

GWYNEDD COUNCIL CABINET

Cabinet Report

21st of November 2017

Cabinet Member : Cllr. Craig ap Iago

Area : Housing (Strategy Unit)

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Service / Department : Adults, Health and Well-being

Title : Increasing the supply of social and affordable Housing by strengthening strategic capacity.

Decision Sought:

To approve an allocation of £45,646 per year over the next 3 years (total of approximately £140,000), as a first call against the council tax premium to be levied against 'second homes' and 'empty homes' which will be applied from April 2018 allowing the Head of Adult, Health and Wellbeing to appoint an additional officer within the Strategic Housing Unit to support the Council to take full advantage of grant funding allocated by Welsh Government to increase the supply of social and affordable Housing in Gwynedd.

Main issues to be considered by the Cabinet:

1.0. What is the Demand?

1.1 The Welsh Government has allocated additional capital resources to assist Local Government in Wales secure an additional 20,000 homes. This means that Gwynedd's allocation could increase from £4.2m between 2014-17 up to £ 16.2 between 2017-20, an increase of 285%. Although the allocation is welcomed, the situation creates a significant challenge as there is a requirement to develop and prepare bids to attract additional resources and to monitor developments. An additional resource is therefore sought to

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support efforts to increase the number of social and affordable housing units.

1.2 Capacity within the Housing Strategic Unit has reduced from 3 officers to 1 officer as a consequence of efficiency savings and service cuts. When these changes were initiated budgets were fairly stable or reducing and it was anticipated that the service could shoulder the change. However, over the last year, expectations and responsibilities have increased significantly, and the current situation is not sustainable. There is a possibility without an additional resource that the Council will not be able to take full advantage of the opportunities available at a time when there is a growing demand due to changes in the Welfare State.

1.3 The Department's recent efforts have focused on maintaining current schemes and there is no capacity within the Unit to undertake preparatory work necessary to bring plans to maturity. This could mean that Gwynedd miss out on significant funds and deprive the county of opportunities to attract resources to help respond to new challenges and be proactive and creative.

1.4 In addition to an additional Social Housing Grant allocation, several other grant programs have been announced, including an Innovative Housing development program and Health and Care Housing Scheme. We are also aware of opportunities to present applications for Energy Efficiency programs in deprived communities. Gwynedd will need to compete with other local authority areas and proposals will need to be developed to support the applications and then to implement programmes. Between 2017-21 there will also be challenges between 2017-21 to prepare for Wylfa Newydd and a need to apply for mitigation measures.

1.5 Gwynedd Council's housing capacity is now much smaller than other authorities, and the differential is more prominent as an authority without housing stock. Resources are not protected in the same way as authorities with a Housing Revenue Account (HRA) and our situation is also weak compared to other authorities that have transferred their housing stock. In recent months the lack of capacity has impacted upon our ability to respond to some opportunities.

1.6 An additional resource would enable us to apply for additional capital funds and to maximize our allocation.

2.0 Budget Required

2.1 No revenue funding has been reserved as part of the financial

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allocation and the capital money within the program cannot be used to undertake additional duties attached to the individual schemes. Local government is expected to shoulder these responsibilities and operate within the resources or to fund within existing resources.

2.2 Gwynedd Council has decided to raise a council tax premium on 'second homes' and 'long term empty properties' and it is expected that this decision will result in an increase in council tax income from April 2018 onwards.

2.3 Although the Council has not yet decided how the additional resource generated will be allocated, it is suggested that one option would be to consider financing an appointment as a first call on that resource. "

Cost of Housing Strategic Officer Scale (36-39)

Total with costs of £ 45,646

Three year commitment initially with an option to extend following a review

3. Risks and Other Considerations.

3.1 If we cannot identify a resource to assist with the work there is a danger that we will

- miss a golden opportunities to increase housing supply
- face the possibility of having to refuse or return capital money back to the Welsh Government
- expect that our performance will fall below other local authorities

3.2 There are dangers that the current spending program is too dependent on one officer, leaving us vulnerable in the event of a change of circumstances due to loss of continuity and expertise in this area.

3.3 It also means that we will probably fail to adapt and respond to changes within the Welfare State which in turn could result in additional costs in other areas.

3.4 Securing a supply of quality housing is essential to assist efforts to support vulnerable and disadvantaged individuals within society. If there is no

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suitable provision, people with health problems, older people, disabled people, families with children, will be more vulnerable and likely to have a bigger impact on other services areas and cost.

Timetable :

It would be possible to establish a staffing structure and commence recruiting immediately if support was forthcoming.

CONSULTATIONS UNDERTAKEN PRIOR TO MAKING THE DECISION

Monitoring Officer:

When the introduction of the council tax premium was supported it was highlighted that a percentage of the receipts would be used to support the provision of houses with the community. This report and recommendation is consistent with that aim.

Head of Finance:

The Social Housing Grant allocation available over the next 3 years (2017-20) is expected to increase significantly, along with other grant funding opportunities to support Housing development. Approving the decision sought here, would assist the service to take full advantage of the available grant funding, which could benefit disadvantaged residents in Gwynedd. I confirm that the financial figures presented within the report are accurate and that the author has consulted appropriately before proposing the funding source, I thereby support the recommendation

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