

WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT

Title of proposal:	National Empty Homes Grant Scheme
Official(s) completing the Integrated Impact Assessment (name(s) and name of team):	Robert Davis
Department:	Housing Supply - Homes & Places
Head of Division/SRO (name):	Stuart Fitzgerald
Cabinet Secretary/Minister responsible:	Minister for Climate Change
Start Date:	30 January 2023

SECTION 1. WHAT ACTION IS THE WELSH GOVERNMENT CONSIDERING AND WHY?

Background

Empty homes are a blight and nuisance on our communities. Not only do they attract anti-social behaviour, pose environmental health problems and contribute to a general decline in their neighbourhoods, but they are also a wasted resource. This is particularly frustrating when housing is in short supply.

Local Government regulations define a home as “long-term empty” if it has been unoccupied for over 6 months. As the process of selling a home can take longer than 6 months, the figures for empty properties include houses that are on the market for sale. This can give a distorted impression.

Numbers of empty properties

For 2021-22 the overall number of long-term empty homes chargeable for council tax was **25,701**.

The latest council tax figures for 2022-23 have the overall number of chargeable long term empty homes in Wales as **22,140**, a reduction of 3,561 in the number from 2021-22.

(N.B. These figures only relate to those homes which are chargeable for council tax.

There are, in addition, a number of classes of properties which are vacant which are exempt from council tax e.g., property vacant on death; dwellings left unoccupied by students; properties empty and unfurnished; etc. In total, these categories amount to over 21,000 properties empty/vacant but exempt from council tax in each of the last 3 years. However, it is considered that the majority of these properties would only be vacant for less than 6 months and therefore would not qualify as long-term empty homes).

**The figures relating to council tax chargeable dwellings in 2021-22 and 2022-23 may have been influenced by COVID-19 and LAs’ assumptions about what would be happening to the housing market in the forthcoming year. The 2021-22 data is very different compared to previous years for short term exemptions for empty and unfurnished properties for example. As such it would be best not to concentrate on figures for one particular year affected by the pandemic.*

Purpose of the scheme

The scheme is designed primarily to assist local authorities to further increase housing supply and home ownership opportunities for people in Wales by bringing more empty properties back into use. Bringing long-term empty properties back into use will help to increase the supply of housing and extend choice, improve housing conditions and meet housing need. Through the investment of the scheme, it is anticipated up to 2, 000 homes will be brought back into use.

The scheme will not only benefit people who may not otherwise be able to access home ownership, but also supports the house building, repairs and maintenance industry, supply chains, economy and jobs.

A safe warm home has many benefits including playing an important role in ensuring occupants reach their full potential and have the opportunity to maintain good health. By improving the energy efficiency of the existing homes, the scheme will also help to ensure household bills for energy are minimised.

According to [research](#) undertaken by the Building Research Establishment (BRE) on behalf of the BRE Trust (2019 Briefing Report - The full cost of poor housing in Wales), in 2017-18, there were an estimated 238,000 dwellings with a Category 1 hazard in Wales, or around 18 per cent of the total housing stock, with the most common hazards relating to falls in the home, and the consequences of living in cold housing.

At the time, the cost to reduce the hazards in these poor homes to an acceptable level is estimated to be £2,455 per home, on average - a total cost of £584 million for the whole stock. This however is likely to have increased due to the recent cost increases in labour and materials.

If remedial works were undertaken 'up-front' to mitigate these Category 1 hazards, it is estimated that there would be a benefit to the NHS of some £95 million per year.

Therefore, by removing category 1 hazards from empty properties brought back into use, there would also be a significant financial saving to the NHS.

In addition, the scheme will contribute to the reduction of housing cost induced poverty and will also help to address mental and physical health issues, inequalities and improve life chances for those living in insecure, poor-quality accommodation. A secure, affordable, home has significant benefits for well-being and quality of life more generally.

Evidence from the [evaluation report](#) of the Welsh Government Houses into Homes scheme (2015) undertaken by Sheffield Hallam University also would suggest the following benefits will be realised to the wider policy area:

- provide an uplift in wider empty homes activities;
- help promote a greater dialogue between local authorities and owners of empty properties;
- help develop new partnerships with departments within local authorities, promoting better inter-departmental working around empty homes within local authorities in their region.
- help local authorities address strategic priorities in other policy areas including regeneration, neighbourhood renewal, public health, homelessness, affordable housing, housing needs, and training and employment.

SECTION 2. WHAT WILL BE THE EFFECT ON SOCIAL WELL-BEING?

2.1 People and Communities

Concerns have been expressed in some parts of Wales about young people and families being priced out of their local communities by high rental and purchase house prices. The proposed scheme will increase the supply of housing in communities by bringing additional properties back into occupation, therefore freeing up properties that were previously in use to reduce the demand for social or rented homes. This impact will have a positive impact on individuals and families, but the impact is likely to be moderate to minimal as there is a huge demand for social and rented housing in Wales. The scheme is available across Wales and so this positive impact will, in theory, not be restricted to certain geographical areas or certain groups.

The scheme will also positively impact communities by transforming empty properties which can be a blight and nuisance on communities and attract anti-social behaviour, pose environmental health problems and contribute to a general decline of communities.

2.2 Children's Rights

Due regard has been given to the United Nations Convention on the Rights of the Child.

Living in poor quality housing can be detrimental to children and young people's health and wellbeing. In particular, the physical quality of the home is key to a child's life chances and will affect their ability to study and thrive. The proposed scheme will enable us to help to provide an adequate stock of housing which will play an important role in increasing the quality and affordability of homes. This will help protect potentially vulnerable families and children.

Housing plays a critical role in supporting young people and low-income families to achieve better outcomes. Living in poor quality housing can be detrimental to children and young people's health and wellbeing, with effects lasting into adulthood. In particular, the physical quality of the home is key to children's life chances and will affect their ability to study and thrive. Improving the supply and quality of housing will also make an important contribution to reducing health and educational inequalities.

Having a settled and secure home is also important for parents. Without this, they are less likely to secure training and long-term employment opportunities, which in turn affect their income. They are therefore more at risk of living in poverty.

This scheme is one of a number of housing options available in the market sector and therefore a Children's Rights Impact Assessment has not been completed.

2.3 Equality

Consideration has been given to the Welsh Ministers' duty under section 149 of the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination,

harassment and victimisation as well as to advance equality of opportunity and foster good relations between people who share characteristics and those who do not.

The scheme is available across Wales to all groups and is not considered to have any negative implications for people with protected characteristics.

The assessment is available at **annex A** below.

2.4 Rural Proofing

Concerns have been expressed about young people and families being priced out of their local communities by high rental and purchase house prices. It is recognised that there are specific problems in relation to housing supply in rural communities, where due to limited supply, there may be relatively few dwellings available for local people on modest incomes. There is also the potential for areas with particular problems as a result of high numbers of second homes; Welsh Government has a separate strand of work tackling this issue and, as part of this, there is an obvious link between the impact of empty and second homes.

It is also acknowledged amongst Housing Associations and the development industry as being more complex and more expensive to build new homes in the National Parks and in rural areas where planning consent can be complex to obtain.

According to the '[Welsh Housing Conditions Survey 2017-18: Energy Efficiency of Dwellings](#)', Dwellings in rural areas tend to be less energy efficient than dwellings in urban areas.

According to the 2020 Future Generations [report](#), rurality can also compound housing supply issues, due to tourism, agriculture, or residents buying second homes, making it difficult for people in rural areas to buy housing.

House prices are also often higher in rural areas and there is sometimes competition for properties with second homeowners.

By bringing back more existing properties back into use in these areas, it will help these communities to continue to exist and thrive.

This scheme should help increase the supply of housing in rural areas but by utilising existing properties and as such a full Rural Proofing Impact Assessment is not required.

2.5 Health

A good quality, safe and warm home is a key factor in a healthy life. A home that is free from damp, is warm and is in a safe environment enables families, individuals and children to thrive.

As supported by the 2021 Welsh Government [report](#) 'Implementing the Socio-economic Duty: A review of evidence on socio-economic disadvantage and inequalities of outcome', the physical features of housing can also impact on mental health as families try to cope with the stress of living in cold, damp conditions.

Mental illness is commonplace; one in six adults experience a problem or diagnosable mental health issue at any given time. Effective care and support for people with mental health problems helps to ensure their independence and social inclusion. A stable situation in respect of an individual's home or accommodation is important as otherwise it can lead to, or worsen, social exclusion and risky behaviour. Mental health problems and mental illness can cause significant problems, some of which can lead to losing a place to live. The prevalence of mental health problems among the population – from relative minor to serious – is increasing. There is growing recognition of this increase, and of the need to help people so that problems, if they occur, can be prevented from becoming more complex and more costly in terms of treatment and impact. There is good evidence that poor quality housing and housing-related problems can all cause mental health problems or, for some people, make existing problems worse.

Those living in bad housing are disproportionately at greater risk of poorer general health, low mental wellbeing and respiratory problems including asthma and breathlessness.

A secure, affordable, home has significant benefits for people's mental and physical health, well-being and quality of life more generally.

Age related groups, income related groups, groups who suffer discrimination or other social disadvantage, and geographical groups will benefit from the Scheme as more accommodation is made available.

Good quality affordable housing supports healthy lifestyles, with, for example, good heating systems, space for family life etc. Communal spaces enable people to socialise and to have the benefits of a healthy outdoor life. This living environment can contribute to positive mental health and a reduction in stress.

Properties that have been empty for more than 12 months are generally recognised to often be in a poorer physical condition and to have less efficient heating and energy conservation measures. Poor housing conditions can have a negative effect on health outcomes on all, and particularly for children and older people, as well as those with particular health conditions (e.g., respiratory disease).

2.6 Privacy

Will the proposal involve processing information that could be used to identify individuals?

The National Empty Homes Grant scheme will be administered on behalf of the Welsh Government by Rhondda Cynon Taf County Borough Council (RCTCBC) and therefore will not involve Welsh Government processing information that could be used to identify individuals as the scheme is not administered by the Welsh Government. All data received from RCTCBC will be anonymised.

The assessment is available at **annex B** below.

SECTION 3. WHAT WILL BE THE EFFECT ON CULTURAL WELL-BEING AND THE WELSH LANGUAGE?

3.1 Cultural Well-being

Access to good quality, affordable housing enables, families, children and individuals to flourish. Participation in the scheme is available to all local authorities across Wales. Some of the applicant eligibility of the scheme are that the home being brought back into use through the scheme must be in Wales, must be the applicant's only home and the applicant must live in that property as their only place of residence for a minimum of 5 years.

3.2 Welsh Language

In some parts of Wales, including Welsh speaking communities, people can encounter difficulties in finding an affordable home due to high house prices. It has been suggested this can be to the detriment of the Welsh language. Ensuring there is adequate availability of affordable housing for local people in their communities is a particularly important way of helping rural Welsh speaking communities to continue to exist and thrive.

The proposed scheme will be delivered by a local authority on behalf of WG and despite their own requirements to meet Welsh Language Standards including the need to prepare a plan to promote the Welsh language, it will be a requirement of the grant that certain standards are met, including providing a bilingual service and producing all documentation / marketing in both Welsh and English.

The assessment is available at **annex C** below.

SECTION 4. WHAT WILL BE THE EFFECT ON ECONOMIC WELL-BEING?

4.1 Business, the general public and individuals

According to an [evaluation report](#) of the Welsh Government Houses into Homes scheme (2015) undertaken by Sheffield Hallam University, figures show that for every £1 spent on renovating property as part of the scheme, £1.67 is generated for the economy. This is further supported by Scottish Government figures which show that every £1 spent on renovating property in Scotland generates £1.60 for the economy.

In addition, a required 10% investment from local authorities and a minimum 15% contribution of the overall cost of works from the applicant (private sector leverage) will result in significant additional funding being levered in as part of the proposed scheme.

Aside from the wider investment, a number of perceived economic benefits are considered likely through the implementation of the proposed scheme, as set out below:

Impact on owner occupiers

Owner occupiers who benefit from the scheme could benefit financially by being in receipt of grant to undertake the works. This scheme is open to all applicants that meet the scheme criteria and therefore does not benefit one particular individual or group over another.

There may also be a financial benefit in the uplift in value of the property as a result of the works undertaken (see impact on house prices below).

According to the [briefing report](#) 'The full cost of poor housing in Wales' 2019 provided by the Building Research Establishment (BRE) on behalf of the BRE Trust, a number of potential additional benefits of provided funding to bring empty properties back into use include:

- A reduction in maintenance costs
- A reduction in energy and running costs
- A reduction in carbon emissions
- Insurance premiums may be lower

Impact on general public / communities

There is no impact envisaged on the general public, except that this scheme may impact on house prices and therefore benefit people who live in the proximity of the property (see impact on house prices below).

Impact on house prices

The scheme is expected to result in an increase in capital value to the property and neighbouring properties.

An [evaluation report](#) of the Welsh Government Houses into Homes scheme (2015) undertaken by Sheffield Hallam University provided evidence that empty homes can have a detrimental impact on the surrounding local community. For instance, they can become a

focus for anti-social behaviour and crime (such as vandalism, arson, squatting and fly tipping). As a result, evidence suggests empty homes can reduce local house prices by up to 10 per cent* based on the assumption that up to 2 houses either side (4 properties in total) would see a potential benefit.

** Two figures are widely quoted by local authorities across the UK regarding the impact of empty properties on the value of neighbouring properties. Many local authorities quote a 10 per cent figure. Others reference an estimate attributed to The Royal Institute of Chartered Surveyors that empty homes can devalue adjoining homes by as much as 18%. We presumed a reduction in value of 10 per cent for the nearest four properties.*

Impact on local businesses

Completing works to bring empty properties back into use has a positive economic impact on the Welsh economy. This is in the form of demand for goods and services, both directly from suppliers and indirectly within the intermediate supply chain. The economic impact can be measured through output expenditure and full time equivalent (FTE) jobs supported.

An [evaluation report](#) of the Welsh Government Houses into Homes scheme (2015) undertaken by Sheffield Hallam University evidenced a large majority of redevelopments under the scheme involved a local contractor, suggesting that the majority of expenditure bringing empty properties back into use would remain in the local economy.

4.2 Public Sector including local government and other public bodies

Impact on the National Health Service (NHS)

Category 1 hazards are identified through the Housing Health and Safety Rating System (HHSRS or the Rating System) which is a tool used to evaluate the potential risks to health and safety from any deficiencies identified in dwellings ([Housing Health and Safety Rating System Operating Guidance - February 2006 Office of the Deputy Prime Minister: London](#)).

The underlying principle of the HHSRS is that any residential premises should provide a safe and healthy environment for any potential occupier or visitor. To satisfy this principle, a dwelling should be designed, constructed and maintained with non-hazardous materials and should be free from both unnecessary and avoidable hazard.

According to research undertaken by the Building Research Establishment (BRE) on behalf of the BRE Trust ([2015 Briefing Report; The cost of poor housing to the NHS](#)), the cost of poor housing to the NHS (based on the first-year treatment costs to the NHS of leaving people in the poorest 15% of the housing stock in England) is £1.4 billion per annum.

When the definition is expanded to include all homes which have a significant HHSRS hazard, this figure rises to £2.0bn per annum, for England. This figure is estimated to equate to £2.5bn for the United Kingdom.

This is, in fact, expected to be higher as it does not account for minor hazards, however, it is clear that the continued raising of housing standards in both the existing and new housing stock will also accrue health benefits, which the NHS and society as a whole will benefit from.

According to [research](#) undertaken by the Building Research Establishment (BRE) on behalf of the BRE Trust (*2019 Briefing Report; The full cost of poor housing in Wales*), in 2017-18, there were an estimated 238,000 dwellings with a Category 1 hazard in Wales, or around 18 per cent of the total housing stock, with the most common hazards relating to falls in the home, and the consequences of living in cold housing.

At the time, the cost to reduce the hazards in these poor homes to an acceptable level is estimated to be £2,455 per home, on average - a total cost of £584 million for the whole stock. This however is likely to have increased due to the recent cost increases in labour and materials.

If remedial works were undertaken 'up-front' to mitigate these Category 1 hazards, it is estimated that there would be a benefit to the NHS of some £95 million per year.

Remedial works to mitigate Category 1 hazards would pay for themselves in reduced NHS costs within six years. The costs of improving cold homes are some of the most expensive, but also the most effective in reducing costs to the NHS.

These costs represent first year treatment costs to the NHS alone, following an accident or illness related to housing. The annual cost to the NHS represents around 10% of the full economic cost to society of leaving people in unhealthy housing in Wales, which is estimated at £1bn per year. The payback to society if remedial work were undertaken 'up-front' would be around six months

A breakdown of the common Category 1 hazards and the savings for each is provided in the table below:

Table 7: The costs, and benefits to the NHS, of reducing HHSRS Category 1 hazards to an acceptable level, Wales 2017-18.

Hazard	Total cost to mitigate hazard (£)	Savings to the NHS per annum if hazard mitigated (£)	Payback (years)
Excess cold	197,738,955	41,280,093	4.8
Falls on level surfaces	36,520,670	16,639,713	2.2
Falls associated with stairs and steps	103,926,228	15,967,003	6.5
Falls between levels	103,421,010	8,968,744	11.5
Damp and mould growth	48,622,769	3,028,167	16.1
Fire	25,723,000	3,608,665	7.1
Other (combined)	68,246,506	5,789,115	-
Totals	584,199,138*	95,281,500	6.1**

*This is the total number of category 1 hazards multiplied by the average cost to mitigate all such hazards. It assumes that all required remedial work is undertaken up front and so removes the double counting of costs where repair work/energy improvements mitigate more than one hazard

**Pay back years = Total cost to mitigate hazard/Total savings to the NHS

In summary, by removing category 1 hazards from empty properties and bringing them back into use, there would be a significant financial saving to the NHS.

Impact on local government and other public bodies

Aside from the cost savings to the NHS, the proposed scheme will provide an additional means by which local authorities can reduce the number of empty properties in their areas, whilst also increasing housing supply. This will further contribute to reducing issues such as homelessness as the increase in stock will have a knock-on effect on the housing supply chain, enabling more people access to affordable housing.

A number of local authorities have, however, highlighted a risk of lack of resource / staffing to administer the scheme and therefore this could potentially impact on the ability of the LAs to participate in the scheme, or have a knock-on effect on other schemes / priorities. This will be mitigated by regular dialogue between WG and the participating LAs, including exploring options on how the impacts could be reduced / removed.

The scheme has a positive impact on the delivery of public policy, such as planning policy and housing policy. It supports the delivery of homes needed to deliver against the estimates of future housing need, prepared by Welsh Government statisticians.

Some of the problems associated with empty homes will also require the local authority, the Police or the Fire Service to take actions that may not be recoverable from the property owner. Therefore, the reduction of empty properties will help to reduce this impact.

4.3 Third Sector

No impact other than potential benefits to those organisations who support low-income households due to the increase in wider supply of housing.

4.4 Justice Impact

No impact.

SECTION 5. WHAT WILL BE THE EFFECT ON ENVIRONMENTAL WELL-BEING?

5.1 Natural Resources

5.1a How will the proposal deliver one or more of the National Priorities in the Natural Resources Policy (NRP)?

The Scheme will use existing resources, i.e., already built properties, to help deliver increase the supply of housing in communities.

5.1b Does the proposal help tackle the following national challenges and opportunities for the sustainable management of natural resources?

There is a requirement, as part of the scheme, for each successful applicant to make energy efficiency improvements to the property as part of the works.

5.2 Biodiversity

See annex E below.

5.3 Climate Change

Climate change has been identified as one of the biggest threats facing our future generations. We need to reduce our emissions through decarbonisation action (5.3a) and to adapt to the impacts of climate change by increasing our resilience (5.3b).

5.3a Decarbonisation

There is a requirement, as part of the scheme, for each successful applicant to make energy efficiency improvements to the property as part of the works.

Where applicable, this will also complement other existing funding schemes, such as the Welsh Government NEST scheme where individuals in receipt of certain means-tested benefits may be able to access free energy efficiency measures.

5.3 b Adaptation

How (either positively or negatively), and to what extent (significant/moderate/minimal impact), will the proposal affect ability to adapt to the effects of climate change?

Positive but minimal impact – see previous answer.

5.4 Strategic Environmental Assessment (SEA)

N/A. The scheme has no potential impact as it will be applicable to existing properties only.

5.5 Habitats Regulations Assessment (HRA)

N/A. The scheme has no potential impact as it will be applicable to existing properties only.

5.6 Environmental Impact Assessment (EIA)

N/A. The scheme has no potential impact as it will be applicable to existing properties only.

SECTION 6. SOCIO-ECONOMIC DUTY WHAT WILL BE THE IMPACT ON SOCIO-ECONOMIC DISADVANTAGE?

6.1 The Socio-economic Duty.

Although the scheme is not designed to support those who are socio-economically disadvantaged directly, it will increase the supply of housing in communities by bringing additional properties back into occupation, therefore freeing up properties that were previously in use to reduce the demand for social or rented homes to assist those most in need of safe, warm, secure, affordable housing.

In addition, where evidence of income tested benefit can be provided, we will consider the mandatory 15% applicant contribution to be waived for applicants in financial hardship.

Age related groups, income related groups, groups who experience discrimination and/or social disadvantage, and geographical groups will benefit from the Scheme as more accommodation is made available.

SECTION 7. RECORD OF FULL IMPACT ASSESSMENTS REQUIRED

Impact Assessment	Yes/No	If yes, see
Children's rights	No	
Equality	Yes*	Annex A
Socio-economic Duty	Yes	Annex D
Rural Proofing	No	
Health	No	
Privacy	Yes	Annex B
Welsh Language	Yes*	Annex C
Economic / RIA	No	
Justice	No	
Biodiversity	Yes*	Annex E
Climate Change	No	
Strategic Environmental Assessment	No	
Habitat Regulations Assessment	No	
Environmental Impact Assessment	No	

SECTION 8. CONCLUSION

(Please note that this section will be published)

8.1 How have people most likely to be affected by the proposal been involved in developing it?

A working group with local authorities from each region of Wales has been established to develop the scheme. This ensures that the scheme is developed to enable it to support local authorities to further reduce the number of empty properties in their areas. As part of the development, the Welsh language requirements were considered and documents to be provided to local authorities will be provided in both English and Welsh.

8.2 What are the most significant impacts, positive and negative?

The scheme is designed primarily to assist local authorities to further increase housing supply and home ownership opportunities for people in Wales by bringing more empty properties back into use. Bringing long-term empty properties back into use will help to increase the supply of housing and extend choice, improve housing conditions and meet housing need. Through the investment of the scheme, it is anticipated up to 2,000 homes will be brought back into use.

The scheme will not only benefit people who may not otherwise be able to access home ownership, but also supports the house building, repairs and maintenance industry, supply chains, economy and jobs.

A safe warm home has many benefits including playing an important role in ensuring occupants reach their full potential and have the opportunity to maintain good health. By improving the energy efficiency of the existing homes, the scheme will also help to ensure household bills for energy are minimised.

As referenced in the [research](#) undertaken by the Building Research Establishment (BRE) on behalf of the BRE Trust (2019 Briefing Report - The full cost of poor housing in Wales), in 2017-18, there were an estimated 238,000 dwellings with a Category 1 hazard in Wales, or around 18 per cent of the total housing stock, with the most common hazards relating to falls in the home, and the consequences of living in cold housing.

At the time, the cost to reduce the hazards in these poor homes to an acceptable level is estimated to be £2,455 per home, on average - a total cost of £584 million for the whole stock. This however is likely to have increased due to the recent cost increases in labour and materials.

If remedial works were undertaken 'up-front' to mitigate these Category 1 hazards, it is estimated that there would be a benefit to the NHS of some £95 million per year.

Therefore, by removing category 1 hazards from empty properties and bringing them back into use, there would also be a significant financial saving to the NHS.

In addition, the scheme will contribute to the reduction of housing cost induced poverty and will also help to address the mental and physical health issues associated with poor quality

housing and tackle inequalities and poor life chances associated with living in insecure, poor-quality accommodation. A secure, affordable, home has significant benefits for well-being and quality of life more generally.

Evidence from the [evaluation report](#) of the Welsh Government Houses into Homes scheme (2015) undertaken by Sheffield Hallam University also would suggest the following benefits will be realised to the wider policy area:

- provide an uplift in wider empty homes activities;
- help promote a greater dialogue between local authorities and owners of empty properties;
- help develop new partnerships with departments within local authorities, promoting better inter-departmental working around empty homes within local authorities in their region.
- help local authorities address strategic priorities in other policy areas including regeneration, neighbourhood renewal, public health, homelessness, affordable housing, housing needs, and training and employment.

8.3 In light of the impacts identified, how will the proposal:

- **maximise contribution to our well-being objectives and the seven well-being goals; and/or,**
- **avoid, reduce or mitigate any negative impacts?**

The scheme works towards the 7 goals and 5 sustainable development ways of working as set out in the Wellbeing of Future Generations (Wales) Act 2015 by contributing towards a healthy and more equal Wales. This is demonstrated by the clear health benefits of having a good quality home which is affordable and located in a safe environment. Investing in housing supply contributes to local economies, creating and supporting jobs and training opportunities as well as improving people's health, wellbeing and quality of life.

The scheme will be run by a local authority who will have their own systems in place for avoiding, reducing or mitigating any negative impacts. Welsh Government will provide guidance to this effect.

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

There will be regular monitoring of scheme progress and updates will be provided on a quarterly basis to a monitoring board which will be established. Data provided from these will be compared to the national data on the number of empty properties. All information will be collated to provide an annual evaluation of the ongoing success of the scheme.

SECTION 9. DECLARATION

Declaration

I am satisfied that the impact of the proposed action has been adequately assessed and recorded.

Name of Senior Responsible Officer / Deputy Director:

Stuart Fitzgerald, Deputy Director, Homes & Places Division

Department:

Housing and Regeneration, EPS

Date:

30 January 2023

FULL IMPACT ASSESSMENTS

A. EQUALITY IMPACT ASSESSMENT

1. Describe and explain the impact of the proposal on people with protected characteristics as described in the Equality Act 2010.

Housing plays a fundamental role in everyone's life. Homes and the communities in which they are located directly influence our access to key social and economic opportunities and they affect our wellbeing.

According to the 2021 [report](#) Implementing the Socio-economic Duty A review of evidence on socio-economic disadvantage and inequalities of outcome, socio-economic disadvantage can result in long-term inequalities of outcome, including a greater chance of living in less than adequate housing

The National Empty Homes Grant Scheme has been developed to address the need to support individuals and families who would like to purchase / move into an existing home but need financial assistance to bring the property up to a liveable standard.

In January 2019 the Welsh Government published updated estimates of housing need and demand. These estimates were produced independently by Welsh Government statisticians under the principles of the Code of Practice for Statistics and were informed by a stakeholder group including representatives from Welsh local authorities and the Welsh Local Government Association (WLGA).

It is estimated that on average, between 6,700 and 9,700 additional housing units will be required annually in Wales during 2018-19 to 2022-23, with a central estimate of 8,300. This will address newly arising households as well as those households who are in existing need. In June we have published additional information on housing need by tenure. Under the central estimate, an average of approximately 4,400 market housing units and 3,900 affordable housing units would be required each year from 2018/19 to 2022/23.

These estimates suggest that on average, under the central estimates, 53% of additional housing units should be market housing with the remaining 47% affordable housing (intermediate rent or social) throughout 2018/19 to 2022/23.

By bringing more existing, empty properties back in use, the scheme will boost the supply of housing in the market sector, which in turn can take some stress off the Private Rented Sector and the social rented sector.

Record of Impacts by protected characteristic:

It is considered that the programme will have only positive impacts on protected groups and on community cohesion by providing additional affordable and market housing opportunities.

Protected characteristic or group	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate Impacts?
Age (think about different age groups)	All individuals accommodated under the scheme will be positively impacted, but there may be a higher positive impact on children and older people as research suggests they are most effected by poor living conditions in terms of negative impacts on their health.	<p>Good quality housing, providing a safe, warm and secure home, is essential for children and adults of all ages.</p> <p>Whilst the scheme is not specifically aimed at particular age group, the overall benefits of the scheme could positively impact on anyone, through the removal of category 1 hazards from the home and therefore the health benefits that are related to this.</p> <p>According to the 2021 report Implementing the Socio-economic Duty A review of evidence on socio-economic disadvantage and inequalities of outcome, the evidence suggests that damp housing is strongly associated with ill-health in children – with aches and pains, respiratory problems, diarrhoea and headaches more common amongst children in damp housing. Similarly, children in homes with visible mould have been shown to suffer more vomiting and sore throats.</p> <p>Adults in damp and mouldy housing are also more likely to experience nausea, vomiting, blocked nose, breathlessness, backache, fainting and poor nerves, so any improvements to Social Housing will be beneficial to the adult population living there.</p>	N/A

		<p>Frailer older people tend to live in less fit accommodation and have high rates of multiple morbidities/ chronic illnesses which are associated with frequent hospital admissions putting them further at risk. Reducing these admissions is a critical part of the better management of chronic conditions and unscheduled care.</p>	
Disability (think about different types of disability)	<p>Disabled tenants will be positively impacted by the ability, through undertaking the improvements to the home, to enable the internal lay out of a home to be amended to meet the needs of an applicant.</p>	<p>Good quality housing can provide a positive impact by providing a warm, safe, secure environment, improvements in family life and offers increased independence, confidence and self-reliance among people with disabilities.</p> <p>Although the scheme is not specifically aimed at this group, the overall benefits of the scheme could positively impact on anyone from this group through the additional opportunities to secure warm, safe and secure housing and tailoring of homes to meet need.</p> <p>Disabled people are more likely to be living in the most deprived areas of Wales than the least deprived.</p> <p>A higher proportion of people with an impairment or health condition live in the most deprived (31%) than in the least deprived (17%) areas of Wales.</p> <p>According to a report by the Equalities and Human Rights Commission, In 2015, around 25 per cent of the population of</p>	N/A

		<p>Wales were disabled according to the Equality Act 2010 definition. This figure was similar for males and females.</p> <p>In addition, a study carried out by Shelter in 2006 suggested that children in bad housing conditions, including cold homes, are more likely to have mental health problems, such as anxiety and depression, to contract meningitis, have respiratory problems, experience long-term ill health and disability, experience slow physical growth and have delayed cognitive development.</p> <p>https://www.gov.uk/government/statistics/welsh-health-survey-annual-report-2013</p>	
Gender Reassignment (the act of transitioning and Transgender people)	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A
Pregnancy and maternity	Neither positive nor negative impacts	Whilst the Programme is not specifically aimed at any new or expectant mothers, there will be obvious health impacts on pregnant women and their unborn children or women with young children with improving the quality of the home.	N/A
Race (include different ethnic minorities, Gypsies and Travellers and Migrants, Asylum seekers and Refugees)	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A

Religion, belief and non-belief	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A
Sex / Gender	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A
Sexual orientation (Lesbian, Gay and Bisexual)	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A
Marriage and civil partnership	Neither positive nor negative impacts	We have been unable to find evidence to determine what the impact will be.	N/A
Children and young people up to the age of 18	Positive in that many families with children have been able to access to opportunities to secure warm, safe and secure housing and tailoring of homes to meet need	<p>Good quality housing, providing a safe, warm and secure home, is essential for children and adults of all ages.</p> <p>Whilst the scheme is not specifically aimed at a particular age group, the overall benefits of the scheme could positively impact on anyone, through the removal of category 1 hazards from the home and therefore the health benefits that are related to this.</p> <p>The evidence suggests that damp housing is strongly associated with ill-health in children – with aches and pains, respiratory problems, diarrhoea and headaches more common amongst children in damp housing. Similarly, children in homes with visible mould have been shown to suffer more vomiting and sore throats.</p> <p>According to a report by the Joseph Rowntree Foundation, Child poverty and unequal educational opportunities have been linked, as children who</p>	N/A

		experience disadvantages growing up (e.g. children in poorer families, who live in more deprived areas, or live in inadequate housing) are less likely to gain qualifications in school and have worse educational performance and prospects.	
Low-income households	An increase in the supply of market housing will lead, indirectly, to greater availability of homes in the Private Rented Sector and Social homes.	Improving existing homes to ensure that the most vulnerable can live in warm, decent, affordable homes that meet their needs. This in turn reduces potential impacts on health and social care provision, allows children to fulfil their potential and creates local jobs and training opportunities.	N/A

Human Rights and UN Conventions

Do you think that this policy will have a positive or negative impact on people's human rights? (Please refer to point 1.4 of the EIA Guidance for further information about Human Rights and the UN Conventions).

Human Rights	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate negative impacts?
<p>Human rights are the basic rights and freedoms that belong to every person in the world, from birth until death.</p> <p>They are based on shared values like dignity, fairness, equality, respect and independence.</p> <p>The Human Rights Act 1998 sets out the fundamental rights and freedoms that everyone in the UK is entitled to.</p>	<p>The proposal has positive impacts as good quality housing, providing a safe, warm and secure home, is essential for children, families and adults of all ages.</p> <p>A good quality home enables children and young people to</p>	<p>Good quality housing, providing a safe, warm and secure home, is essential for children and adults of all ages.</p> <p>Whilst the scheme is not specifically aimed at a particular age group, the overall benefits of the scheme could positively impact on</p>	N/A

<p>The following Articles will have most relevance in this area.</p> <ul style="list-style-type: none"> • Article 8 - Respect for family and private life • Protocol 1 article 1 - The right to peaceful enjoyment of your property 	<p>flourish and achieve their potential.</p>	<p>anyone, through the removal of category 1 hazards from the home and therefore the health benefits that are related to this.</p>	
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B. DATA PROTECTION IMPACT ASSESSMENT SCREENING

Please send your assessment to the Information Rights Unit
 (DataProtectionQueries@gov.wales) copied to your Information Asset Owner.
 Confirmed by Colin Chapman

Title of proposal – National Empty Homes Grant Scheme
Name of Information Asset Owner – Colin Chapman
PIA reference number (A unique number to identify this PIA such as DivDate or this document's ishare id) – H&PDEC22

Please describe your proposal:	
(i)	Welsh Government are launching the national rollout of an empty homes scheme that provide grant funding to owner occupiers to bring properties back into use by removing HHSRS category 1 hazards from the home.
(ii)	In addition to the grant incentives above, local authorities will be able to claim for costs that the local authority incurs as a result of undertaking the necessary checks / visits to consider the works required.
(iii)	The local authority will have control of all data relating to both the property and its owner(s). Any personal data will not be shared with any 3 rd parties, including Welsh Government.
(iv)	Through the scheme, Welsh Government will be monitoring: <ul style="list-style-type: none"> • Number of empty homes brought back into use as part of the scheme, • Type of works delivered through the scheme; • Energy efficiency improvements as a result of the works; • Number of defaults, • Number of grants issued.
(v)	None of the above will involve Welsh Government receiving or processing personal data.
(vi)	The proposal will not involve the development of new legislation/measures that will require the processing of personal data by Welsh Government or any other parties.

Has data protection impact screening or assessment already been carried out?
It is considered that WG are not determining the means or nature of the processing of any personal data associated with the allocation of funds. This would be determined by RCT in their discussions with LAs who engage with the scheme. This would mean that RCT are Data Controller for personal data processed in the delivery of this Grant.

Does the proposal involve the processing of personal data by Welsh Government or any other parties? No
• No: there is no need to complete the remainder of this form. Please return it to DataProtectionQueries@gov.wales , copied to your Information Asset Owner

Personal	
Name	Telephone numbers

Name address Business address Postcode Email address	Date of birth Driving licence number Passport / ID card number Photographs / images (which could be used to identify an individual) Other (please specify)
Special Category	
Racial / ethnic origin Political opinions Religious / philosophical beliefs Trade union membership Physical / mental health conditions Sexual life Sexual orientation Criminal & court records (inc. alleged offences)	Biometric data e.g., DNA, fingerprints
If special category personal data is being processed, is this data being collected mandatorily (i.e., without the data subjects having an option to not provide it)? <ul style="list-style-type: none"> No 	
Do any of the data subjects whose personal data will be processed fall into the following categories? Children (under the age of 12) Patients Asylum Seekers Welsh Government employees <ul style="list-style-type: none"> No 	
Please give an indication of the scale of the processing (e.g., pan-Wales, targeted group) Details: Pan-Wales	
For the personal data being processed, please indicate	
Who the data controller is?	Details: Rhondda Cynon Taf CBC
Any data processors?	Details: Local Authorities
Will the data be shared?	Details: Yes – between RCT & LAs
What is the statutory basis for processing the data? NB – GDPR itself does <u>not</u> provide a statutory legal basis to process personal data. N/A	
Have legal Services confirmed that the basis outlined above provides the necessary statutory gateway for processing (including any proposed sharing)? <ul style="list-style-type: none"> N/A 	
Will the proposal involve new or significantly changed processing of personal data about each individual? <ul style="list-style-type: none"> N/A 	
Will the personal data be consolidated, linked or matched with data from other sources?	

<ul style="list-style-type: none"> • N/A
<p>Will the personal data be used for automated decision making?</p> <ul style="list-style-type: none"> • N/A
<p>Will the personal data result in systematic monitoring of data subjects?</p> <ul style="list-style-type: none"> • N/A
<p>Does the proposal involve new or changed data collection, retention or sharing policies/practices for personal data?</p> <ul style="list-style-type: none"> • N/A
<p>Do you have a clear retention policy and what practical things are in place for you to ensure that your Retention Policy is applied?</p> <ul style="list-style-type: none"> • N/A
<p>Will the proposal involve the introduction of privacy-intrusive technologies such as</p> <ul style="list-style-type: none"> • Smart cards • RFID tags • Biometrics • Visual surveillance (e.g., CCTV) • Digital image and video recording • Profiling, data mining or logging electronic traffic • Locator technologies (e.g., GPS, mobile phone tracking) • Other (please provide details) <ul style="list-style-type: none"> • N/A
<p>Will the proposal involve new or changed identity management or authentication processes?</p> <ul style="list-style-type: none"> • N/A
<p>Will the proposal have the effect of enabling identification of individuals who were previously anonymous?</p> <ul style="list-style-type: none"> • N/A

Please send your assessment to the Information Rights Unit
(DataProtectionQueries@gov.wales) copied to your Information Asset Owner.
For completion by Information Rights Unit

<p>Is a Data Protection Impact Assessment (DPIA) required for this proposal?</p> <ul style="list-style-type: none"> • No
<p>Has advice on General Data Protection Regulation (GDPR) compliance been provided?</p> <ul style="list-style-type: none"> • Yes
<p>Does the proposal require a Privacy Notice to be drafted?</p> <ul style="list-style-type: none"> • No
<p>Does the proposal require consultation with the ICO under GDPR Art 36(4)?</p> <ul style="list-style-type: none"> • No

Does the proposal require a contract between Welsh Government as data controller and a third-party processor?

- No

Does the proposal require a data sharing agreement to be drafted?

- No

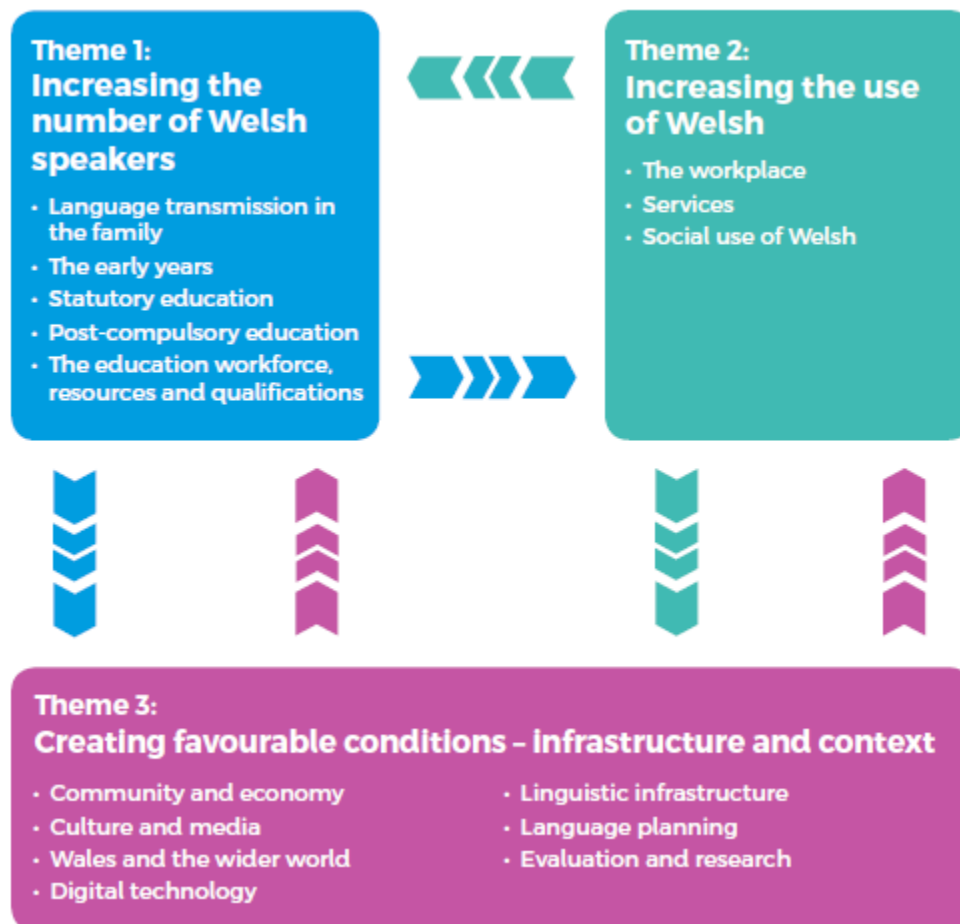
C. WELSH LANGUAGE IMPACT ASSESSMENT

Cymraeg 2050 is our national strategy for increasing the number of Welsh speakers to a million by 2050.

The Welsh Government is fully committed to the new strategy, with the target of a million speakers. A thriving Welsh language is also included in one of the 7 well-being goals in the Well-being of Future Generations (Wales) Act 2015.

We also have a statutory obligation to fully consider the effects of our work on the Welsh Language. This means that any Welsh Government policy should consider how our policies affect the language and those who speak it.

The *Cymraeg 2050* strategy has three themes:



The headings under each theme outline the scope of activities that can affect the language.

As a general rule, if your policy has the potential to impact on people, it will impact in some way on Welsh speakers and therefore on the Welsh language.

1. Welsh Language Impact Assessment reference number (completed by the Welsh Language Standards Team, email: Safonau.Standards@gov.wales): **02/11/2022**
2. Does the proposal demonstrate a clear link with the Welsh Government's strategy for the Welsh language? – *Cymraeg 2050 A million Welsh speakers* and the related Work Programme for 2017-2021?

Yes, this proposal has a direct link with the Welsh Government's strategy for the Welsh language by providing support for individuals to live within their local communities. The proposal links closely with Theme 3 of the Cymraeg 2050 strategy, by creating favourable conditions in ensuring the sustainability of communities and the Welsh language by providing homes that will enable people to stay in their local communities. Many Welsh speaking communities are located in rural and coastal communities where the availability of housing is a problem. This scheme will support housing supply by bringing more properties back into use.

The proposed scheme will be delivered by a local authority on behalf of WG and despite their own requirements to meet Welsh Language Standards including the need to prepare a plan to promote the Welsh language, it will be a requirement of the grant that certain standards are met, including providing a bilingual service and producing all documentation / marketing in both Welsh and English. Compliance with Welsh language standards is monitored by the Welsh language Commissioner.

In some parts of Wales, including Welsh speaking communities, people can encounter difficulties in finding an affordable home due to high house prices. It has been suggested this can be to the detriment of the Welsh language. Ensuring there is adequate availability of affordable housing for local people in their communities is particularly important way of helping rural Welsh speaking communities to continue to exist and thrive.

3. Describe and explain the impact of the proposal on the Welsh language and explain how you will address these impacts, in order to improve outcomes for the Welsh language. How will the proposal affect Welsh speakers of all ages (both positive and/or adverse effects)? You should note your responses to the following in your answer to this question, along with any other relevant information:
- ◆ How will the proposal affect the sustainability of Welsh speaking communities¹ (both positive and/or adverse effects)?
This will have a positive effect on Welsh speaking communities as it will increase the supply of housing for all, especially local people which in many communities include a high proportion of Welsh speakers. This proposal has the potential to help people stay or return to the communities they were brought up. The consultation on the draft Welsh language Community Housing Plan received nearly 800 responses. Many of the responses were concerned of the possible effects second homes and empty properties can have on the long-term sustainability of communities and the Welsh language. With some responses advocating that empty properties do not contribute or benefit communities.
 - ◆ How will the proposal affect Welsh medium education and Welsh learners of all ages, including adults (both positive and/or adverse effects)?
See previous answer/as above.

¹ These can be close-knit rural communities, dispersed social networks in urban settings, and in virtual communities reaching across geographical spaces.

- ◆ How will the proposal affect services² available in Welsh (both positive and/or adverse effects)? (e.g., health and social services, transport, housing, digital, youth, infrastructure, environment, local government etc.)
See previous answer/see above – should be positive and local authorities must meet their Welsh language statutory duties.
- ◆ How will you ensure that people know about services that are available in Welsh and are able to access and use them as easily as they can in English? What evidence / data have you used to inform your assessment, including evidence from Welsh speakers or Welsh language interest groups?
Legal documents and guidance will be provided in English and Welsh to the participating local authorities and the Welsh Government will ensure that its own standards are complied with when dealing with local authorities / producing its own marketing content for the scheme.
- ◆ What other evidence would help you to conduct a better assessment?
N/A
- ◆ How will you know if your policy is a success?
We will undertake regular monitoring of the scheme, within which we will seek to understand how the proposal has supported the Welsh language.

² The Welsh Language Strategy aims to increase the range of services offered to Welsh speakers, and to see an increase in use of Welsh-language services.

D. SOCIO-ECONOMIC DUTY ASSESSMENT

Undertaking the impact assessment

What evidence has been considered to understand how the proposal contributes to inequalities of outcome experience as a result of socio-economic disadvantage?

Although predominantly aimed at the owner occupier market, the proposed scheme will increase the supply of housing in communities by bringing additional properties back into occupation, therefore freeing up properties that were previously in use to reduce the demand for social or rented homes. This impact will have a positive impact on individuals and families, but the impact is likely to be moderate to minimal as there is a huge demand for social and rented housing in Wales.

Improving existing homes ensures that the most vulnerable can live in warm, decent, affordable homes that meet their needs. This in turn reduces potential impacts on health and social care provision, allows children to fulfil their potential and creates local jobs and training opportunities.

As supported by the 2019 Welsh Government 'Welsh Housing Conditions Survey 2017-18: Energy Efficiency of Dwellings', Wales has older housing stock in comparison to the rest of the UK and therefore has a higher proportion of poor-quality housing.

The scheme is designed to help those who are potentially more vulnerable and/or disadvantaged, including socio-economically disadvantaged, to access affordable, secure and suitable accommodation.

Have protected characteristics been considered?

Yes – see Equalities IA above.

Have communities of interest and places interest been considered. (Refer to page 8 in the statutory [guidance](#)).

Age related groups, income related groups, groups who experience discrimination or other social disadvantage, and geographical groups will benefit from the Scheme as more accommodation is made available. See also Equalities IA above.

What information has been considered regarding future trends?

The latest statistical data published by the WG on Estimate of Housing Need was published in August 2020 and provides estimates of future housing need. The shortage of housing at all levels is impacting on low-income households looking for affordable accommodation of a suitable standard.

What data has been considered (National and local)

See evidence throughout the IIA.

According to [research](#) by the Joseph Rowntree Foundation, the number of people in “housing cost-induced poverty” – those who are not living in poverty/socio-economic disadvantage before housing costs are taken into account and are living in poverty once housing costs are considered - has increased over the past two decades. The shortage of housing at all levels is impacting on low-income households looking for affordable accommodation of a suitable standard.

Provide a summary of evidence and links

See evidence throughout the IIA and above evidence in this section.

How could the proposal potentially further exacerbate inequality of outcome experienced as a result of socio-economic disadvantage?

Please provide detail regarding inequalities of outcome likely to be impacted and those people and communities likely to be impacted

It is not expected the scheme will exacerbate inequalities of outcome as a result of socio-economic disadvantage. The scheme aims to address concerns around housing cost induced poverty, including communities where families and young people are priced out of affordable home ownership. It also addresses the mental and physical health issues associated with poor quality housing and tackles inequalities and poor life chances associated with living in insecure, poor-quality accommodation.

Provide a summary of evidence and links

N/A

How could the decision potentially improve outcomes for those who experience socio-economic disadvantage?

Please provide detail regarding outcomes that will be improved and for who.

According to the 2021 [report](#) Implementing the Socio-economic Duty A review of evidence on socio-economic disadvantage and inequalities of outcome, evidence suggests that living in inadequate housing affects mental and physical health. The scheme is designed to reduce inequalities of income by enabling low income and economically disadvantaged people access to affordable, quality, secure accommodation.

Provide a summary of evidence and links

N/A

How will you monitor the impact of this decision? (Please consider wider outcomes)

We will undertake regular monitoring of the scheme from the outset and reported on periodically throughout the lifespan of the scheme.

Provide a summary of evidence and links

N/A

E. BIODIVERSITY IMPACT ASSESSMENT

The Nature Recovery Action Plan for Wales contains six objectives to reverse the decline of biodiversity which should be used to assess the impacts on biodiversity. They can also help develop and guide actions to comply with the S6 duty. They have been simplified as a set of questions to guide you through the impact assessment.

These questions should be considered whether your proposal has a land management element or not, although some will be particularly relevant if your policy area relates to land management in any way.

You should take a pro-active approach to considering the potential impacts on biodiversity – this is one area where unintended consequences are often overlooked, either through lack of awareness, or because it is difficult to assign a monetary value to biodiversity. Moreover, the duty requires that we positively seek opportunities to maintain and enhance biodiversity, both directly (where the intervention involves land management or construction), and indirectly (for example, where there may be an opportunity to raise awareness of the importance of biodiversity). In completing this assessment consider how enhancing biodiversity and promoting resilience of ecosystems contribute reciprocally to the aims of your policy or project.

You will need to record decisions and impacts arising from this assessment. Please note how you have answered each question, or you can use the template at the end of the assessment. Further guidance is available on the intranet.

Consider Questions 1 - 9 for ALL policies:

Embedding biodiversity

1. How will your proposal integrate biodiversity into decision making?

The Scheme will use existing resources, i.e., already built properties, to help deliver increase the supply of housing in communities and therefore consideration of biodiversity is limited.

2. Has your proposal ensured biodiversity is accounted for in business decisions?

The Scheme will use existing resources, i.e., already built properties, to help deliver increase the supply of housing in communities and therefore consideration of biodiversity is limited.

3. How does your proposal improve understanding and raise awareness of the importance of biodiversity, encouraging others to act?

N/A

Improving our evidence, understanding and monitoring

4. Have you used the best available evidence of biodiversity to inform your proposal and this assessment?

N/A

5. Have you used up to date knowledge of the key impacts on biodiversity to make evidence-based decisions?

N/A

6. Can your proposal contribute to our body of knowledge for biodiversity?

No

Governance and support for delivery of biodiversity action

7. Can your proposal support biodiversity action in any way?

No

8. Can your proposal help to build capacity for biodiversity action?

No

9. Have you recorded decisions and actions to maintain and enhance biodiversity?

None

If your proposal concerns construction or management of land and/or sea, please also consider Questions 10 – 16:

N/A