# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE** | **Affordability at the centre of social rent policy** |
| **DATE** | **16 May 2024** |
| **BY** | **Julie James, Cabinet Secretary for Housing, Local Government and Planning** |

Social landlords are at the forefront of meeting the housing and support needs of some of the most vulnerable members of our communities. Over the last few years, they have stepped-up to help social tenants and support them through the Covid pandemic and subsequent cost-of living crisis. Today, I am announcing my decision to extend the Welsh Government’s Rent and Service Charge Standard to the end of March 2026. This means subject to September’s consumer price inflation (CPI) figure falling between 0% and 3%, social landlords in Wales will be able to determine their own rent increases for their tenants for 2025-26, in accordance with the formula and guidance set out in the rent standard.

Extending the rent standard by a further year provides social landlords with early notification of the parameters within which any rent increase for their tenants must be implemented. It also provides tenants with the reassurance that efforts to support those experiencing severe financial hardship and not evicting tenants into homelessness where they engage with their landlords, will continue going forward.

These commitments form part of a package of jointly agreed initiatives committed to as part of wider rent settlement agreements and includes the fundamental objective of developing a consistent approach to assessing affordability across the social housing sector in Wales. Affordability has always been at the heart of our social rent policy. Therefore, I am also pleased to announce we have kick-started a significant programme of work to properly embed affordability into our future social rent policy.

Working in close collaboration with the wider social housing sector we have commenced our work programme to review all aspects of the rent standard and develop a future social rent policy which is fit for purpose; aligns with our legislative frameworks; and works to deliver our vision for housing in Wales. A steering group comprising sector representatives has been established to oversee the delivery of our work programme.

The social rent policy programme comprises a substantial body of work requiring meaningful input from the wider social housing sector. By extending the rent standard I have provided early notification of the parameters for next year’s rent settlement, to enable all our partners working across the wider sector to be involved in and collaborate on developing future social rent policy for Wales. I am confident together we can deliver in this fundamental and far-reaching area of housing policy.