

Rebecca Evans AM  
Minister for Housing and Regeneration



Llywodraeth Cymru  
Welsh Government

John Griffiths AM  
Chair  
Equality, Local Government and Communities Committee

12 December 2018

Dear John,

During my attendance at the Equality, Local Government and Communities Committee on Thursday 15 November 2018, I agreed to provide further information in relation to some of the questions raised and this is detailed below:

#### Credit Unions

I fully recognise that in order to deliver long term sustainability, credit unions need to increase their levels of lending to provide the capital needed to be able to continue to reinvest in the provision of ethical financial services across our communities.

Credit unions are working hard to promote their services across Wales, using the Credit Unions of Wales brand, to raise their profile collectively and promote their responsible lending ethos. This promotional work is being supported by a social media marketing campaign, funded by Welsh Government until 2020, to improve awareness of credit unions, and to help credit unions develop their own localised marketing campaigns. This will help credit unions promote their affordable lending services and attract new members. As a result, this two year social media marketing campaign, whilst promoting the credit union brand nationally, is also increasing awareness of credit unions at a local community level.

The social media drive complements significant Welsh Government funding made available to credit unions, with £844,000 funding in place over the next two years to take forward a variety of local projects, including a project undertaken by Cambrian Credit Union to promote the credit union as an alternative lending solution to high cost credit. All of these projects are intended to help credit unions increase their reach and attract new savers and borrowers.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Credit unions continue to engage with employers to encourage them to help support their employees' financial well-being, which can have positive benefits in terms of improved productivity and reduced sickness absence. Credit unions can provide responsible financial services to employees, including affordable loans, which in many cases can be at lower rates than they might be able to secure from other providers. This can help prevent employees accessing higher cost credit providers, which can push people into a spiral of debt.

The Welsh Government's £1m financial transactions capital funding for credit unions over the next two years will also help credit unions expand their lending levels. This funding is supporting credit unions across Wales with their growth and expansion plans, which includes increasing lending levels to a wider range of customers. This funding is helping to put credit unions on a firmer footing as they develop their business plans, so more people are able to benefit from their range of ethical loans and savings products, which will make credit unions more sustainable as a result.

#### Affordable Housing

In reference to your question regarding the number of homes in the overall government target of 20,000 affordable homes which fall under the traditional definition of affordable housing, I can confirm that 13,500 of the overall 20,000 target fall under the traditional TAN 2 definition of affordable housing. Within the Housing Pact, this breaks down further with Registered Social Landlords committing to delivering 12,500 and Local Authorities committing to 1,000. Our overall target captures multiple housing tenures to reflect the needs of the wider population.

The 20,000 affordable homes target also includes our existing Help to Buy – Wales scheme, together with two new initiatives we launched this year; Rent to Own – Wales and Shared Ownership – Wales. Help to Buy Wales is committed to delivering 6,000 of the target and is on target to achieve this, with 4718 completed so far in this Assembly term.

We continue to work closely with a wide range of partners including Local Authorities, RSLs, the Homebuilders Federation and the Federation of Master Builders to achieve this target.

#### Tenant Participation

The Regulatory Board for Wales (RBW) is currently undertaking a strategic review seeking to understand the current landscape for tenant participation, to understand what positive tenant participation looks like, including what works in different contexts.

The review is being overseen by a steering group which manages the review on behalf of the Regulatory Board. Membership of the group includes stakeholders from across the

sector. The steering group have listened to a number of speakers both within the housing sector and beyond, these have included TPAS England, the Housing Quality Network, Dwr Cymru and Merthyr Valleys Homes. Further presentations are planned for the new year. The next stages of the work will involve the full range of sector stakeholders, getting input from tenants is a priority. A very useful workshop has already been held with tenants at the recent TPAS Cymru annual conference and further work with tenants will take place in the new year.

A desk-based review of current approaches to tenant involvement in the UK and beyond is also underway. It will also look outside of the housing sector for examples of innovative approaches to engaging customers or citizens. Overall the review is seeking to identify examples of positive practice and to understand what works, and why. The aim is to develop a tool, which can be used by tenants and landlords, to support the further development of effective approaches to tenant involvement. The review is intended to conclude by June 2019 with the findings to be published shortly afterwards.

I trust these address the additional points raised.

Yours sincerely,

A handwritten signature in black ink that reads "Rebecca Evans". The signature is written in a cursive, flowing style.

**Rebecca Evans AM**  
Minister for Housing and Regeneration