



# Local Government and Housing Committee's inquiry into Social Housing

## Welsh Government Response to Recommendations

10/01/2025

The Local Government and Housing Committee published their report on 20 November 2024, following their inquiry into Social Housing. The report includes 17 recommendations covering a wide range of topics within Social Housing. This document provides responses to those recommendations.

# Contents

<b>Introduction .....</b>	<b>3</b>
<b>Response to the 17 recommendations .....</b>	<b>4</b>
Recommendation 1 .....	4
Recommendation 2 .....	4
Recommendation 3 .....	5
Recommendation 4 .....	6
Recommendation 5 .....	6
Recommendation 6 .....	7
Recommendation 7 .....	8
Recommendation 8 .....	9
Recommendation 9 .....	10
Recommendation 10 .....	10
Recommendation 11 .....	11
Recommendation 12 .....	12
Recommendation 13 .....	13
Recommendation 14 .....	14
Recommendation 15 .....	15
Recommendation 16 .....	15
Recommendation 17 .....	16

## Introduction

This Government is committed to ending homelessness from both sides – preventing people from losing their homes at one end whilst also working to deliver more affordable homes, as quickly as possible, at the other. Only by doing both can our ambitions be achieved.

We know that investing in social housing reduces poverty, improves health and helps drive economic growth. Good quality affordable housing can positively impact on health, mental health, and education.

Wales has never moved away from its support for the most affordable housing – social rent. It is why we are working to fulfil our Programme for Government commitment to deliver 20,000 homes for rent in the social sector this Senedd term.

We are, however, trying to deliver vital homes in challenging circumstances. In the context of the economic and budgetary pressures Wales is facing, our continued support for the Social Housing Grant demonstrates our fierce and unwavering commitment to providing social housing. However, we know it is more costly to build a home now than ever before, placing significant pressures on the housing sector.

I am committed to working with the sector to explore all means necessary to deliver more affordable homes as quickly as possible. I welcome the work of the Local Government and Housing Committee, and I would like to thank its members and the stakeholders who provided vital evidence to the committee on such an important topic.

## Response to the 17 recommendations

### Recommendation 1

The Committee recommends that the Welsh Government improves its understanding of housing need by reviewing its approach to data. This should include monitoring and evaluating the new LHMA methodology; considering how LHMA's could be linked up with other data sources; costing out different methodologies for a Welsh Housing Survey including length of survey cycle; and how the Welsh Government intends to monitor and evaluate its data framework.

#### **Response:** Accept

Local Housing Market Assessments (LHMAs) provide vital evidence for both the Local Development Plans and the Social Housing Grant prospectus. The new approach to undertaking LHMAs asks local authorities to consider using local level data from all sources to support the national data contained within the LHMA tool. This includes data around specific housing need for older people, disabled people and those with protected characteristics.

The first cycle using the new LHMA approach has recently been completed and reports are being analysed against the new Welsh Government sign-off process for completeness. Throughout the process, officials have worked with local authorities to provide advice and support, as well as make minor changes to enhance the process. Alongside this, officials are also undertaking a process review of the new LHMA methodology, including seeking feedback from local authorities to ascertain what has worked well or not so well to support the new approach going forward. It is envisaged that this process will be completed in the new financial year.

Welsh Government statisticians have considered options for the timing of updating the estimates of additional housing need. A full update of all input data is not currently possible as the key dataset, **subnational household projections**, will not be available until 2025. We will review the data, methodology and assumptions to ensure robust estimates of additional housing need can be published in Autumn 2025.

A business case on options for delivering a Welsh Housing Survey is currently being prepared and is expected to be completed for Ministerial consideration by March 2025. An update will be provided to the Committee once the Cabinet Secretary has considered the business case.

**Financial Implications:** The financial implications of the Welsh Housing Survey will be considered as part of the business case.

### Recommendation 2

The Committee recommends that the Welsh Government publishes a full data breakdown of homes delivered towards the 20,000 target so far, showing how many homes delivered this term are for social rent, intermediate rent, shared ownership and temporary accommodation.

**Response:** Accept in principle

A breakdown of Registered Social Landlords and Local Authority delivery by new build and acquisition is already published as part of the Affordable Housing Provision in Wales Statistical Release. In line with the recommendation from Audit Wales, this breakdown will be added to Stats Wales by the end of the financial year.

A breakdown of the number of RSL homes delivered for social rent, intermediate rent and shared ownership was published in the 2022-23 statistical release. A full breakdown for all providers is not currently collected. We will explore the feasibility of collecting this information for all providers from 2024-25 onwards.

The data collected for the statistical release only refers to the tenure of homes and does not reflect how those homes are used to address housing need, e.g. temporary accommodation. It is therefore not possible to publish this information as part of the current statistical release.

All homes that count toward the target are required to meet specific standards including energy efficiency. Further details will be provided within the Programme for Government Annual Report. We will explore the feasibility of reporting low carbon data for the current or any future target.

**Financial Implications:** None.

### Recommendation 3

The Committee recommends that the Welsh Government proactively works with local authorities and housing associations to address the need for one bed homes. This approach should make the most of acquisitions, remodelling and infill sites to provide homes within existing mixed communities as much as possible.

**Response:** Accept

We recognise that there is a clear need for single person households. This is evident from Local Authority's Local Housing Market Assessments and from the number of single individuals in Temporary Accommodation.

We are focussing efforts on aligning delivery through the Social Housing Prospectus with evidenced need. It must be recognised that local authority development programmes will also reflect the ambition of the authority and not just the local need. Opportunities are also being further explored to meet this need now, including using the Transitional Accommodation Capital Programme to invest in single person properties. We also continue to explore how properties can be designed or adapted to offer flexibility, ensuring they can meet immediate need or be reconfigured to address changing demands over time.

**Financial Implications:** None

## Recommendation 4

The Committee recommends that the Welsh Government should aim for social housing to comprise a critical mass of at least 20 per cent of the housing stock, and up to a third in the longer term. The Welsh Government should develop a strategy for delivery which sets out how close to 20 per cent Wales can get within the next Senedd term.

**Response:** Accept in Principle

Long term planning is already a crucial part of housing development. We are delivering significant levels of affordable housing with record levels of investment in this Senedd term. This is a significant achievement given the challenging times experienced over the last five years and the extremely challenging budgets this Government has faced.

In line with the Audit Wales recommendation, we will assess options for delivery over the longer term considering the range of options including investing in acquisitions compared to new build and exploring all delivery options including tenure mix, utilising market housing and alternative funding methods. We are committed to tackling the housing crisis and accept the recommendation to develop a long-term strategy to deliver more housing.

Whilst we are delivering record levels of affordable housing, further increasing the pace and scale of delivery will take time and require a commitment that spans several government terms. Therefore, we are committed to working to increase the percentage of housing stock for social housing. We will undertake analysis to understand the steps needed to secure a higher percentage and to inform timescales.

**Financial Implications:** This will be considered as part of the longer term strategy.

## Recommendation 5

The Committee recommends that the Welsh Government establishes a national development corporation to lead on delivery of large-scale strategic sites and to support alignment of housing and regeneration efforts. As part of this it should review the future role of Unnos and whether it could fulfil the function of a national development corporation and land agency. The Welsh Government should consider a development corporation's potential functions, powers and duties in relation to delivering new towns, urban extensions and rural development; and any other necessary functions.

**Response:** Reject

In response to a recommendation of the Affordable Housing Supply Review in 2019 Welsh Government established a Land Division to unlock the potential of public assets, stimulate a more active approach to using and developing land in the public interest, help improve land supply, facilitate land assembly and help unblock stalled, vacant and derelict land in public ownership.

The role of Land Division has developed over time with the work now forming part of a newly formed Place Division, combining Land and Regeneration functions to deliver proactive place-based approaches.

Place Division is proactively adding to its existing portfolio across Wales as recent acquisitions in both Haverfordwest and Porthcawl demonstrate. These were important acquisitions enabling significant public sector, affordable housing-led regeneration schemes to proceed at scale and pace.

We have already transferred several sites enabling the development of 700 homes, with over 400 being affordable. The next immediate pipeline of sites can deliver 1,170 homes of which 670 will be affordable. These sites will ultimately be delivered by RSLs, Local Authority and private sector partners. Welsh Government will continue to work closely with these groups to ensure our wider policy objectives are delivered on these sites. We are not just focused on outputs in terms of number of homes built, but the outcomes those homes will enable.

A programme of work instigated as part of the Programme for Government commitment to establishing Unnos has supported work to deliver more homes at pace.

Arm's length bodies are expensive and resource intensive to establish and they should only be progressed where there is a proven case that functions cannot be delivered within the confines of Government. Ambitions for the delivery of large-scale strategic sites and supporting alignment of housing and regeneration efforts can, in our view, be delivered by the Place Division. The Division will continue to work with partners within and outside of Welsh Government to those ends.

The statutory functions in relation to new towns could be exercised by Place Division (Welsh Ministers). National planning policy in relation to new settlements (including new towns) is set out in Planning Policy Wales.

Due to their strategic nature new settlements should only be proposed as part of a joint Local Development Plan, a Strategic Development Plan or Future Wales. This is due to their significance and impacts extending beyond a single local authority. This is necessary to ensure new settlements are not isolated housing estates which require car based travel to access every day facilities. In practice, New Towns are only likely to be a consideration in the National Growth Areas identified by Future Wales. This is due to the scale required, more than 10,000 homes.

**Financial Implications:** None

## Recommendation 6

The Committee recommends that the Welsh Government increases the allocation for the Social Housing Grant at the earliest opportunity and considers the merits of establishing a community of practice specifically for the grant.

**Response:** Accept

Record levels of funding to support the delivery of social housing are being provided this Senedd term with more than £1.4bn allocated over the first three years of the term. Despite extremely challenging budgets we have protected the budget for Social Housing. Welsh Government has a history of redistributing funds where possible and last year we awarded an additional £61m on top of the original £300m budget for Social Housing Grant. An overall budget of £330m has also been set for Social Housing Grant in

2024-25. Furthermore, additional funding of £100m was found to support TACP in 2024-25.

The 2025-26 draft budget, published on 10 December, demonstrates our commitment to tackling the housing crisis and provides an additional £81m across SHG and TACP along with an additional £26m of financial transactions capital to support RSL development loans.

This government is committed to maximising efforts to deliver as many affordable homes as possible across Wales. Building on responses from local authorities and registered social landlords to the call to action over the summer, officials have worked with the sector to identify developable sites not currently in the SHG programme. An additional £10m funding has been located to support these schemes.

Finally, in terms of establishing a Community of Practice, officials already have long established relationships with both RSLs and LAs particularly around the delivery of SHG. Officials meet with LA partners on a quarterly basis to discuss their PDPs and routinely meet with RSLs as well as regular dialogue through WLGA and CHC as sector representative bodies. Regular Housing Leadership Cymru meetings bring together senior leaders across Local Authorities and RSLs to discuss a range of policy matters and share best practice. Nevertheless, consideration will be given to the merits of establishing a more formal Community of Practice for SHG.

**Financial Implications:** Additional grant funding has been allocated through the budgetary process.

## Recommendation 7

The Committee recommends that the Welsh Government engages with the Development Bank of Wales to enable the DBW to become a direct funder of social housing developments.

**Response:** Accept in principle

The Development Bank of Wales provides sustainable, effective loan finance where options are limited or there is market failure. They focus on supporting responsible businesses that benefit Wales. They currently provide support for SME housebuilders in the market housing sector on behalf of Welsh Government. We welcome the contribution the market housing sector provides to meeting overall housing need and delivery of social housing through S106 gains. Without the investment in the market housing sector through DBW, we would not see the level of social housing gains.

DBW housing funds are currently targeted towards support for the market sector. There are restrictions on DBW's ability to directly fund social housing in Wales. This relates to them being part of the same borrowing calculations that Welsh Government is subject to. However, exploratory work is currently being undertaken on whether it would be possible for DBW to deliver the current RSL loan funding scheme. This would mean DBW will have a greater role in managing both existing and potential future Registered Social Housing Development Loans that Welsh Government provides from FTC funds. This activity will provide DBW with a greater awareness of the social landlord sector enabling them to identify other areas where they could provide additional support.



**Financial Implications:** Any financial implications will be considered as part of the exploratory work.

## Recommendation 8

The Committee recommends that the Welsh Government provides social landlords with greater multi-year funding certainty. This should include greater certainty over rent policy, the TACP, and how decarbonisation of existing stock will be funded.

**Response:** Accept in principle

The Social Housing Grant programme already has a longer term timeframe, providing support over four years and the main programme supported by both a reserve and indicative programme. The 2025-26 draft budget, published on 10 December, demonstrates our continued commitment to tackling the housing crisis and provides an additional £81m capital across SHG and TACP along with an additional £26m of financial transactions capital. The early notification of TACP funding for 2025/26 is recognised as important providing an early steer to support planning and delivery within the sector.

In line with the response to Audit Wales report, we will explore alternative approaches to funding that might provide longer-term certainty for all affordable housing funds alongside consideration of how to streamline grants.

The Welsh Government's Rent and Service Charge Standard 2020-2025 sets out a very clear framework and the parameters within which social rent uplifts are to be implemented. It makes clear that affordability is paramount. The economic volatility witnessed in recent years – brought about by exceptional external factors - resulted in Welsh Ministers intervening to cap the social rent uplift in three of the five years of the social rent policy. This intervention was in accordance with the social rent policy and was informed by input from social landlords and other representative organisations, leading to difficult decisions which sought to balance the needs of tenants and social landlords.

A review of the current social rent policy is underway. This entails a significant programme of work which is being undertaken in close collaboration with stakeholders from the wider social housing sector. A fundamental part of the work seeks to explore with our stakeholders any opportunities available to increase stability or certainty with social rent policy; and what, if any, mitigating measures exist that could be put in place to provide confidence in the event of any further inflationary spikes in the future. We intend to consult on our proposals for a future social rent policy for Wales next summer.

Updates will be provided to Committee on the outcome of discussions around funding and the consultation on a future social rent policy in due course.

We are continuing to invest in the decarbonisation of existing housing stock. During 2024-25 we are investing £92 million to assist social landlords with improving the quality of their social homes.

As part of the Welsh Housing Quality Standard 2023, social landlords are required to undertake whole stock assessments and develop target energy pathways for each of their homes. This will help build a clear picture of the work required across portfolios to meet the standard in the long term.

**Financial Implications:** None

## Recommendation 9

The Committee recommends that the Welsh Government work with TPAS Cymru and tenants' associations to develop a separate standard for acquisitions of permanent social homes. This work should be completed within six months.

**Response:** Reject

As a government, we feel it is important to use public sector funding to invest in good quality homes at the outset, reducing the overall investment in the longer term. That is why our Welsh Development Quality Standard for new build homes rightly sets high standards on space, energy efficiency and placemaking. Compromising these standards is not an option.

We are also clear that we must invest in ensuring that our existing stock is maintained and improved so that all social tenants enjoy high quality homes that are affordable to heat. Our Welsh Housing Quality Standard sets out our ambitions for existing housing stock.

We would not wish to create a situation where quality expectations were lower for some homes. However, acquisitions play a vital role in delivering much needed affordable homes more quickly than new builds and we have allowed some flexibility in when a home is required to meet WHQS.

Standards have been carefully reviewed and pragmatism is also applied in relation to TACP funded projects. We agree with continuing to review our standards to ensure they provide the pragmatism needed and we commit to working with stakeholders, including TPAS Cymru and tenants' associations, on this. However, we do not agree that a specific standard for acquisition of permanent social homes is in line with Government commitments around the decarbonisation of homes and to maintaining and improving the quality of all our housing stock.

**Financial Implications:** None

## Recommendation 10

The Committee recommends that the Cabinet Secretary for Housing and Local Government works collaboratively with the Minister for Culture, Skills and Social Partnership to develop a strategy for attracting more people into the construction industry. This strategy must have the necessary funding and measurable targets, and should be shared with the Committee by May 2025.

**Response:** Reject

The construction and built environment sector is a key part of the Welsh economy and central to Welsh Government's ambitions for promoting green, net-zero skills.

Significant actions are already being taken. These include measures to raise awareness of careers in construction and enhancing work-related learning opportunities. There is now a suite of construction and built environment vocational qualifications with further

bespoke trade pathways under development and ongoing engagement with employers, trade bodies, training providers and learners and degree apprenticeships in construction-related fields have also been available since the start of the current academic year.

Recruitment into the construction industry relies not only on maintaining a strong skills pipeline but also on ensuring the sector is an appealing career choice, including to women, ethnic minorities, disabled people and others who are under-represented in the construction workforce. The construction industry itself has a vital role to play in both recruitment and skills training with the Construction Industry Training Board (CITB) providing key support. We have a long-standing partnership with industry and stakeholders to strengthen these areas and remain committed to evolving our approach to meet future needs, including working with the industry and trade unions to promote fair, safe and secure working conditions.

We also provide substantial support for individuals at all stages of their career journey. This includes Careers Wales services for school pupils and young people, which highlight training and career opportunities in construction and sustainable development for school pupils and young people, together with Working Wales this provides an all-age national careers service. For those over 19 years old and already in employment but looking to upskill or re-skill we have introduced bespoke Green Personal Learning Accounts (PLAs) which provide fully funded courses in a range of construction skills, particularly those associated with retrofit and decarbonisation. The Flexible Skills Programme also supports employer-driven upskilling and reskilling.

However, we will monitor these actions and review the current offer, working with the sector to consider whether they are sufficient to address the challenges in attracting people to the construction industry. I will therefore be seeking meetings with both the Minister for Culture, Skills and Social Partnership and the Minister for Further and Higher Education to consider the current policies and strategies and to explore how we can best work together to encourage more people to pursue careers in this vital sector.

**Financial Implications:** None

## Recommendation 11

The Committee recommends that the Welsh Government analyses what is causing delays and barriers in the statutory consultee process. The Welsh Government should share its findings with us and the steps it intends to take to address these issues.

**Response:** Accept in principle

Section 38 of the Planning and Compulsory Purchase Act 2004 states that “If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise”. Representations from statutory consultees can constitute a material consideration.

Statutory consultees are defined in Schedule 4 of the Town and Country Planning (Development Management Procedure) (Wales) Order 2012. Statutory consultees are identified in legislation because they are expert in a specific field which is deemed relevant to certain development types, and where access to such knowledge or expertise

for LPAs is likely to be otherwise limited or constrained. In the main, the level of resourcing and prioritisation given to responding to consultation on a planning application is a matter for the relevant consultee.

Article 15A of the 2012 Order requires statutory consultees to consultation by respond to Local Planning Authorities (LPAs) within 21 days, or within 30 days for applications which are subject to an Environmental Impact Assessment. Article 15B of the 2012 Order requires statutory consultees to report annually on their performance on this target.

We are currently consulting on proposals to increase the resources available to LPAs in order to ensure they are able to operate a resilient and effective planning service in the future. Any increase in planning fees to raise these resources must also be matched in service improvement. We are therefore also consulting on reinvigorating the planning performance framework, which sets out indicators and targets for performance for all key stakeholders in the planning process, including statutory consultees. Reintroduction of the framework will ensure focus is given to effective use of resources by LPAs and statutory consultees and assist in identifying opportunities for specific procedural improvements.

**Financial Implications:** None

## Recommendation 12

The Committee recommends that the Welsh Government should explore how it can capture more land value for the public benefit. As part of this, the Welsh Government should redouble efforts to seek devolution of powers to introduce a Vacant Land Tax.

**Response:** Accept in principle

We remain committed to the principle of land value capture and exploring how we can improve those instruments currently utilised such as infrastructure levies, developer obligations and strategic land management, whilst exploring new and innovative methods of land value capture for public benefit.

In terms of taxation, the Welsh Government began the process for devolution of powers for a vacant land tax in 2018. The securing of further powers on devolved taxes in Wales is one of a number of areas of Welsh fiscal arrangements which the Cabinet Secretary for Finance and Welsh Language has discussed with HM Treasury Ministers since September. Welsh Government officials continue to engage with HM Treasury officials to deliver further progress on the devolution of powers to introduce a vacant land tax.

We continue to explore the potential for a land value tax, building on the findings in Bangor University's detailed technical assessment last Senedd term. We will be drawing on a wide range of expertise to develop a clear understanding of what such a significant change would look like for Wales and how it could work in practice.

We will ensure any decisions we take this term also keep open the potential for further reforms in the future. These include looking at alternative approaches and defining the devolved context for the local taxes more clearly. Changes to the local government finance system affect household and business finances in a very direct way. We must, therefore, be able to assess the full impact of any proposals before making further changes.

**Financial Implications:** None

## Recommendation 13

The Committee recommends that the Welsh Government explores how it can ensure that section 106 policy compliance is fully reflected in land values. This should include publishing national viability guidance as a Technical Advice Note; ensuring that viability assessments are published; and providing centralised expert advice to local planning authorities.

**Response:** Accept

Planning Policy Wales (PPW) is clear about the requirements of land owners and developers in terms of viability and deliverability of housing sites. PPW already provides comprehensive policy for the requirements of land owners and developers at the various stages of development plan preparation.

As part of demonstrating the deliverability of housing sites, financial viability must be assessed prior to inclusion as allocations in a development plan. PPW is clear in that the ability to deliver housing requirements must be demonstrated through a housing trajectory. The trajectory should be prepared as part of the development plan process and form part of the plan. The trajectory will illustrate the expected rate of housing delivery for both market and affordable housing for the plan period. To be 'deliverable', sites must be free, or readily freed, from planning, physical and ownership constraints and be economically viable at the point in the trajectory when they are due to come forward for development.

Planning authorities must use their housing trajectory as the basis for monitoring the delivery of their housing requirement. Accurate information on housing delivery assessed against the trajectory is necessary to form part of the evidence base for development plan Annual Monitoring Reports (AMRs) and for subsequent plan review. Under delivery against the trajectory can itself be a reason to review a development plan.

For sites which are key to the delivery of the plan's strategy a site specific viability appraisal must be undertaken through the consideration of more detailed costs, constraints and specific requirements. Planning authorities must consider how they will define a 'key site' at an early stage in the plan-making process. Planning authorities must also consider whether specific interventions from the public and/or private sector, such as regeneration strategies or funding, will be required to help deliver the housing supply.

The Development Plans Manual, a reference document for practitioners involved in the development plan process, already provides guidance on Viability Testing for a Development Plan, Viability Modelling Considerations and site specific viability appraisals. Corporate Joint Committees (CJCs) provide the opportunity to address the issue of skills at a strategic level by developing regional skills, resources and expertise. We look forward to receiving the work POSW are currently undertaking and will consider whether further guidance would be helpful at that time.

**Financial Implications:** None

## Recommendation 14

The Committee recommends that the Welsh Government work with local authorities on unlocking the potential of smaller sites within existing communities. This should include encouraging local planning authorities to package small sites together locally or regionally and reviewing the standard viability model for Social Housing Grant to assist viability for small sites.

### **Response:** Accept

Over a number of years, Welsh Government have sought to increase the use of small sites, as very often they are previously developed land and they assist in broadening housing delivery options, especially by SME builders. PPW is clear in that planning authorities should set a locally determined target for the delivery of housing on small sites.

To facilitate this, planning authorities should maintain a register of suitable sites which fall below the threshold for allocation in their development plan. Planning authorities should also work with developers to encourage the sub-division of large sites where this could help to speed up the delivery of homes.

In terms of the custom and self-build sector of housing delivery, planning authorities should understand the contribution that all sectors of the housing market and house-builders could make to meeting their housing requirement.

Welsh Government understands that smaller sites are more likely to be adversely impacted by development constraints which may be easier to accommodate and be more readily absorbed into viability cost models on larger developments. We produce Acceptable Cost Guidelines (ACG's) containing cost metrics for use within the Capital Funding Application process for Social Housing Grant.

ACG's are regularly reviewed to reflect market trends and in the case of smaller schemes, reflect some of the relatively higher development costs. ACG's have a greater allocation for schemes of "less than twenty-one" dwellings which was amended at the last ACG review from "less than eleven" dwellings based on feedback from the sector.

ACG's are scheduled to have an external review next financial year at which time we shall be able to consider whether any additional ACG adjustments are needed to help release smaller sites.

Registered Social Landlords (RSL's), have in the past seen the benefit of grouping smaller schemes into larger development packages. Grouping schemes in this way has potential advantages, but not all seriously constrained schemes are deliverable. RSL's should be working with the sector to create viable packages of small (difficult to develop) sites or by twinning small with larger sites in favour of making decisions on site-by-site basis.

Place Division is also working with Local Authorities across Wales and is developing its land acquisition strategy to invest and proactively purchase land in order to unlock sites that would otherwise be challenging for, or overlooked by, the market including smaller sites in communities.

### **Financial Implications:** None

## Recommendation 15

The Committee recommends that the Welsh Government works across the public sector to ensure greater transparency in public land ownership, and bringing information and expertise into a central place that is easily accessible to all.

**Response:** Accept in principle

Ystadau Cymru (YC) is a partnership between public and third sector organisations established by the Welsh Government to enable, support and encourage excellence in public sector collaborative asset management. The aims of YC are to explore the medium and long-term options for delivering public value from building and land assets held by the wider Welsh public sector, whilst influencing and supporting effective collaborative asset management across the Welsh public sector.

YC has published guidance on estate co-ordination and strongly recommends that public bodies offer surplus assets to other public bodies before formal marketing. While not pertinent to organisations outside the immediate public sector umbrella it is already a useful reference in sharing information on available land.

HM Land Registry (HMLR) have been working hard to achieve high levels of registration particularly for public sector land. Whilst recognising HMLR charge a fee for searches, it is modest in comparison to the total costs of development. We would want to ensure that any cost of creating an alternative to the HMLR portal can be justified and currently the value for money evidence is unclear.

The Welsh Government has been growing the data levels available in Data Map Wales (DMW). Many public sector organisations have access to versions of DMW. However, some information contained in the platform is not in the public domain or could be subject to licencing restriction. It may be an option to assess how it could be more widely accessed, subject to budget being made available for further development.

**Financial Implications:** None

## Recommendation 16

The Committee recommends that the Welsh Government looks again at the proposal to establish a revolving loan fund for community-led housing.

**Response:** Accept

Social housing must be the main priority for housing provision in Wales. However, co-operative and community-led housing has a part to play in the housing solution in Wales. This is signalled by the Programme for Government commitment to support cooperative housing, community-led initiatives, and community land trusts (CLTs).

Welsh Government is committed to supporting co-operative housing, community-led initiatives and community land trusts. £180,000 a year between 2022-23 and 2024-25 is being provided to Cwmpas from Welsh Government to support local communities who are interested in community-led housing. Work has already begun on a future programme of support.

Cwmpas previously submitted a request for a revolving loan fund which, at the time, did not provide a viable solution to funding Community-led Housing in Wales. Since then, the Land and Buildings Development Fund was made available to community led housing groups specifically to support proof of concept ideas. However, it is recognised that this is not a long-term funding solution for Community-led Housing in Wales.

Officials will therefore be exploring how best to provide a long-term funding solution for Community-led Housing in Wales. This will include revisiting the previous revolving loan fund application with Cwmpas, who have committed to revising the request to take account of the different economic climate post Covid-19.

**Financial Implications:** Financial implications will be considered as part of the longer-term funding solution for Community-led Housing.

## Recommendation 17

The Committee recommends that the Welsh Government considers funding Community Housing Enablers across all local authorities.

**Response:** Accept

Rural Housing Enablers (RHEs) play an important role in supporting rural housing, working with communities to identify local housing need and Welsh Government remains committed to supporting them. We have provided £424,000 for Rural Housing Enablers (RHEs) across Wales over a three year period with 2024-25 being the final year of that funding. Work has already begun to consider funding for RHEs post 2024-25 informed by a review of the current RHE. This will explore whether the role should be expanded to a wider affordable housing role, the footprint of the scheme and learn lessons from other examples including the Community Housing Enabler role in the Second Homes and Affordability Pilot and RHEs across the UK.

Therefore, we will undertake a review into the future of RHE in Wales and work with them to determine the basis of their future. We will report to Committee on the outcome and recommendations of our review.

**Financial Implications:** Financial implications will be considered as part of the review into RHEs.