

Local Government and Housing Committee follow up inquiry: social housing supply

January 2026

Community Housing Cymru (CHC) is the voice of housing associations (HAs) in Wales. We represent 30 not-for-profit housing associations that provide almost 165,000 homes to 10% of the Welsh population. Our collective vision is to make Wales a country where good housing is a basic right for all.

We welcome the opportunity to provide evidence to the Local Government and Housing Committee's (LGHC) follow-up inquiry on social housing supply. This comes at a pivotal moment for the housing sector in Wales.

The urgency and scale of the housing emergency have been brought into sharp national focus in recent years through the publication of the LGHC, Affordable Housing Taskforce and Audit Wales recommendations. Most recently, the Taskforce's work culminated in a set of specific, practical, and urgent interventions. These interventions are widely viewed across the sector as a vital roadmap to move the focus to strategic, meaningful action and progress.

This response is designed to provide the Committee with an overview of the current landscape and our suggested areas of focus for action in the coming months and into the next Senedd term

1) Executive Summary

Housing associations remain fully committed to increasing delivery and have a strong pipeline of new homes beyond 2026. Delivery in the sector has accelerated significantly in recent years, culminating in a record-breaking 3,643 affordable homes completed in 2024-25.

However, progress is increasingly constrained by systemic barriers that limit the pace and scale of development. These include land availability and cost, planning system delays, infrastructure constraints, workforce shortages, rising build costs, and a lack of long-term funding certainty. In addition, unaligned policy objectives relating to housing quality standards and environmental regulations are actively undermining delivery of much needed additional social homes.



The Affordable Housing Taskforce and previous Committee inquiries have, combined, provided an outline roadmap for action. The challenge now is implementation. Moving from recommendation to delivery has proved complex, particularly where cross-sector coordination and statutory reform are required. Welsh Government must use its convening power to maintain momentum and prioritise practical delivery.

Our written evidence covers in further detail the barriers affecting supply and outlines the recommendations we urge the Welsh Government to prioritise:

- Scale up a national pipeline of public-sector land for social housing at discounted values
- Introduce a presumption in favour of development on Local Development Plan allocated sites
- Support the creation of a national development corporation with land assembly and compulsory purchase powers
- Provide multi-year certainty for the Social Housing Grant
- Reconsider rent convergence to unlock borrowing capacity and increase fairness between social housing tenants
- Remove barriers such as performance bonds and inconsistent mortgagee exclusion clauses
- Expand access to low-cost finance and review the impact of recent grant payment changes
- Enforce stronger statutory deadlines for Local Development Plans
- Drive consistency across Local Planning Authorities, including standardised agreements and approaches where possible
- Take a pragmatic approach to WHQS and WDQR, focusing on what is deliverable and matters most to tenants
- Urgently resolve marine nitrate and phosphate planning restrictions to unblock stalled affordable housing schemes
- Expand construction apprenticeships and work placements
- Scale up proven workforce initiatives across Wales

Without stronger alignment across housing supply, quality, infrastructure and environmental policy, delivery will continue to be constrained. Welsh Government leadership is now essential to ensure ambition is matched by deliverability and that social housing supply can be sustained and accelerated over the next decade.

To meet current and future housing needs, Community Housing Cymru is calling for a long-term plan for housing that focuses on more homes, better homes, and fairer and healthier places. This should include a 10-year roadmap to deliver an additional 60,000 affordable homes by 2036, ensuring 20% of all homes in Wales are affordable homes.

This ambitious target must be supported by new delivery mechanisms, including the creation of a national development corporation, effective collaboration to unlock bottlenecks, and government support for apprenticeships to grow the workforce.



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

Significant work is underway across the housing sector to meet the current target of 20,000 low-carbon social homes and to ensure a strong delivery pipeline beyond 2026. While delivery is projected to fall slightly short of the March 2026 deadline, the target of 20,000 will be met shortly thereafter.

The pace of delivery has accelerated significantly in the last year. The 2024-25 financial year is marked as a record-breaking period for affordable housing in Wales. A total of 3,643 affordable homes were completed, representing a 12% increase from the previous year. This figure is the highest annual total achieved since affordable housing records began in 2007 and demonstrates the impact of constructive collaboration between the Welsh Government, housing associations, local authorities and delivery partners. Welsh housing associations continue to make the largest contribution to additional affordable housing in Wales, delivering 74% of all new affordable homes.

Accelerated progress has been achieved despite a series of significant external challenges, including the COVID-19 pandemic, global supply chain disruption, rising construction costs and labour shortages. However the delivery of affordable homes has increased by 79% since the start of the current Senedd term, underlining the sector's resilience and a shared commitment to meeting housing need.

This momentum has been supported by the Welsh Government's record £2 billion investment in social housing over the current Senedd term. A pragmatic and flexible approach to delivery has also been key, with the creation of the Transitional Accommodation Capital Programme (TACP) to combine new-build development with the acquisition and conversion of existing homes.

Looking ahead, the focus must now be on ensuring a robust and sustainable pipeline of social homes well beyond the current target period. This will require continued action to address long-standing systemic challenges in the housing system, implementing the detailed recommendations already in place, and creating new delivery mechanisms to achieve the pace and scale needed.

Ongoing infrastructure challenges are also increasingly hindering development of much needed homes. Dŵr Cymru's Asset Management Programme (AMP) is causing significant issues, stalling viable schemes due to insufficient water/wastewater capacity and escalating treatment costs. Simultaneously, the shift to electric-only homes strains limited electrical grid capacity, with long upgrade times further restricting delivery. Collectively, these infrastructure limitations are a critical barrier to meeting housing need.

While the draft Welsh Government budget includes £446 million for the Social Housing Grant (an uplift of around £9 million), ongoing cost pressures mean that this alone is unlikely to fully support the level of ambition required. A long-term, multi-year approach to capital investment is critical to provide certainty for housing associations, enabling strategic land acquisition, long-term



planning, and stronger lender confidence. Without funding certainty delivery at scale is constrained.

Progress towards implementing the recommendations of the Affordable Housing Taskforce:

The final report of the Affordable Housing Taskforce, published in May 2025, proposes 41 recommendations to streamline delivery. The Welsh Government has accepted all of the Affordable Housing Taskforce's recommendations, and established an implementation group of sector representatives, including Community Housing Cymru.

The taskforce have rightly identified that a collaborative approach is needed to make progress across the recommendations. Lead partners, such as CHC and WLGA, have taken ownership of some actions to progress specific recommendations, for example CHC and our members have supported the taskforce with pursuing action on loft conversion opportunities and overcoming barriers to SuDs requirements. Housing associations have also participated in regional meetings with the Cabinet Secretary, which have been useful forums for discussing live issues and sharing good practice.

Given the deeply systemic nature of the issues identified, the Welsh Government's intervention and convening power is required to drive change. We recognise that the issues highlighted in the recommendations, particularly concerning Planning and the consultation of statutory consultees, are complex to overcome. Achieving the necessary Wales-wide buy-in and collaboration across Local Planning Authorities is challenging in practice and consequently, progress on many recommendations will take time. Although we are pleased that a range of short, medium, and long-term priorities have been identified and progress is being made, it is still too early to see these efforts translate into tangible outcomes on the ground.

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

The Welsh Government has acknowledged the social and economic value of social housing supply by making it a top five priority. This welcome commitment signals a high level of political importance attached to meeting the current housing targets and planning for the post-2026 pipeline.

However, the effort to increase social housing supply faces significant challenges from competing policy goals.

Housing quality and design requirements

The launch of the updated Welsh Housing Quality Standard (WHQS) last year lacked details on costs, impacts, and funding. The comprehensive cost of WHQS is prohibitively expensive, we do not have a realistic route to delivery, and not all requirements mandated by the standard are



those of paramount importance to tenants.

For instance, the Energy Performance Certificate (EPC) "A" target for all homes is not achievable within current resources. Research indicates that housing associations would be required to invest £130,000 per property up to 2050 to satisfy the EPC 'A' requirement, in addition to other WHQS stipulations. This is unaffordable, and 2 years on from the introduction of the policy we still do not have a route to delivery. A lack of funding certainty, a significant skills gap and a limited Welsh supply chain all further hamper the progress made to date.

Furthermore, social landlords will be obligated to comply with new WHQS requirements concerning hazard response from April 2026. This necessitates training, modifications to systems, and procedural changes, with an implementation lead time of only three months.

Our members are also finding that meeting the Welsh Development Quality Requirement (WDQR) to build all new homes to EPC A standard is becoming particularly difficult for high-density flat schemes. These are increasingly challenging to build to the required EPC A standard and to achieve viability within the current grant thresholds. Flat schemes offer much needed accommodation for small families and single persons, of which there is huge demand. According to [Shelter Cymru](#), over half of households waiting for a social home are seeking a one-bedroom property.

The sector requires support from the Welsh Government to achieve the ambitions set out in WHQS and WDQR. It's time to prioritise: we need to focus on what matters most to tenants, and adopt a pragmatic approach, whilst doing as much as we can to improve and decarbonise homes.

We need a clear, joined up plan for housing that recognises the impact that significant investment in retrofit will have on business plans, especially investment in new homes. We're calling on the next Welsh Government to revise standards for existing homes, focusing on and prioritising what is deliverable and most important to tenants: affordable, warm, safe and well-maintained homes. We must also ensure that grant levels are sufficient to enable housing associations to achieve DQR standards, particularly for challenging build types, such as flats.

Environmental policy

Natural Resources Wales' (NRW) July 2025 planning advice led to an immediate halt on all housing planning applications and the discharge of drainage conditions in affected areas across South West Wales due to marine nitrate pollution.

The guidance requires new housing developments in nutrient sensitive areas including Pembrokeshire, Carmarthen Bay, and Cemlyn Bay to achieve "nutrient neutrality" by proving they will not increase nitrogen levels in marine Special Areas of Conservation. NRW data confirms that agriculture is the primary contributor to marine nitrate pollution through fertilizer and waste. Despite this, the housing sector (a marginal contributor) is bearing the brunt of the planning restrictions.



The resulting impact on development is immediate and stark, effectively freezing the construction of much-needed affordable homes during a national housing crisis. In West Wales and surrounding areas, over 2000 affordable homes are currently stuck in the planning process, with hundreds more hanging in the balance. In addition, NRW advice in relation to phosphates still remains a blocker to new home delivery, particularly in Wrexham. This stalemate has shifted the issue from a purely environmental concern to a social justice crisis, as rural communities struggle with rising waiting lists and a lack of local housing options while long-term agricultural solutions remain years away.

We welcome the Welsh Government's rapid establishment of the Marine Nitrate Taskforce to explore opportunities for progressing stalled developments, however progress has been slow and we are yet to see any solution in place to allow sites to continue to be developed and occupied. Welsh Government must continue to prioritise this work as a matter of urgency, and ensure that all stakeholders and developers are working collaboratively to explore options and are kept informed of progress. A strategic solution and long-term support for developers must be key outcomes of this work to restore confidence across the development sector and supply chain.

We understand the Taskforce is considering options to exempt certain housing developments from the planning advice and this is our preferred approach to allow sites to continue quickly. If an exemption is not feasible, we urge the Welsh Government and statutory partners to support the sector with exploring short-term alternatives mitigations, such as temporary Package Treatment Plants (PTPs), until a longer-term pan-Wales strategic solution is achieved. The Welsh Government's proposed Nutrient Trading Group is welcome, however this is likely to be a longer-term solution due to timescales associated with establishing such a mechanism.

We are also concerned about NRW's upcoming testing over the next 18–24 months. To avoid a repeat of the abrupt planning changes that halted development in 2021 (phosphates) and 2025 (marine nitrates), a clear transparent strategy and workable nutrient-mitigation solutions must be in place before any new further marine SAC data is released. We strongly recommend an early-warning system to flag emerging issues to social landlords and developers at the earliest stage. Social landlords and developers should also be forewarned of all testing activity. Without this, social landlords are unable to accurately determine the suitability and viability of future sites.

At the heart of these challenges is a lack of alignment across Welsh Government policy priorities, with housing supply, quality and environmental ambitions being progressed in isolation rather than as part of a coherent delivery strategy. Ambitious standards and environmental protections are being introduced without sufficient assessment of their cumulative cost, capacity and delivery impacts, resulting in unintended but significant constraints on the supply of new social housing.

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

A fundamental challenge impeding the delivery of social housing in Wales is the scarcity and cost



of suitable land. Land is a finite resource and it represents the single largest variable cost in any development scheme.

The Welsh Government's strategic engagement with land is paramount to overcoming this barrier. A key focus must be on leveraging the land holdings currently under public sector ownership to bring forward specifically for the purpose of developing affordable housing. We strongly endorse the recommendation that public sector land designated for social housing should be made available at a significant discount. This measure would directly address the viability gap that high land costs often create for social housing developments.

Furthermore, we support the recommendation that land already identified as suitable for housing within a Local Development Plan (LDP) should operate under a presumption towards development, which would necessitate primary legislation. This would eliminate the current practice of re-debating the principle of residential development during the planning application stage, thereby streamlining the process and reducing delays.

The Welsh Government has initiated work to tackle the problem of stalled, vacant, and derelict land, particularly sites already within public ownership, and is actively identifying development opportunities. As a priority action, this must be scaled up to create a robust, visible pipeline of suitable land.

The creation of an arms-length body or similar specialist entity could be instrumental to support this. Such a body could combine resources and expertise across the public sector, providing a powerful mechanism for land management. Community Housing Cymru supports the creation of a national development corporation, a semi-commercial entity with the authority and financial resilience to deliver large-scale, strategic sites. This body would be tasked with leading regeneration, coordinating major urban extensions and new towns over longer timeframes, and possessing the power for compulsory purchase. Its core functions would include: land assembly (using CPOs strategically), remediation for complex sites, and coordinating public sector land.

We urge the Welsh Government to prioritise:

- **Scaling up land pipeline:** The Welsh Government's work to tackle stalled, vacant, and derelict land (particularly public sector sites) must be scaled up to create a robust, visible pipeline of suitable land which could be offered at a significant discount to social landlords.
- **Presumption towards development:** Implement a long-term change to planning policy so that land already identified as suitable for housing within a LDP operates under a presumption towards development, eliminating re-debating the principle of residential development during the planning application stage.
- **Create a National Development Corporation:** Support the creation of a national development corporation, a semi-commercial entity with the authority, financial resilience, and compulsory purchase powers to lead regeneration, land assembly, and coordination of major strategic sites over long timeframes.



The availability of finance:

Housing associations have the ability to secure and utilise private finance alongside grant subsidy to increase the supply of affordable housing. This allows them to magnify the impact of public investment. 40% of housing associations total spend comes from government grants. The remaining 60% is financed through private borrowing and other income streams (like rent), demonstrating their unique ability to deliver and demonstrating how government investment acts as a vital catalyst for private finance. Housing Associations are demonstrating their commitment to scale and their private borrowing is anticipated to reach £5.4 Billion by 2027.

The volume of new social homes delivered in Wales is closely linked to housing associations' financial capacity, as the vast majority of schemes rely on a combination of Welsh Government grant and private borrowing. In recent years, however, the external financial environment has become significantly more challenging. Rising UK interest rates since 2022 increased the cost of private borrowing, making development finance more expensive and, in some cases, undermining scheme viability. At the same time, high inflation and wider operating cost pressures has constrained borrowing headroom, as lenders assess affordability based on future income and financial resilience. Although private finance remains available, it is generally less cheap and flexible than the low-interest-rate environment of the previous decade.

Build costs have also risen sharply, meaning that the same grant levels now support fewer homes. In recent years there has been an estimated 75% increase in the grant required per general-needs social rented home, rising from around £93,000 in 2020/21 to £181,863 in 2024/25. Unless grant allocations continue to rise in line with inflation, delivery will inevitably fall.

To counteract the constraint on supply caused by the cost and availability of private finance, the Welsh Government has introduced low-interest loan schemes to help maintain development momentum, including the Land for Housing scheme. These are welcome and represent a clear recognition that private finance alone has not been sufficiently affordable to sustain the levels of social housing delivery required.

We welcome the Welsh Government's recently announced 10-year rent and service charge standard (2026–2036), which provides greater certainty and stability for both social landlords and tenants. This long-term clarity will strengthen business planning, improve lender confidence, and enhance housing associations' capacity to borrow and build.

However, we are urging Welsh Government to reconsider the current policy on rent convergence. Rent convergence allows social landlords to achieve greater fairness among tenants by bringing rents closer to a consistent formula level, which would be more equitable than a general, higher rent increase. It can also unlock further investment in new and existing social and affordable housing by generating additional rental income for social landlords. This increased financial



capacity helps landlords maintain the quality of existing homes and enables them to borrow and invest in new developments.

Further action is needed to address ongoing financial constraints and maintain momentum to development pipelines. A number of additional interventions, already recognised by the Affordable Housing Taskforce, could significantly improve scheme viability and borrowing capacity.

Performance bonds

The existing requirement for developers to provide sureties and Performance Bonds acts as a significant administrative and financial barrier, disproportionately affecting Small and Medium-sized Enterprises (SMEs) that are crucial for diversifying and increasing the pace of housebuilding.

The Taskforce recommended the removal of surety requirements for schemes where a housing association is the lead developer, recognising the stability and long-term commitment of housing associations. Further work is required to address the market failure associated with performance bonds, in order to establish a system that provides appropriate security without unnecessarily restricting development.

Mortgagee Exclusion Clause (MEC)

The absence of a standardised form of the Mortgagee Exclusion Clause (MEC) across funding agreements introduces unnecessary complexity, leading to protracted negotiations and constraining housing associations' borrowing capacity. Adopting a consistent, sector-wide approach to MECs is estimated to unlock between £166 million and £333 million in additional borrowing capacity, with the potential to support the delivery of approximately 2,000 to 4,000 new social rented homes. This represents a high-impact, low-cost intervention to accelerate supply.

Development Bank of Wales

The Development Bank of Wales has an important role to play in supporting social housing delivery and could significantly expand its engagement with the sector. This is particularly important in improving access to finance and expertise for SMEs, which often struggle to secure traditional commercial lending despite their ability to deliver high-quality housing schemes.

Finally, to support effective planning and maintain a strong development pipeline, greater certainty over future funding is essential. The provision of multi-year settlements for the Social Housing Grant (SHG) is critical. Moving away from annual funding cycles would provide housing associations with the certainty needed to borrow with confidence, acquire land, manage risk, and plan complex, multi-phase developments over the long term.

A significant and more recent challenge is the work that Welsh Government has undertaken to reform SHG arrangements following changes to accounting requirements. The move away from advance grant payments to a 40/40/20 payment profile has required significant changes to cash-flow management and payment processes, leading to delays in grant payments and placing



additional pressure on development financing. This change has shifted a greater proportion of cost and risk onto housing associations at the most capital-intensive stages of development.

While we recognise the accounting drivers behind the change, the current payment profile is not neutral in its impact; it is causing significant problems with bringing future schemes through. These impacts must be carefully reviewed to ensure that the change does not constrain delivery or increase reliance on more expensive short-term borrowing.

We urge the Welsh Government to prioritise:

- **Rent convergence policy:** Reconsider the current policy on rent convergence to unlock further investment in new and existing social housing by generating additional rental income.
- **Performance bonds:** Addressing the market failure associated with performance bonds to establish a system that provides appropriate security without unnecessarily restricting development
- **Mortgage exclusion clauses:** Adopting a sector-wide approach to the MEC across funding agreements to unlock an estimated £166 million to £333 million in additional borrowing capacity.
- **Multi-year certainty:** Providing multi-year settlements for SHG to give housing associations the certainty needed to plan long-term, complex developments
- **Low cost finance** Exploring alternative funding mechanisms to facilitate delivery through low cost borrowing
- **Monitoring the impact of grant payment changes:** Ensure that grant payment changes do not constrain delivery or increase reliance on more expensive short-term borrowing.

Issues relating to planning

The planning system in Wales is widely characterised as overloaded, inconsistent and lacking sufficient specialist expertise. This complexity drives higher costs, creates uncertainty, and contributes to significant delays in bringing forward new social housing developments.

The LDP system in Wales is under strain, with 11 of the 25 LDPs now expired or not in place. This lack of up-to-date plans creates uncertainty for applicants and makes it harder to identify suitable development land, particularly where existing allocations are no longer viable or deliverable. As a result, there is intense competition for a limited supply of available land, driving up costs and constraining delivery. While we support a plan-led system for the certainty it provides when making long-term investment decisions, the current situation is reducing the number of new homes coming forward. Stronger statutory deadlines are needed to accelerate the preparation and adoption of LDPs.

There is also a clear need for reform to improve efficiency and consistency across Local Planning Authorities (LPAs). As recognised by the Affordable Housing Taskforce, greater standardisation,



particularly in relation to Section 278 and Section 38 agreements (highways infrastructure) and Section 106 obligations (planning obligations), would significantly reduce negotiation times and administrative burden for both applicants and LPAs. Delays caused by statutory consultees also remain a major barrier to timely decision-making. LPAs should be better empowered to take a managed-risk approach to determining applications where statutory consultees fail to respond within prescribed timescales, rather than development being stalled indefinitely.

The Sustainable Drainage Systems Approval Body (SAB) process remains a significant source of delay for housing delivery. Requirements for full technical SAB approval prior to the grant of planning permission unnecessarily prolongs pre-commencement stages, and we therefore welcome recommendations that SAB applications should run alongside planning applications, with conditions discharged concurrently.

More widely, delays reflect under-resourcing, inconsistent processes across authorities, and a shortage of specialist legal and technical expertise. These pressures often result in prolonged negotiation of agreements, repeated redrafting where legal services are outsourced, and increased uncertainty for developers. The use of template agreements to standardise agreements, alongside a review of requirements such as ministerial sign-off of legal charges, would help reduce complexity and improve consistency. We understand that the Welsh Government is currently exploring these options.

Decision-making times in the planning system could be significantly improved through greater use of delegated powers by increasing the threshold for what constitutes a “major” development. The Welsh Government has recently confirmed its intention to raise this threshold to 25 dwellings in the [summary of responses](#) to the permitted development rights consultation held earlier this year. CHC strongly supports the principle of increasing the major development threshold and recognises the benefits this approach may deliver in reducing delays and unlocking stalled sites. However, consistent with the Affordable Housing Taskforce recommendations, CHC considers that the proposed increase to 25 dwellings does not go far enough; and that 50 dwellings, alongside a corresponding increase in site area from 0.5 hectares to 1 hectare, would reduce committee backlogs, improve proportionality, and accelerate housing delivery.

This consultation also explored the potential for introducing permitted development rights for affordable housing meanwhile use sites, a measure CHC fully supported in our response. The Welsh Government identified that further investigation is required due to divergent views on this proposal. We strongly urge the Welsh Government to explore this with urgency as it holds the potential to significantly expedite the planning process for developments that can be rapidly constructed.

Underlying many of these issues is a persistent shortage of skills across the built environment professions, including planning, statutory consultees and construction. Budgetary pressures on local authorities, combined with the retirement or departure of experienced professionals, have



resulted in widespread capacity constraints across Wales. Delays in planning and consenting are now having a direct impact on the speed at which new homes can be delivered, while a lack of coordination between different regulatory functions further exacerbates the problem.

Many of our members report waiting over a year for SAB approval even after planning consent has been granted. These delays affect not only delivery times but also the ability to draw down Welsh Government grant funding at the appropriate point in the development process. The cumulative impact on scheme viability and cash flow can be significant, with knock-on effects for contractors. Uncertainty in development pipelines is a key contributor to financial instability in the construction sector and has, in some cases, led to insolvency, creating a vicious cycle that further limits development capacity in Wales.

Welsh Government has an important role to play in reversing these trends through strategic policy direction and targeted, long-term investment. It can act as a national convenor to support coordinated workforce development, upskilling both new entrants and existing staff in response to changing regulatory and technical requirements. There is also a need to ensure that effective improvement and advisory services are available to LPAs. Siloed working within local authorities remains a significant challenge, particularly for complex schemes, and is often a symptom of wider resourcing pressures.

Welsh Government has recently announced that planning application fees will increase to more cost-reflective levels, with the changes coming into force from December 2025. These reforms are intended to address the long-standing gap between the cost of determining planning applications and the income received by LPAs, moving fees closer to full cost recovery. However, despite strong calls from the housing sector and professional bodies, the additional fee income will not be ring-fenced to increase planning capacity or specialist expertise. Instead, Welsh Government intends to introduce a revised monitoring framework to track planning performance and delays.

While improved monitoring is welcome, performance frameworks alone will not resolve the structural capacity issues facing the planning system. Without a mechanism to ensure that additional income is reinvested in staffing, skills and specialist resources within LPAs, there is a significant risk that the intended benefits of cost-reflective fees will not be realised, limiting their impact on system-wide improvement. The planning fees increase will also not address the underresourcing experienced in other LA departments, including for example highways where consent is required.

We urge the Welsh Government to prioritise:

- **Implementing existing recommendations:** Many of these barriers require coordinated action and collaboration of stakeholders. Welsh Government should utilise its convening power to bring together key LPAs, statutory consultees and developers to drive forward recommendations in relation to streamlining and achieving consistency in the planning system



- **Making the plan-led system work:** Introducing and enforcing stronger statutory deadlines to ensure LDPs are adopted much faster.

Progress on developing the workforce

A shortage of skills across the built environment professions, including planning and construction, continues to undermine practical improvements in the system. A pipeline of experienced and skilled officers to support delivery of affordable housing is critical. Housing associations are actively working to address this by introducing new staff to the sector, providing essential construction, planning, and development skills, and promoting career opportunities to stimulate house building.

CHC has supported CIH Cymru in exploring the feasibility and function of a social housing development academy in Wales, which is currently seeking funding to move forward. The sector is already implementing initiatives to develop talent, such as Adra's in-house 'Trwsio' team, which facilitates improved workforce planning. There are numerous examples of good practice across the sector that could be successfully scaled or adopted more widely, including the shared apprenticeship programme in southwest Wales, and the Tŷ Gwyrddfai decarbonisation hub.

We strongly endorse the recommendation to reintroduce the Level 2 Apprenticeship in Construction to help young adults enter the industry. We understand that the curriculum is evolving to meet economic needs, with a significant push toward Level 2 construction apprenticeships, however there are currently not enough placements being created despite the demand being high.

Currently, housing associations directly and indirectly sustain over 37,000 jobs in the Welsh economy, demonstrating a significant reach into supply chains across Wales. This has the potential for substantial expansion, offering benefits for the Welsh Economy that would exceed their current £1.4bn contribution.

We are calling on the next Welsh Government to support a new generation of builders and tradespeople creating over 2000 apprenticeships and 1,245 work placements. For every 20,000 new housing association homes, 6,290 new direct jobs and 7,910 indirect jobs throughout the supply chain would be created per year.

Welsh Government should prioritise:

- **Supporting apprenticeships:** We need a new generation of builders and tradespeople. CHC is calling on the next Welsh Government to create over 2,000 apprenticeships and 1,245 work placements.
- **Supporting a workforce development academy:** The feasibility of a social housing development academy has been scoped and is awaiting funding to be taken forward.
- **Scaling up existing examples of good practice:** such as shared apprenticeship programmes



and decarbonisation hubs, to develop talent and improve workforce planning.

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