

Shelter Cymru written evidence to the Senedd Local Government and Housing Committee Follow Up Inquiry on Social Housing Supply

January 2026

If you would like to discuss this response further, please contact policyandresearch@sheltercymru.org.uk

About Shelter Cymru

Shelter Cymru exists to defend the right to a safe home, because home is everything. We help thousands of people across all of Wales every year affected by the housing emergency by offering free, confidential and independent advice. When necessary, we constructively challenge on behalf of people to ensure that they are properly assisted and to improve practice and learning.

We work with people who use our services as equals. We provide information, advice and support to help people identify the best options to prevent homelessness, to find and keep a home and to help them take back control of their own lives.

We fight the devastating impact of the housing emergency has on our people and communities with campaigning, advice and support – and we never give up.

The importance of homes for social rent

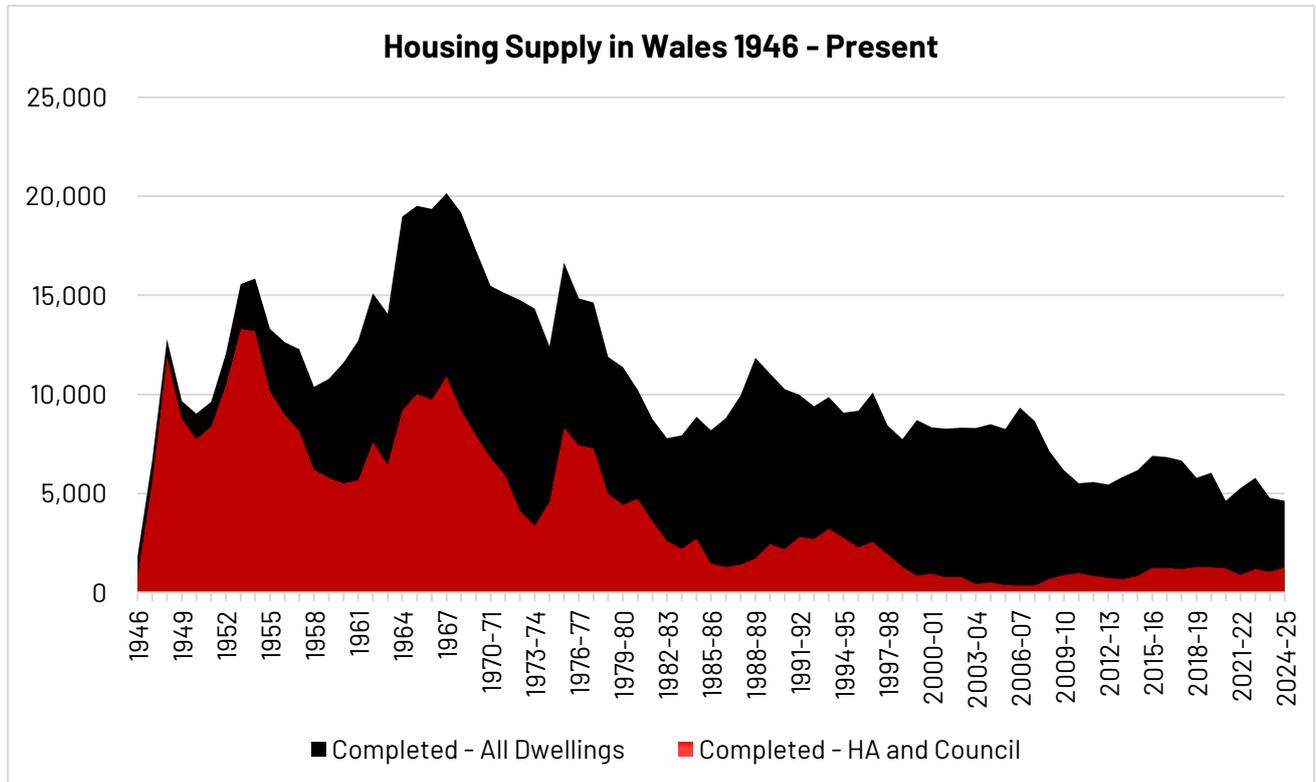
Shelter Cymru believes that any possible solution to the housing emergency must include a significant increase in the number of social rent homes in Wales.

Social rent homes are affordable by design, with rents linked to local incomes not out-of-control housing markets. Social rent homes offer stability by providing people with secure lifetime tenancies from a landlord who isn't looking to make a profit.

But for decades we've failed to build the social homes we need. Right now, 1 in every 14 households in Wales is waiting for a social home and, if we carry on at the rate we're going, it will take more than 35 years to provide a home to everyone waiting.

Put simply, we cannot allow this to happen. Not least because we know the difference that a social rent home can make, something we've outlined recently by sharing Karen's story: ['One of the best days of my life' – Mum-of-two Karen describes moment she got keys to her social home.](#)

We also know from experience that Wales can do more, as following World War II Wales, like the rest of the UK, embarked on a social and council housing building programme that saw average completions between 1946 and 1980 of almost 7,500 per year.



Response

Work underway to meet the current 20,000 target and to ensure a pipeline post-2026

There is much to celebrate in the latest social home delivery figures. Delivery has ramped up by 12% in 2024/25 and this reflects the commitment to delivery made at the beginning of this Senedd.

Shelter Cymru recognise the challenging environment that this progress has been achieved in. With delivery impacted by the Covid-19 pandemic, significant increases in the cost of building homes and the ongoing need to also invest in other vital policy areas. Despite these challenges, delivery of social rent homes in Wales exceeded any region in England in 2024/25, including London and the South East of England.

We also commend the Welsh Government's clear prioritisation of social rent homes. While other products are counted towards the target, the bulk of delivery has been social rent homes. This is welcome as Shelter Cymru are clear that investing in social rent homes is at the heart of ending the housing emergency. They are not just a more affordable option but come with a level of security and access to support that no other housing product provides.

Despite this success, we do continue to urge against treating this target as an objective in and of itself. Ending the housing emergency and making homelessness rare, brief and non-repeating must continue to be the objective that this, and future social home targets, are supporting.

We also know that the demand for social rent homes in Wales far exceeds 20,000. In 2024/25, Shelter Cymru worked with local authorities across Wales to understand their waitlists for social rent homes and present the scale of nationwide demand. Our report, *Waiting for a Home*, found that there are currently over 94,000 households (constituting more than 170,000 people) in Wales waiting for a social rent home.¹

Each of these households has unique experiences and reasons for believing that a social rent home is the right option for them and their family. From our casework we know that for many privately rented homes are increasingly unaffordable, families are living in overcrowded conditions and cannot afford a right-size home on the private market, and thousands of households are already homeless and stuck in temporary accommodation or unstable sofa surfing.

As such, we continue to treat the 20,000 home target as a KPI that the Welsh Government should use to measure progress, but with an acknowledgment that this is a starting point rather than an end in of itself.

While there is much to welcome in the increased delivery of social rent homes in this Senedd term and we would like to see greater transparency about the future pipeline that this Government has built. Ongoing delivery can and must be supported by taking stock of lessons learnt in working towards this target – including an understanding of how some barriers were overcome and work underway to address persisting challenges.

While 20,000 homes was always an ambitious target the situation in Wales and the UK more broadly has clearly worsened over the last five years. What was considered ambitious five years ago should now be considered the bare minimum of delivery for the seventh Senedd if we are to achieve the overarching ambition of ensuring a safe, secure, genuinely affordable and adequate home for everyone in Wales. This is why, ahead of the Senedd election, we are calling for all political party's to commit to delivering a year on year increase in the supply of social rent homes.

Progress towards implementing the recommendations of the Affordable Housing Taskforce

As an organisation, we haven't followed the implementation of all recommendations put forward by the taskforce closely so in our evidence we will focus on those most relevant to our

¹ See: Shelter Cymru, [Waiting for a home: An update on social housing waitlists in Wales - Shelter Cymru](#)

work at Shelter Cymru. We also do not believe that there has been a formal update on the progress of the recommendations.

We are aware that recommendation 21 has been taken forward and void social rent homes, in need of significant repair, that are brought back into use by TACP funding are now being counted towards the 20,000 social home target. Shelter Cymru recognise that this has created a level of controversy around the reporting and appreciate why others are looking to highlight this.

As an organisation that roots its policy work in the experiences of our clients, we seek to take a pragmatic approach and focus on whether or not steps take us towards the ultimate goal of ending the housing emergency. For this reason, we are hugely supportive of both TACP as a programme and of the specific use of these funds to ensure that certain void properties can return to use as social rent homes. However, we recognise that including those properties in reporting against the 20,000 target appears to involve an expansion of the aims of the 20,000 low carbon social homes target as it was initially set out.

This being said we would note that the Welsh Government have been transparent in their reporting and that has enabled organisations like ours to have these conversations and to disaggregate the figures as needed. Moving forwards, it may be prudent to publish figures on voids brought back into use through TACP, and potentially social rent homes delivered through acquisition, as separate but connected to “new social home delivery” reporting. At the same time, we would encourage the Welsh Government to report net additional social rent homes as opposed to overall supply of ‘new’ social rent homes. That approach would take into account disposals and demolitions thus giving us a clear picture of the change in overall supply of social rent homes each year.

Recommendation 23 looks to address the barriers that WHQS may be creating when it comes to increasing delivery of social rent homes. We are unsure how this recommendation is progressing, but Shelter Cymru have upcoming research that may support future steps in this area. As part of our partnership work with the Bevan Foundation, funded by Lloyds Bank Foundation, the peer research team at Shelter Cymru will shortly be entering an extensive listening phase with current and prospective social tenants, particularly those living in temporary accommodation, with conversations focussed on both allocations and standards. Part of the aim of this work is to understand the priorities of social tenants or people waiting for a social rent home and how this might inform a pragmatic approach to standards that balances the need for good quality homes with the scale of the housing emergency. We would be happy to provide an update on this work from September 2026.

The extent to which work to increase supply is being undermined by other policy goals

In this section we have focussed our response on issues of housing policy. However, we recognise that the nature of the Welsh Government budget means that investment in different policy areas involves consideration of investment in others as well.

As the Affordable Housing Taskforce report sets out, Registered Social Landlords (RSLs) and local authorities have both fed back that they feel WHQS in its current form is creating challenges as they work to increase supply of social rent homes. We understand the Welsh Government has disagreed with the need for more flexibility in this area, however, as it is an issue that continues to be raised we believe that further clear and transparent communication is needed to achieve progress on this issue.

However, we cannot overlook that RSLs have a legal responsibility to meet WHQS and potentially will also have legal responsibilities in line with Wales' Net Zero ambitions. In contrast, their decision to be part of the solution to the housing emergency through supporting the delivery of social rent homes is rooted in their values and a sense of moral, not legal, obligation. Similarly, the legal responsibility of local authorities is rooted in preventing and relieving homelessness, not in the delivery of social rent homes.

We have recognised that at times when RSLs are facing significant financial pressures, they are likely to prioritise meeting their legal responsibilities over other areas.

A challenge facing the Welsh Government in its broader ambition to make homelessness rare, brief and non-recurring, which social rent home delivery is very much a part of, is the limitations of devolved authority and the impact of Westminster-policy. In the context of social rent home delivery, one policy creating particular challenge is the so-called "bedroom tax".

The "bedroom tax" creates an artificial demand for one-bed homes that has the potential to skew delivery in Wales away from what is best in the long-term. In addition, this is a policy which directly leads to extended stays in temporary accommodation for households whose eligibility for a social rent home is restricted only to one-beds.

Stays in temporary accommodation, particularly extended stays, are harmful to people's health and wellbeing and also come at substantial cost to local and national government. The annual cost of meeting demand for temporary accommodation currently believed to be £100million net cost to local councils and £170million gross cost in Wales.² The "bedroom tax" alongside the limited supply of social rent homes contribute to the crisis of temporary accommodation we are currently witnessing.

While the Welsh Government will be unable to directly address this policy there are areas of Wales which are beginning exploring innovative approaches to limit the impact of this

² See: Shelter Cymru, [The Cost of Crisis: The Impact of Wales' Reliance on Temporary Accommodation - Shelter Cymru](#) ; Audit Wales, [Temporary accommodation, long-term crisis?](#)

Westminster policy and reduce the amount of time people are stuck in temporary accommodation. We hope to see learning and approaches shared to improve options available across Wales.

How the Welsh Government is developing its strategic role in relation to land

Others providing evidence will be better placed than Shelter Cymru to speak to the detail of this. In broad terms, we do feel that there is a clear strategic and coordination role for the Welsh Government to play with regard to land assembly and potentially master planning if we are to deliver social rent homes at the scale and pace needed.

The availability of finance

This is not our specialist area of expertise, but we would draw attention to the wealth of evidence around investing in social rent homes as a route to achieving savings across the public sector. Work from thinktanks, the third sector, public bodies and Welsh Government themselves all supports this.

The question we have yet to answer is how Wales will manage the costs of business-as-usual demands alongside funding the changes that we have strong evidence will deliver better outcomes for people and savings for public spending. Wales' block grant makes funding both streams simultaneously incredibly challenging.

Securing adequate finance must be a priority for the seventh Senedd if we are to provide the homes needed in Wales and the route to this will likely lay in conversations between the Welsh and UK Governments around options for additional grant funding or increased borrowing powers in Wales.

We would remind both Governments that any such funds would benefit the UK as a whole given the porous borders between our nations. Investment in the construction workforce in Wales will support delivery of homes across the UK. Similarly, an uplift to the Welsh economy and a boost to the skills and employment opportunities of adults and young people in Wales will both also benefit the wider UK.

We also recognise that there has been significant interest in recent years in 'innovative financing' models for delivering social rent homes, including the possibility of pension funds as investors given the long-term returns that can be achieved through investment in this sector. While we understand the desire to explore all available avenues for financing social rent homes we do urge caution. At their heart, social rent homes are something that benefit us all, and as such a focus on delivering homes with the minimum private finance should be a priority.

Issues relating to planning

Others providing evidence will be better placed than Shelter Cymru to speak to the detail of this. However, we are well aware of the issues that have been created over many years through the underfunding of local authority planning departments. For major developments in particular – the kind that a local authority is unlikely to deal regularly with – the development of significant centralised or shared specialist resource to bolster departments is something that should be considered.

Progress on developing the workforce

Others providing evidence will be better placed than Shelter Cymru to speak to the detail of this. However, Shelter Cymru do feel it is important to acknowledge the role of social rent home delivery in protecting the workforce needed to deliver homes across tenure.

We know from experience that for-profit, market based, housebuilding often reduces during periods of economic downturn or uncertainty, something that appears to be happening currently in both Wales and the wider UK. From the perspective of private developers this approach is completely understandable, however, it is inevitable that such an approach places many jobs in housebuilding at risk. Should those jobs be lost or should business that are generally subcontracted by major housebuilders be forced to exit the market then it is inevitable that overall development capacity in the housebuilding sector is also reduced due to lost skills.

At times like this investment in the delivery of social rent homes offers a vital safeguard to retain skills and by extension development capacity.

This approach also reflects the fact that demand for social rent homes is broadly counter cyclical, meaning that during times when the economy means private development is less likely to happen the demand for social rent homes actually increases.

In recent years UK nations demonstrated a clear understanding of the responsibility of the state to invest to protect workers and retain skillsets in times of extended downturn through the response to the Covid-19 pandemic. Furloughing staff protected workforces and came at significant expense. Similarly, investing in social rent homes in poor economic environments both protects the workforce and delivers much-needed homes.

Additional Information

If you have any questions about this consultation response please contact Lauren Caley, Policy and Public Affairs Manager, at laurenc@sheltercymru.org.uk.