maximum threshold that people are able to borrow?
10. Have there been any issues with the financial side from the Local Authority's perspective?
11. Of the both options given, cash back and non cash back, have there been any issues with these options given by the mortgage providers?
12. What lessons have you learnt along the way?
13. What advice could you offer us?
14. What other schemes / initiatives have you considered?

A note of the meeting of the Focus Group with residents

AGENDA

- ❖ Welcome and introduce objectives

- ❖ The nature of the problem – ideas, presentation and discussion

- ❖ The “Sector Scheme” – presentation, discussion and views

- ❖ Other matters and wrap-up

OBJECTIVES

- ❖ Identify issues that prevent first time buyers from gaining access to the housing market

- ❖ Seek a response to a specific proposal – “The Sector Scheme”

THE NATURE OF THE PROBLEM

- ❖ “The Deposit”
 - Balance between “living life” and saving up for a deposit – balance difficult
 - Paying rents / bills
 - Low Income
 - Living home the only way to save
 - Research undertaken into the level of deposits – too high

- ❖ House Prices
 - Rent the same / higher than a mortgage
 - Assistance from parents a big help
 - Not much choice of houses in good condition that we can afford
 - Some would consider a house requiring work if it were cheaper
 - Difference in what you get for your money between different areas eg Caernarfon / Y Groeslon / Porthmadog / Blaenau Ffestiniog BUT travelling expenses
 - Additional fees on top of the deposit, surveys legal, mortgage fees, “stamp duty” - ” £2 - £3k on top of the deposit (more than anticipated)
 - Single person cannot go after the better mortgages

- ❖ Best Deals
 - Big deposit – lower interest rates – frees survey – couldn’t go after that package because a single person (one income)
 - Credit rating (no credit card history / living in a rented house – no fixed address)

- ❖ Problem with “buy to let”
 - Landlords buying the cheaper houses eg £85k, doing them up and then renting out
 - Number of examples in Caernarfon
 - Part of the first time buyer problem

THE SECTOR SCHEME – ADVANTAGES + DISADVANTAGES

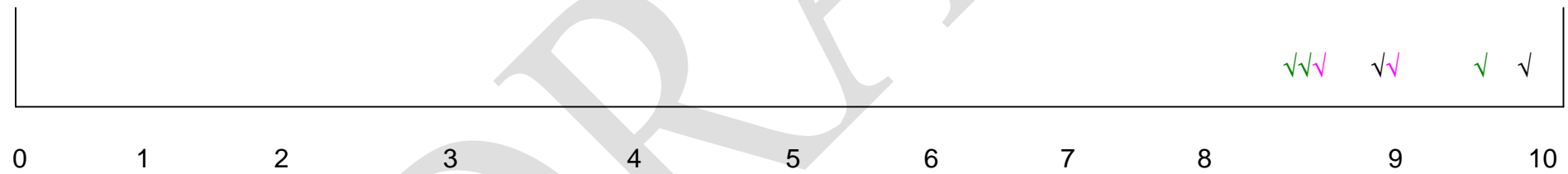
- ❖ Helps a few people for a lot of money (£1m) – Is it worth it? Are there other ways of using the money to help people
- ❖ Boost to the housing market (and the banks)
- ❖ Example from Powys – 28 people £700,000 – no-one has defaulted on payments
- ❖ Creating living communities
- ❖ Risk that people from outside of the county could take advantage
 - Saw 5% risk as acceptable
 - Nature of first time buyers – need to stay locally – job security etc
 - Difficult to assess, only information on postcodes on in/out of county
 - Some limitations on advertising the scheme
 - Believe it is a good idea – would help people
- ❖ Believe the scheme should be county-wide – not some postcodes only

THE SECTOR SCHEME

Should the Council join the scheme?

Not at all

Yes – definitely



OTHER MATTERS

- ❖ More opportunities to return social housing / “Council Houses” at a lower rent in order to save
- ❖ The cost of surveys – Is there expertise within the Council - could the Council provide this service free or at low cost for first time buyers?
- ❖ Sometimes there are problems with the quality of private surveys

DRAFT

NAME OF SCRUTINY COMMITTEE	Communities Scrutiny Committee
DATE OF MEETING	5 February 2013
TITLE OF ITEM	Scrutiny of Social Housing
CABINET MEMBERS	Councillors John Wyn Williams and John Wynn Jones

The following questions were asked during the recent preparatory meeting:

1. What is the situation within the strategic plan regarding the provision of social housing and how does the Council promote input into provision of social housing?
2. It is understood that there are 3,500 applications on the housing register – are these applications duplicated?
3. How much has the waiting list increased from year to year?
4. Can the Council restrict housing to local people?
5. Is the target of 100 empty properties sufficient and how can the number be increased?
6. Is there sufficient finance available?
7. How many houses with more than one bedroom have one person living in them?
8. How much collaboration is there between the above mentioned Cabinet Members (Planning and the Economy) in addressing social housing needs in town centres?
9. It has been given to understand that grants are available to undertake improvements to properties above shops and it would be beneficial to receive information on this.

1. Social Housing

- 1.1 Working with Registered Social Landlords is a key part of the work of the Housing Strategy Unit. The main Housing Associations operational in Gwynedd are Cartrefi Cymunedol Gwynedd (CCG), Cymdeithas Tai Eryri, Cymdeithas Tai Clwyd and North Wales Housing Association.
- 1.1 The Council receives a Social Housing Grant (SHG) from the Welsh Government annually which is equivalent to approximately £1.5 million every year. The Council distributes that grant to the Housing Associations in accordance with the scoring matrix which has been developed in order to ensure that the distribution targets the strategic requirement for housing within the County. The SHG is the main method of funding the Social Housing provision within the County and as with several central budgets, the level of investment will reduce in the future.

1.2 The Welsh Government has developed a revenue model for the Housing Associations and, dependent on the Housing Associations' ability to borrow money, it is anticipated that £2.5 million is available to Gwynedd. Again, the Housing Strategy Unit has collaborated with the Housing Associations in order to ensure that we maximise our opportunity to use this revenue funding to add social housing in the County. This venture is in addition to the SHG.

1.3 As an Unit, we co-ordinate quarterly meetings in order to receive progress reports as well as regular contact via e-mail or phone with the relevant Officers within the Housing Associations.

1.4 Please see the following table which summarises the activity of the Housing Associations to provide houses for rent locally.

Table 1

Year	No. of SHG/SCIF grant funded new units	No. of non grant funded new units	Gwynedd Council Empty homes initiative/ Private Sector Leasing	Social Housing Grant Homebuy scheme / Gwynedd Council mortgage deposit loan scheme	Mortgage rescue scheme	Total number of units
2007/08	11	24	24	17	3	79
2008/09	34	16	27	0	2	79
2009/10	37	10	8	0	3	58
2010/11	56	16	14	16	4	106
2011/12	21	13	16	11	1	62
2012/13	47	16	9	10	2	84
Total	206	95	98	54	15	396

1.5 The distribution of the SHG has secured a supply of housing through various other ventures, in addition to social housing. Some of these ventures are the Private Leasing Scheme, Homebuy Scheme and Mortgage Rescue Scheme.

2 Common Housing Register and the Housing Options Team

2.1 Since September 2012 a Common Housing Register is in operation in Gwynedd. This means that there is one Common Lettings Policy for letting social properties. In order to administrate the Policy, the Housing Options Team was established which deals with all enquiries from the public about information on applying for social housing and the procedure of assessing applicants in accordance with the Lettings Policy.

2.2 In order to establish the waiting list, all individual Housing Association waiting lists were combined into one waiting list. Table 2 shows the current information as at 21 January 2013:

Table 2:

Live applications:	2729
Applications delayed for a period: (delayed due to financial resources and subject to further investigations by the Housing Options Team)	382
Applications not completed by the applicant: (new applications which have not provided the relevant information to be registered in full and, therefore, subject to further investigations by the Housing Options Team)	438
Total:	3549

2.3 As the list was established recently and that all Housing Associations have provided information about their waiting lists to the Council, any duplication in applications has been checked and it is fair to say that the figure above reflects the accurate figure of need for the first time.

2.4 It is not possible to provide information on the annual increase to the waiting list as no historical data is available. Comparing the waiting lists that the Housing Associations would have would not provide comparative information.

2.5 The Common Lettings Policy states clearly that applications will be assessed on the basis of need. The current situation of the property, its condition and medical information about the applicant will be considered. The applicant must satisfy the criteria of being in need in order to be accepted on the waiting list. Local connection to the County and area within which the applicant wishes to live will be assessed.

3 **Empty Properties**

3.1 A target of 150 properties was established for the 2011-2014 Strategic Plan, namely 40 in 2011-12, 40 in 2012-13 and 60 during 2013-14. We will not be proceeding to fulfil the 2013-14 target as the Council's 2013-18 Strategic Plan will replace the current Plan. The target of 90 reflects the above changes.

- 3.2 It would be important for any discussion about setting a target for the Strategic Plan from 2013 onwards to take into consideration the resources available within the Empty Homes Team. At the moment, there are two officers working across Gwynedd.
- 3.3 The empty homes officers work with owners to bring empty properties back into use. The budget allocated for activity to bring empty homes back into use is spent in full by the Empty Homes Team annually and, naturally, any opportunities for additional resources would be targeted to encourage more empty homes back into use.
- 3.4 A First Time Buyers Loan Scheme which is being targeted for empty homes has been launched by the Housing Department recently and the number of enquiries by the residents of the County shows the level of interest and the obstacles that first time buyers come across when trying to buy a house, in particular when they are required to find a deposit of up to £30,000.
- 3.5 A national scheme 'Houses into Homes' by the Welsh Government provides an interest-free loan for people to be able to make improvements to a property. Gwynedd has received expressions of interest to the value of £661,100 in this scheme, with applications to the value of £441,100 having been approved. The amount allocated to Gwynedd was £432,426 and, if other Counties do not claim their allocation, Gwynedd could apply to use the remaining money.

4 Changes in Welfare Benefits

- 4.1 The Welfare Reform Task Group Progress Report (21/11/12) discussed by the Corporate Management Team notes that welfare reform will affect 11,854 residents in Gwynedd with 1,348 affected by the bedroom tax.

5 Collaboration

- 5.1 Strategic collaboration takes place through the Housing Partnership, which includes the preparation and development of the Housing Strategy. Collaboration on an operational level takes place through the various sub-groups which bring the Council's Departments and external partners together to implement specific interventions (e.g. Arbed 1 & 2 schemes and bids). In addition, Departmental collaboration occurs when responding to opportunities, for example, a recent joint application was submitted to the Housing and Regeneration Innovation Fund.

6 Grants to undertake improvements to properties above shops

- 6.1 The Council provides various means of assistance that can be relevant when undertaking improvements to properties above shops. Specifically, the Empty Homes Team are responsible for the management and administration of the:

- **Houses into Homes Scheme** which offers short-term, interest-free loans to assist with repair costs to bring an empty property back into use. The highest loan sum is £25,000 for each living unit, to be repaid within two years if the property is to be sold, or three years if the property is to be rented.
- **Vacant Property Grant Scheme** which offers a limited grant to help new owners of empty properties pay for the repairs and renovation of the property. The grant targets properties which have been empty for six months or longer, and can contribute up to 75% of the renovation costs up to £5,000 for each flat, £10,000 for each house, or £7,500 for each conversion into a flat.
- **Repair and Renovation Scheme – Empty Homes Loans** which offers short-term loans up to £15,000 to reintroduce residential use to empty and disused houses, and/or conversion of existing property into housing. All the loans will be offered at an interest rate of 4%. Following completion of the work, the property must be available for rent by local people, or the owner must use it as his or her main residence for a period of five years, or until the loan has been repaid in full.

6.2 In addition, the Private Sector Housing Service (on behalf of the Economy and Community Development Department) administers and manages the **Town Improvement Scheme**. The scheme is funded by the Welsh Government's Môn Menai Programme (which is operational in Arfon), and offers grants towards external improvements to buildings in town centres. Grants of 50% are usually available, although in exceptional circumstances they can be up to 75%.

6.3 Officers from the Empty Homes Team, the Private Housing Sector Service and the Economy and Community Development Department meet regularly in order to ensure that there is convergence between the available schemes.