



## **Future priorities for the Economy, Trade and Rural Affairs Committee**

September 2021

### **Introduction**

Community Housing Cymru is the membership body for more than 70 not-for-profit housing associations and community mutuels and is the leading voice for the social housing sector in Wales. We welcome the opportunity to respond to the Committee's consultation on the priority issues to consider when planning its future work programme.

### **A fair, green economic recovery**

The Programme for Government commits to “build a stronger, greener economy as we make maximum progress towards decarbonisation” and “build an economy based on the principles of fair work, sustainability and the industries and services of the future”.

We believe the Economy, Trade and Rural Affairs Committee can play an important role in scrutinising progress towards a fair, green economic recovery, and ensuring that the tools and funding designed by the Welsh Government are fit for purpose.

The priority areas we outline below are cross-cutting. The Economy, Trade and Rural Affairs Committee may wish to consider opportunities to joint scrutiny with the Climate change, Environment and Infrastructure Committee and the Local Government and Housing Committee to whom we have submitted similar suggestions.

### **Challenges and opportunities**

Wales has some of the oldest and least thermally efficient housing stock in the UK and Europe, with 32% of the Welsh housing stock built before 1919.<sup>1</sup> Despite big improvements, 155,000 households still face fuel poverty in Wales and is most prevalent in areas of low incomes and general economic depression.<sup>2</sup>

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<sup>1</sup> [Independent Review on Decarbonising Welsh Homes](#)

<sup>2</sup> [Tackling fuel poverty 2020 - 2035](#)



Good housing can stimulate and extend economic activity locally. We warmly welcome the Programme for Government commitment to building 20,000 new low carbon social homes for rent over the next Senedd term. Building 20,000 social homes will create over 7,000 jobs and 3,000 training opportunities across Wales and produce almost £2bn of economic output, saving 100,000 tons of carbon in the process.<sup>3</sup> Housing associations invest 85p in every pound locally but there is an opportunity to do even more. Through innovative housing models including modern methods of construction (MMC), there is an opportunity to maximise Welsh supply chain opportunities - particularly through the use of Welsh timber. This has become increasingly important given the current increased costs across supply chains.

In addition to new homes, major investment in the decarbonisation of existing homes would hugely benefit the foundational economy creating good quality jobs in communities across Wales. The opportunity is significant. Refurbishing half of housing association homes in Wales, over the next term of government, would support over 12,000 jobs, 3,000 training opportunities and create £2.5bn in economic output. These benefits would be felt in communities right across Wales.

### **Issues for exploration**

The Welsh Government plays an important role in designing an operating environment in which Housing Associations, and other economic actors, can act with pace and certainty to realise their full contribution to a fair, green economic recovery. Key levers for the Committee to consider will include:

- Funding: is the quantum and focus of funding sufficient to achieve the stated ambitions? Is it sufficiently long-term to create a stable operating environment that maximises the impact of available resources?
- Skills: what is the pipeline for skills planning and development that would make the wider benefits of decarbonising homes a reality?
- Planning: Is the planning system sufficiently resourced and recognised as an essential lever in delivering a fair, green economic recovery?
- Land: is land being made available at the scale and pace required, and is it delivering maximum social value?
- Foundational Economy: Do policies maximise social, environmental and economic gains and link with the foundational economy?

### **For more information, please contact:**

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<sup>3</sup> [Socio-Economic Impact of the Housing Association and Community Mutual Sector 2017/18, Beaufort Research](#)