# WRITTEN STATEMENT

# BY

# THE WELSH GOVERNMENT

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| **TITLE**  | **Social rent uplift 2025-2026** |
| **DATE**  | **16 October 2024** |
| **BY** | **Jayne Bryant MS, Cabinet Secretary Housing & Local Government** |

Today, the Office for National Statistics (ONS) has published the Consumer Price Index (CPI) measure for inflation for September, at 1.7%. The [Welsh Government’s Rent and Service Charge Standard](https://www.gov.wales/rent-and-service-charge-standard-2020-2025) uses this measure to cap the annual social rent uplift for the following rent year at CPI+1%, so long as CPI in September remains below 3%. The rent cap of CPI+1% places affordability at the heart of social rent policy. It sets the maximum rent increase allowable in any one year but does not serve as an automatic uplift.

The volatility of the last couple of years, as inflation peaked at 11.1% in October 2022 and remained persistently high coupled with energy price hikes, has caused significant cost-of-living challenges for tenants and for the social housing sector. We intervened during this period to set maximum social rent caps to balance affordability with landlords’ abilities to continue to deliver essential services to tenants. Many social landlords continue to supplement their existing services with additional financial support and advice for tenants. These initiatives build on the fundamental expertise social landlords in Wales have developed in recent years to undertake affordability assessments, which are used to inform their local rent setting policies.

We are continuing to progress work to develop a clear, more robust social rent policy for the future. Our work takes this focus on affordability as its starting point. It recognises the priority social landlords place on ensuring affordability for their tenants, and the value of the flexibility provided to social landlords under the current rent standard. To ensure our future social rent policy reflects the Welsh housing context, needs and ambitions, we are working in close collaboration with social landlords and other partners to ensure their input informs our policy development. This approach is vital to ensure we balance existing and future needs of both social landlords and their current and future tenants.

It is important we work together to learn from and build upon existing good practice; to improve where we can; and to strengthen and further embed affordability in the development of our future social rent policy.

A formal consultation exercise on our future social rent policy is planned for summer 2025.