



## **CABINET – 15TH SEPTEMBER 2021**

**SUBJECT: WELSH GOVERNMENT PROSPECTUS AND PROGRAMME DEVELOPMENT PLAN (PDP)**

**REPORT BY: CORPORATE DIRECTOR OF SOCIAL SERVICES AND HOUSING**

### **1. PURPOSE OF REPORT**

- 1.1 To seek the views and approval of Cabinet prior to the submission of the 2021/22 Programme Development Plan (PDP) and the Local Housing Market Assessment Prospectus to Welsh Government.
- 1.2 To update Cabinet on the changes that have been made to the way in which the Welsh Government's Social Housing Grant is coordinated and allocated amongst partner housing associations and Caerphilly Homes.

### **2. SUMMARY**

- 2.1 In the Welsh Government's 'Programme for Government' announced on the 15<sup>th</sup> June 2021, a commitment was made to deliver 20,000 low carbon homes for rent across Wales during the next 5 years.
- 2.2 The provision of affordable homes in Wales has been traditionally funded via the Welsh Government's Social Housing Grant Programme which has been available as a source of funding to housing associations in order to support their development programmes.
- 2.3 The schemes submitted by the housing associations have been collated into a document known as the Programme Development Plan (PDP) which has been submitted annually by the Council to Welsh Government and updated quarterly as a result of regular meetings with representatives from the housing associations.
- 2.4 For the first time, local authorities who have retained their housing stock are able to apply for Social Housing Grant from 2021/22 onwards.
- 2.5 To coincide with this change, Welsh Government have also introduced a series of new requirements including the introduction of a new grant regime and viability model which calculates the proportion of grant allowable on each scheme (known as the Standard Viability Model (SVM)); a new Programme Development Plan (PDP) format and a requirement for a Local Housing Market Assessment (LMHA) Prospectus which sets out the housing need and priorities in each local authority area based on the current LMHA.
- 2.6 This report summarises the previous process and provides information on the new requirements introduced by Welsh Government which seek to enable and facilitate the delivery of more affordable homes.

### **3. RECOMMENDATIONS**

- 3.1 That the content of the report, PDP and draft LHMA Prospectus is approved by Cabinet for submission to Welsh Government.

### **4. REASONS FOR THE RECOMMENDATIONS**

- 4.1 Stock holding local authorities are now able to finance their development programmes in the same way as housing associations and in January 2020, Cabinet gave a commitment to deliver a minimum of 400 new affordable homes over a 5-year period.
- 4.2 The Programme for Government sets out an ambition by Welsh Government to deliver 20,000 low carbon homes for social rent across Wales.
- 4.3 The changes made by Welsh Government to the process for allocating Social Housing Grant, coordinating the PDP and the new requirement for a LHMA Prospectus are designed to bring momentum to the delivery of affordable homes throughout Wales and will help facilitate the delivery of more new affordable homes in Caerphilly.

### **5. THE REPORT**

- 5.1 Historically the provision of affordable homes in Wales has been funded by Welsh Government through the Social Housing Grant programme. Each year local authorities will receive an indicative allocation that housing associations zoned to develop in the county borough are able to draw down from Welsh Government to part fund the cost of development (typically at 58% grant rate for social rented accommodation and 25% for shared ownership). The remainder of the costs for development are funded by the housing associations through private finance.
- 5.2 The housing associations zoned to develop in the county borough are Pobl Group, Linc Cymru, United Welsh Housing Association, Wales & West Housing and First Choice Housing (who have an all Wales remit).
- 5.3 Between 2008 and 2019, £66.3m of Social Housing Grant was successfully secured through Welsh Government's Social Housing Grant programme, which has helped to deliver 1,554 affordable homes throughout the county borough. When taking into consideration the total amount of private finance accessed by the housing associations, the total investment within the county borough during this period exceeded £115m.
- 5.4 Each year the council received a funding allocation from Welsh Government and worked collaboratively with the zoned housing associations to identify potential sites for affordable housing provision. This information was collated and contained within a document called the Programme Development Plan (PDP). The PDP was set over a 3-year period, to enable local authorities to plan developments, and was submitted to Welsh Government on an annual basis, around May or June.

## **New Funding Arrangements**

- 5.5 In 2018, Welsh Government commissioned a review of the delivery of affordable housing. The review was reported in 2019 in a report titled, '*Independent Review of Affordable Housing Supply*'. The review put forward a series of recommendations to improve the supply of affordable housing. The recommendations were summarised under the following headings:
- Understanding housing need;
  - Housing quality standards;
  - Modern methods of construction;
  - Rent policy;
  - Local authorities and enablers and builders;
  - Public sector land;
  - Financing affordable housing; and
  - Dowry and Major Repairs Allowance.
- 5.6 As a result of the review Welsh Government made a number of changes to the process described in paragraphs 5.1 to 5.4. This included the creation of a single source of funding to create a new flexible, long-term finance model, based on a regional rather than a local authority basis. Local authorities are now able to build homes and access Welsh Government funding in the same way that housing associations are permitted to do.
- 5.7 Local authorities will continue to coordinate the PDP. This function is undertaken by the Principal Housing Strategy Officer within the Caerphilly Homes Strategy and Development Team.
- 5.8 Transitional arrangements have been put into place to allow local authorities to access funding from April 2021. However, from April 2022, local authorities will access funding from the same funding source as housing associations. The Council has been provided with an indicative allocation of £2.5m Social Housing Grant (SHG) for 2021/22 from Welsh Government. The grant rate that the Council will apply for to part finance its new build developments will be calculated by Welsh Government's new Standard Viability Model (SVM). The SVM will determine the level of funding that WG can contribute to schemes with the shortfall being match funded via other sources, i.e. Housing Revenue Account.
- 5.9 Housing Associations will continue to be awarded a 58% grant rate for schemes that draw down construction grant in 2021/22. For schemes that draw down construction grant in 2022/23 and beyond, housing associations will also need to utilise the SVM to determine the grant rate awarded.
- 5.10 It should be noted that decisions taken within departments can directly affect the ability of schemes to come forward in accordance with the PDP spend profile. It is therefore imperative that there is a whole 'Team Caerphilly' approach to facilitating the delivery of new affordable housing schemes as delays could result in slippage in the programme and the return of funding allocated to Caerphilly back to Welsh Government for distribution elsewhere in Wales.

## **New Zoning Arrangements**

- 5.11 Current arrangements for zoning are based on a local authority basis and there are 4 housing associations currently zoned to develop in the county borough. As noted in paragraph 5.2, First Choice Housing Association have an all-Wales remit, so in reality the

number currently zoned is 5 including Wales and West Housing, Linc Cymru, Pobl Group and United Welsh Housing Association. Under the new arrangements zoning will be on a regional basis, so that any housing associations currently zoned to work in any of the SE Wales local authority areas could develop new homes in the borough.

- 5.12 The change in arrangements could result in more housing associations looking to develop in the county borough. The Council has already been approached by a previously non-zoned housing association, Bronafon, who have aspirations to build on land located on the periphery of the borough in those areas bordering Torfaen and Newport. Although the council would not be opposed to working closely with other housing associations it is mindful of the excellent relationships established with the existing housing associations and the potential impact of the new arrangements on these relationships.
- 5.13 Advice from Welsh Government officials is that there should be a presumption that previously non-zoned housing associations wanting to work in the borough should not be prohibited from doing so. As a result, it is recommended that any housing association wishing to work within the county borough is required to sign up to the principles contained within the Memorandum of Understanding (MOU) which was signed by the Council, Pobl Group, Linc Cymru, United Welsh Housing Association and Wales & West Housing in October 2020. The MOU sets out the principles by which the providers of affordable homes within the county borough will work together and places a commitment upon them to adhere to the Common Allocations Policy and Common Housing Register.
- 5.14 It should be noted that any non-zoned housing association who agrees to sign up to the MOU could seek SHG funding via the Caerphilly PDP.

#### **Local Housing Market Assessment Prospectus**

- 5.15 The Local Housing Market Assessment (LHMA) provides an evidence base which underpins decision making in relation to the provision of housing and related services. Under existing arrangements, the LHMA is produced by local authorities on a biennial basis. Following the affordable housing review, Welsh Government has established an expert working group to revise the existing LHMA process. The council is represented on this group by the Principal Housing Strategy Officer. The work of this group has, however, been delayed several months due to the pandemic. As a result of this delay and timescales imposed on the completion of a new LHMA to inform the 2<sup>nd</sup> Replacement Local Development Plan, officers propose undertaking a new LHMA using the existing process. The new process will be used when the LHMA is reviewed (expected 2024).
- 5.16 In addition to providing Welsh Government with a copy of the PDP by 22<sup>nd</sup> June 2021, local authorities are now required to provide Welsh Government with a new document called a LHMA Prospectus. The Prospectus is in many respects an executive summary of the key outputs of the LHMA. A template document has been provided to local authorities by Welsh Government to enable them to complete this task. The Prospectus will be used by Welsh Government to support funding applications for new affordable housing developments. It can also be used by housing associations when looking to identify potential sites and determine tenure mix.
- 5.17 Welsh Government officials notified local authorities in mid-May that the Prospectus must be submitted by August 2021. Both the PDP and the Prospectus require Cabinet approval before submission to Welsh Government. Officers have advised Welsh Government that the document will not be tabled to Cabinet until September and that in order to meet the August deadline a draft Prospectus, subject to approval, has been provided in the interim. This arrangement was accepted by Welsh Government.

- 5.18 Given the deadlines imposed by Welsh Government for the submission of a Prospectus, the Council proposes using data from the existing LHMA, dated 2018. Once the new LHMA is produced later this year the Prospectus will be revised in early 2022. The revised Prospectus will be presented to Members before being submitted to Welsh Government.
- 5.19 The Prospectus will be used by Welsh Government to ensure that new developments are taking place in areas where there is a demonstrable need and that the tenure mix proposed in those developments is coterminous with the need identified in the LHMA.
- 5.20 The draft Prospectus is included at Appendix 1.

### **2021/22 Programme Development Plan (PDP)**

- 5.21 The Council was notified by Welsh Government in late May 2021 of the 3-year funding allocation for the PDP commencing April 2021:
- Year 1 - £10.14m for the housing associations and £2.54m for the council (£12.68m in total);
  - Year 2 - £12.68m for all housing associations and the council; and
  - Year 3 - £12.68m for all housing and associations the council.
- 5.22 The schemes being allocated funding over the next 3 years will deliver on the strategic housing priorities of the Council. All these schemes were included in the main programme or the reserve and potential list, with the exception of one scheme in Rhymney that has been prioritised to meet a need for specialist accommodation, as identified by colleagues in Social Services. A summary of the schemes to be funded is included at Appendix 3.
- 5.23 Should the Council not be able to spend its allocation in 2021/22 in full then the unallocated funding will be redistributed to the housing associations working on Caerphilly developments. Should no additional funding be required the unallocated funding will be returned to Welsh Government for redistribution nationally.
- 5.24 Caerphilly Homes have included 4 schemes within the PDP including 1 which will be included on the potential list and brought forward as the proposal progresses. The following schemes have been included:
- St Catherine's Church, Crosskeys – package deal brought forward by a local developer to deliver 15, 1 & 2 bedroom apartments.
  - Ty Darran, Risca – proposal to create a minimum of 40 homes for older people as part of an integrated health and wellbeing hub.
  - Former Oakdale Comprehensive School, Oakdale – framework arrangement with Willmott Dixon to deliver a maximum of 100 new homes as part of an eco-village concept.
  - Land at Heolddu Grove, Bargoed – proposal to develop up to 55 homes which is also the subject of an application for funding to Cardiff Capital Region.
- 5.25 Each of the proposals noted above will be the subject of separate reports to Cabinet as appropriate.
- 5.26 Whilst the figures included in the PDP will inevitably change, the current template suggests a requirement of £10.72m SHG to support the delivery of new Council homes over the next 3 years.

- 5.27 A summary of the PDP tables is attached at Appendix 2. They show a potential £47.51m spend on new affordable homes over the next 3 years, against an allocation of £38.03m. Over planning is an accepted practice by Welsh Government and will allow the Council to manage slippage within our own programme or for the Council and its partners to draw down national slippage at year end, should any be made available by Welsh Government.
- 5.28 The PDP was submitted electronically to Welsh Government on 22<sup>nd</sup> June 2021. The table below provides a summary of funding allocated between the housing associations and Caerphilly Homes:

Breakdown	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021 Total	2022	2023	Total
Annual Budget for RSLs					£ 10,142,328	£ 12,677,910	£ 12,677,910	£ 35,498,148
RSL Schemes Funding Allocated	£ -	£ 1,926,352	£ 2,091,175	£ 6,124,801	£ 10,142,328	£ 9,799,903	£ 10,771,437	£ 30,713,668
RSL Grant Remaining					£ -	£ 2,878,007	£ 1,906,473	£ 4,784,480
Annual Budget for LA					£ 2,535,582			£ 2,535,582
LA Schemes Funding Allocated	£ -	£ -	£ 195,000	£ 2,091,950	£ 2,286,950	£ 2,878,007	£ 5,552,647	£ 10,717,604
LA Grant Remaining					£ 248,632	-£ 2,878,007	-£ 5,552,647	-£ 8,182,022

## Conclusion

- 5.29 The report reflects the changes implemented by Welsh Government following the Independent Review of Affordable Housing in Wales, 2019 and the commitment made in the Programme for Government, June 2021.
- 5.30 The changes reflect an ambition to increase the number of low carbon affordable homes available in Wales at scale and pace. The new Standard Viability Model will ensure that Welsh Government's investment in new homes is maximised as the grant rate will vary according to the viability of each scheme.
- 5.31 Linked to the request to local authorities to provide a LHMA Prospectus, Welsh Government will take a more active role in understanding local need and ensuring that developments seeking Social Housing Grant funding are designed to meet the need evidenced in the Local Housing Market Assessment.
- 5.32 In summary, these changes, including the ability of local authorities to access Social Housing Grant for the first time, are designed to assist housing associations and local authorities bring forward development proposals in areas where there is a clear need, at scale and pace.

## 6. ASSUMPTIONS

- 6.1 Assumptions made in this report include, that the developments highlighted in the PDP will receive the level of grant indicated from Welsh Government, subject to Welsh Government approval, and that schemes will be delivered on time and within budget and that the grant will be drawn down by the relevant organisations in accordance with schedule included in the PDP.
- 6.2 Welsh Government have assumed that the level of grant will remain the same throughout the 3-year period.

## 7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 The Integrated Impact Assessment (IIA) suggests that the PDP and Prospectus will have a positive impact upon individuals throughout the county borough.
- 7.2 The delivery of more affordable homes as a direct result of the needs identified in the

Prospectus and the funding identified in the PDP will help meet an ever increasing requirement for good quality housing; help mitigate the challenges arising from climate change, address fuel poverty, promote better health and wellbeing and, act as a catalyst for economic recovery.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 With the exception of the St Catherine's Church, Crosskeys proposal, the Council led schemes within the PDP have already been identified as a commitment within the 2021/2022 housing business plan submitted to Welsh Government on 31 March 2021. The funding of these schemes currently is assumed to be in the form of additional borrowing from the HRA, largely due to the uncertainty of potential grant funding for new build schemes at the point of submission.
- 8.2 The grant funding regime, using the new SVM model, will therefore reduce the borrowing requirement for the HRA.
- 8.3 Additional borrowing was approved by Special Council on 20<sup>th</sup> February 2020 to finance new build and the completion of WHQS.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 There are no personnel implications arising from the report.

## **10. CONSULTATIONS**

- 10.1 The Prospectus has been circulated to partner Housing Associations and the report and accompanying appendices to the consultee's named below. All comments received have been noted and incorporated within the report where appropriate.
- 10.2 Members of the Housing & Regeneration Scrutiny Committee were presented with the report on the 7<sup>th</sup> September 2021 and a verbal update and summary of the discussions that took place will be provided to Cabinet on the 15<sup>th</sup> September.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 2014, Housing Wales Act 2014

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Appendices:

- Appendix 1 Draft Local Housing Market Prospectus 2021
- Appendix 2 Summary of PDP Spending
- Appendix 3 List of Potential Developments funded by the PDP
- Appendix 4 Integrated Impact Assessment



**Caerphilly County Borough Council**

**Local Housing Market Assessment Prospectus**

**Version: June 2021**

## Purpose of this document

The prospectus provides a summary of the housing need and demand in Caerphilly county borough and outlines the strategic housing priorities of the Council to address need and demand.

The prospectus is to be used by housing associations and the Council to ensure that their proposed affordable housing developments align with the Council's strategic housing priorities and are located in the right places. Welsh Government will use the prospectus to provide evidence to allow final decisions to be made about schemes which will be included in Main and Reserve PDP programmes.

This prospectus is based on the 2018 Local Housing Market Assessment. A new LHMA is currently being undertaken and this prospectus will be updated on approval of the new LHMA, expected late 2021.

Housing associations are encouraged to speak with the Council at an early stage about the details of any proposed development by emailing:  
[stratanddevelop@caerphilly.gov.uk](mailto:stratanddevelop@caerphilly.gov.uk)

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## SECTION 1 – STRATEGIC HOUSING PRIORITIES

- 1.1 The 2018 Local Housing Market Assessment identified a range of housing priorities throughout the county borough. To address these priorities, the Council works closely with its housing association partners and private developers to build new affordable homes throughout the county borough. From this year, the Council will also start to build new affordable homes, thereby increasing the overall capacity to build new affordable housing.
- 1.2 The key strategic housing priorities of the Council for delivering affordable housing in Caerphilly county borough are based on the outputs derived primarily from the 2018 Local Housing Market Assessment and include:
  1. Increasing the provision of **1 bed, general needs accommodation** to reflect the high level of housing needs;
  2. Increasing the range of accommodation for **older people** and creating opportunities for rightsizing;
  3. Increasing the provision of **accessible housing** for people with a physical disability;
  4. Providing a range of **supported accommodation** to enable people to live as independently as possible; and
  5. Providing a range of **move-on accommodation** to enable people to transition from temporary or supported accommodation into independent living.

## SECTION 2 – HOUSING NEED, DEMAND AND PRIORITIES

### The Housing Market

- 2.1 The 2018 Local Housing Market Assessment analysed housing need on a ward and housing market area basis. Housing market areas are made of an aggregation of wards, an approach consistent with the Local Housing Market Assessment Guide (Welsh Government, 2006). There are 4 housing market areas in the county borough as shown in the image below:

**Table 2.1: Caerphilly Housing Market Areas**



## **Social Housing Stock**

- 2.2 The table below provides a breakdown of the existing social housing stock in the county borough by landlord and bed count. It consists of general needs and older persons housing.
- 2.3 Some new additions to the stock are not included in the table below. The table will be updated later this year once the information has been provided by the landlords.

**Table 2.2: Social Housing Stock**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>	
<b>AELWYD</b>	16	-	-	-	-	16	0.11%
<b>CADWYN</b>	12	6	-	-	-	18	0.12%
<b>CCBC</b>	1,878	3,639	4,965	165	1	10,648	73.34%
<b>CHARTER</b>	246	421	309	18	-	994	6.85%
<b>LINC CYMRU</b>	65	274	334	13	-	686	4.73%
<b>UWHA</b>	560	610	715	93	-	1,978	13.62%
<b>WALES &amp; WEST</b>	109	47	22	-	-	178	1.23%
<b>Grand Total</b>	<b>2,886</b>	<b>4,997</b>	<b>6,345</b>	<b>289</b>	<b>1</b>	<b>14,518</b>	
	19.88%	34.42%	43.70%	1.99%	0.01%		

36.66% of the 1 bed accommodation is designated general needs. The remainder is designated older persons.

## **Housing Need & Demand**

- 2.4 The 2018 Local Housing Market Assessment showed a high requirement for 1 bed general needs accommodation throughout the county borough, plus a small requirement for 4 bed general needs accommodation. It showed a nil requirement overall for 2 and 3 bed general needs accommodation, although, there were some wards in the borough where there was a small need for these accommodation types.
- 2.5 The 2018 Local Housing Market Assessment showed a nil requirement overall for older persons accommodation, although, there were some wards in the borough where there was a need for older persons accommodation. Our tenancy records show that we have a high percentage of elderly tenants living in family accommodation, not registered to move, that could potentially benefit from rightsizing, something which needs to be explored further if new homes are going to be built for older people.
- 2.6 Numbers of people requiring accessible housing remain low, as expected. We are working closely with the Occupational Therapist (Housing) to improve the quality of the data, both in terms of the people and type of provision they require. However, the housing requirements of people with a physical disability are often complex and require assessment by the Occupational

Therapist (Housing). Therefore, it would not be appropriate to provide a simple list of units required. Consequently, the Council will liaise with the Occupational Therapist (Housing) on all new development proposals for any accessible housing requirements and advise the housing association accordingly.

- 2.7 The majority of the requirement for intermediate housing consists of one bed need, although, in some wards there is a requirement for 2, 3, and 4 bed homes. However, an analysis of the rental market by ward showed that intermediate renting was only required or viable in certain wards. Consequently, the actual requirement for intermediate renting is less than the 2018 Local Housing Market Assessment identified (see table 2.5).
- 2.8 The three tables below show the need for affordable housing by housing market area, tenure and bed count. A full breakdown by ward can be found at: [Caerphilly - Local Housing Market Assessment](#)

**Table 2.3: Social Housing Requirement Inclusive of Turnover by Ward & Housing Market Area, & by Property Type & Bedroom Count**

Wards	1 bed AH	1 bed GN	1 bed SH	2 bed AH	2 bed GN	2 bed SH	3 bed AH	3 bed GN	3 bed SH	4 bed AH	4 bed GN	4 bed SH	Total
Heads of the Valleys	0	67	-33	1	-54	-28	0	-75	0	1	4	0	-116
Northern Connections Corridor	4	192	-34	6	37	-8	1	-39	0	6	5	0	167
Lower Islwyn	-4	50	-24	0	-15	-6	0	-15	0	1	0	0	-12
Caerphilly Basin	3	167	-26	4	30	-12	-1	-42	0	4	3	0	130
Caerphilly County Borough	2	476	-118	10	-2	-55	0	-170	1	13	12	0	169

Source: CCBC (LHMA 2018)

**Table 2.4: Annual Requirement for LCHO by Ward & Housing Market Area & Bedroom Count**

Wards	1 bed	2 bed	3 bed	4 bed	5 bed	Total
Heads of the Valleys	5.3	1.7	1.1	0.1	-0.3	7.8
Northern Connections Corridor	18.9	8.3	-0.9	2.6	-0.9	28.0
Lower Islwyn	7.0	3.4	0.1	0.9	-0.4	11.0
Caerphilly Basin	6.6	3.2	-0.8	0.9	-0.4	9.5
Caerphilly County Borough	37.8	16.6	-0.5	4.4	-1.9	56.3

Source: CCBC (LHMA 2018)

**Table 2.5: Annual Requirement for Intermediate Rent by Ward & Housing Market Area & Bedroom Count**

Wards	1 bed	2 bed	3 bed	4 bed	5 bed	Total
Heads of the Valleys	1.9	0.1	-0.2	0.0	-0.1	1.7
Northern Connections Corridor	17.0	5.2	1.0	0.2	-0.9	22.6
Lower Islwyn	1.4	2.1	1.5	0.0	-0.1	4.9
Caerphilly Basin	20.7	10.4	-3.3	1.0	-1.0	27.7
Caerphilly County Borough	41.0	17.8	-1.0	1.2	-2.1	56.9

Source: CCBC (LHMA 2018)



2.9 The table below outlines the type of affordable housing provision required and provides an indication of its relative level of priority. Unless stated otherwise the provision is required throughout the county borough.

<b>Type of provision</b>	<b>Priorities</b>
General needs	See table 2.3 above for a full breakdown of need. By far the highest priority is for 1 bed, general needs accommodation.
Older persons	See table 2.3 above for a full breakdown of need. Our tenancy records show that we have a high percentage of elderly tenants living in family accommodation that could potentially benefit from rightsizing, something which needs to be explored further if new homes are going to be built for older people.
Extracare	This information is not contained in the 2018 Local Housing Market Assessment. There are currently two extracare schemes in the county borough. A third scheme was recently redesignated by the Council to sheltered accommodation. There is currently no requirement for additional extracare schemes in the county borough.
Disabled people (accessible housing)	See table 2.3 above for a full breakdown of need. We are currently looking to improve the quality of the data to increase our knowledge on existing provision and the requirement for new provision. There is a small requirement for full wheelchair accessible accommodation and we follow advice from the Occupational Therapist (Housing) on accessible housing requirement for new developments.
Homelessness Provision (Temporary accommodation)	<p>We are currently in the process of assessing our requirements following Covid-19.</p> <p>Increasing the provision of temporary accommodation for single people, in smaller units or larger sites like that Of Ty'r Fesen. Reducing the use of Bed and Breakfast / HMO accommodation with more self-contained style accommodation</p>

	<p>with support on site. Highest demand area is the Caerphilly basin.</p> <p>In terms of longer-term emergency accommodation and move-on, our priorities include rapid rehousing options and an assessment centre.</p>
<p>Supported Housing/Specialist Provision:</p> <ul style="list-style-type: none"> <li>• Learning Disabilities</li> <li>• Mental Health Difficulties</li> <li>• Domestic Violence</li> <li>• Ex-offenders</li> <li>• Drug &amp; Substance Misuse</li> <li>• Young Vulnerable</li> </ul>	<p>This information is not contained in the 2018 Local Housing Market Assessment. Evidence of need is currently provided by colleagues in Social Services, Supporting People and Homelessness as part of the PDP process. Any needs identified are taken into consideration when providing support for new developments to come forward. For further information people contact the Strategy team.</p>
Empty Properties	<p>There are currently 1,642 (April 2021) empty properties in the county borough. The Council is in the progress of producing an Empty Property Strategy, which, once published, will set out the Council's priorities for returning back into beneficial use.</p>
Existing Dwellings	<p>There are currently 79,924 domestic properties on the Council Tax list:</p> <ul style="list-style-type: none"> <li>• Owner-occupied – 69%</li> <li>• Privately rented – 12%</li> <li>• Social rented – 19%</li> </ul> <p>Priorities for addressing the condition of housing in the private sector are set out in the Council's Private Sector Housing Renewal Strategy.</p> <p>Priorities for addressing conditions in the social sector are the responsibility of each landlord. Nil dwellings were listed for demolition in the 2018 Local Housing Market Assessment.</p>
Rural Housing	<p>Helping to sustain communities is a key priority of the affordable housing development programme. No specific priority was identified in the 2018 LHMA.</p>

Homebuy	The Council supports mixed tenure developments. Providing a balanced mix of tenures can help create sustainable communities. Tables 2.4 and 2.5 show the requirement for intermediate housing.
Mortgage Rescue	Applications for Mortgage Rescue are coordinated via the Housing Solutions team. Currently the requirement for Mortgage Rescue is low. We will continue to support Mortgage Rescue Applications put forward by the Housing Solution team, where there are no suitable alternative options. Housing associations are currently expected to use recycled capital grant to fund mortgage rescue.
Regeneration of Town Centres	The regeneration of town centres is overseen by the Council's Regeneration team. The Council's priorities for the regeneration of town centres is set out in the Regeneration Strategy – <a href="#">A Foundation For Success English 7 aug 2018.indd (caerphilly.gov.uk)</a>

2.10 The Council is in the process of developing a Housing Support Programme Strategy that will set out the strategic direction for homelessness prevention and housing related support. The strategy will also set out the Council's key priorities based on findings from a comprehensive needs assessment. This section of the document will be updated once the strategy has been finalised.

## **SECTION 3 – PROGRAMME DEVELOPMENT PLAN SCHEMES**

- 3.1 The Council does not currently operate a matrix system to prioritise schemes that will be included in the PDP for approval and sign off by Welsh Government. However, given the move to regional zoning arrangements this may be something which the Council considers implementing in the future.
- 3.2 Potential development opportunities put forward to the Council for support are currently judged on a range of factors:
- Meeting strategic housing priorities of the Council, as set out in section 1;
  - Aligns closely with identified housing needs, as set out in section 2;
  - Alignment to other programmes such as the Integrated Care Fund or the Innovative Housing Programme;
  - The mix, design and layout of the proposed development;
  - Deliverability of the proposed development both in terms of planning and SAB requirements and Welsh Government timescales for drawing down funding;
  - Ensuring that the potential development does not adversely impact on the existing social housing stock;
  - Complements the national placemaking agenda and the Council's Wellbeing and Place Shaping Framework.
- 3.3 Housing associations are urged to enter into discussions with the Council about potential developments at the earliest opportunity. The housing association must submit a scheme form detailing their proposal and provide any supplementary information the Council requires to make its decision. The Council will notify the housing associations of its decision via email.
- 3.4 All housing associations seeking to access funding via the Affordable Housing Programme will need to:
- Signed up to the Memorandum of Understanding;
  - Regularly attend meeting of the Affordable Housing Partnership;
  - Signed up to the Common Housing Register and Common Allocation Policy; and
  - Agreed to cooperate with the Council in discharge of its statutory homelessness function.
- 3.5 There is also an expectation from the Council that housing associations will conduct themselves in good faith when seeking out new development opportunities. The Council would not expect a housing association to act in a way which increases the cost of development for another housing association, e.g. by openly competing for land opportunities that would result in increased land values.
- 3.6 The Council will accept ad hoc requests from housing associations for specific/specialist accommodation providing that such requests clearly satisfy the criteria set out in this prospectus. Request must, however, be made in writing using the scheme form. The Council will notify the housing associations of its decision via email.

## SECTION 4 – MONITORING & GOVERNANCE

- 4.1 The section sets out the Affordable Housing Programme monitoring and governance arrangements.
- 4.2 The list below shows the types and frequency of the meetings where the delivery of the Affordable Housing Programme is monitored:
- Ad hoc scheme meetings with individual housing associations or the Council's development team;
  - Quarterly PDP meetings with individual housing associations and the Council's development team;
  - Quarterly joint PDP meetings with housing associations, the Council's development team and Welsh Government;
  - Annual submission of the PDP to the Caerphilly Affordable Homes Partnership;
  - Annual submission to the PDP Council's Housing Management Team; and
  - Annual approval of the PDP by the Council's Cabinet.
- 4.3 The PDP will be reviewed and updated on a quarterly basis. Housing associations will be fully consulted on the contents of the PDP prior to its submission to Welsh Government. They will also be provided with a copy of the version submitted to Welsh Government.
- 4.4 Communication of the PDP and of any of the schemes contained within it may be undertaken from time to time either by the housing associations or the Council. Opportunities to promote the benefits of the schemes may be discussed by the Caerphilly Affordable Housing Public Relations working group.
- 4.5 The prospectus will be published by Welsh Government within the new Social Housing Grant Framework guidance.
- 4.6 The prospectus was approved by Cabinet on **XX/XX/2021**.

## Appendix 2: Summary of PDP Key Tables

Breakdown	Q1 2021	Q2 2021	Q3 2021	Q4 2021	2021 Total	2022	2023	Total
Annual Budget for RSLs					£10,142,328	£12,677,910	£12,677,910	£35,498,148
RSL Schemes Funding Allocated	£ -	£1,926,352	£2,091,175	£6,124,801	£10,142,328	£9,799,903	£10,771,437	£30,713,668
RSL Grant Remaining					£ -	£2,878,007	£1,906,473	£4,784,480
Annual Budget for LA					£2,535,582			£2,535,582
LA Schemes Funding Allocated	£ -	£ -	£195,000	£2,091,950	£2,286,950	£2,878,007	£5,552,647	£10,717,604
LA Grant Remaining					£248,632	-£2,878,007	-£5,552,647	-£8,182,022

Reserve Schemes	Grant Required
Reserve RSL	4,299,566
Reserve LA	-
Total Reserve Schemes	4,299,566
Percentage of Reserves Against Main PDP Budget	11.30%

Need	LA	RSL	Total Homes	Percentage
General Needs	65	436	501	80.7%
Extra Care Older Persons	0	0	0	0.0%
Homebuy	0	0	0	0.0%
Mortgage Rescue	0	0	0	0.0%
Older Persons	40	5	45	7.2%
Shared Ownership	0	0	0	0.0%
Supported Housing Domestic Violence	0	0	0	0.0%
Supported Housing Drug & Substance Misuse	0	0	0	0.0%
Supported Housing Ex-Offenders	0	0	0	0.0%
Supported Housing Homelessness	0	0	0	0.0%
Supported Housing Learning Disabilities	0	5	5	0.8%
Supported Housing Mental Health	0	0	0	0.0%
Supported Housing Refugees	0	0	0	0.0%
Supported Housing Young Vulnerable	0	8	8	1.3%
<b>Total</b>	<b>105</b>	<b>454</b>	<b>559</b>	<b>90.0%</b>
Tenure	LA	RSL	Total Homes	Percentage
Tenure Neutral	0	0	0	0.0%
Social	80	287	367	0.0%
Intermediate Rent	0	0	0	0.0%
Homebuy	0	0	0	0.0%
Rent to Own	0	0	0	0.0%
Shared Ownership	25	167	192	0.0%
<b>Total Homes</b>	<b>105</b>	<b>454</b>	<b>559</b>	<b>0.0%</b>
Incl Wheelchair Accessible	2	0	2	0.0%



Appendix 3: Summary of Development Funded by the PDP

<b>Organisation</b>	<b>Scheme</b>	<b>Units</b>	<b>Total SHG</b>
First Choice	Learning Disability Scheme, Rhymney	5	£ 556,107
Pobl H&C	Land at Gellideg Lane, Maesycwmmwr	110	£6,564,116
Pobl H&C	Chartist Garden Village	84	£4,774,087
Linc Cymru	Former Police Station, Caerphilly	43	£1,368,732
Linc Cymru	Winston Osbourne House, Caerphilly	8	£ 400,000
Linc Cymru	Land at Newport Road, Pontymister	18	£1,651,058
Linc Cymru	The Former Crown Inn, Bryn View, Pontllanfraith	14	£1,406,707
Linc Cymru	Land at Syr Dafydd Avenue, Oakdale	16	£1,309,824
United Welsh	Former Ambulance Station, Nelson	5	£ 662,463
United Welsh	Wingfield Crescent, Llanbradach (Phase 2)	23	£1,991,521
United Welsh	Former Windsor Colliery, Senghenydd	97	£6,270,768
United Welsh	Bedwas Road, Caerphilly	31	£3,758,285
Caerphilly LA	Oakdale School site, Oakdale	50	£4,019,675
Caerphilly LA	Ty Darren, Risca	40	£5,760,979
Caerphilly LA	St Catherine's Church, Crosskeys	15	£ 936,950