





UK Housing Review: context & future

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GARDEN COURT CHAMBERS



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CONTEXT

2026 UK Housing Review (Stephens, Perry, Williams & Young CIH & University of Glasgow 2026 at [UK Housing Review - the housing sector's annual analysis](#))

- Supply of dwellings:
 - England:
 - Government's target of 1.5 million new homes within 5 years;
 - 300,000 per annum arguably insufficient;
 - July 2024 – January 2026 309,600 in 18 months;
 - Thought to be potential shortfall of up to 25%
 - Scotland:
 - Overall supply in Scotland exceeds projected household formation;
 - Wales:
 - supply in Wales falls well below newly estimated requirements
 - NI:
 - supply in NI at or above projected levels of need.



Context: UK Housing Review

- Condition: progress largely incremental
 - Prevalence of disrepair, mould, damp and condensation unchanged from 2025;
 - England 15% homes fail Decent Homes Standard: 20% in PRS;
 - Slightly better yet still incremental progress in improving energy efficiency of existing homes;
 - Building safety remediation required on 280,000 dwellings, mainly in England.
 - “flickers of possibility are studded in a wider landscape of delay and uncertainty”
- Affordability :
 - England:
 - Private renters on median household income spent 36.3% of income on average-priced rental home;
 - Remained over 30% since 2016;
 - Wales:
 - 25.9% of income;
 - NI:
 - 25.3% of income.



Context: UK Housing Review

- Affordability:
 - in PRS:
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 - Private renters on median household income spent 36.3% of income on average-priced rental home;
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 - Wales:
 - 25.9% of income;
 - NI:
 - 25.3% of income.
 - In private ownership:
 - not improved
 - UK mortgage market shrinking reflecting lower levels of homeownership;



Context: UK Housing Review

What is being done about affordability?

- England Affordable Homes Programme:
 - 2021 – 2026 £800 million new funding, expected to produce 7,800 more homes;
 - 10 year Social and Affordable Homes Programme began April 2026;
 - England underinvests in affordable housing compared with other three & directs high proportion of government support towards private market.
- Scotland committed to deliver 110,000 affordable homes by 2032, at least 70% for social rent, but:
 - Unlikely to meet target; and
 - Target thought to be insufficient.
- Wales Programme for Government 2021 – 2026:
 - 20,000 new low carbon homes for rent within five years;
 - March 2025 short by 6,600 homes but may reach target;
- NI 15 year goal to deliver at least 100,000 or more, one third social homes ie 2,200 per annum additions to social housing stock: only likely to see 1,750 homes started 2025/26.



Context: UK Housing Review

- Homelessness (Lynne McMordie & Gillian Young):
 - England:
 - Exceptional increases in main housing duty acceptances 2023 – 24 and 2024 – 2025 (12% or 76,910 acceptances);
 - October – December 2025 16,290 main housing duty acceptances in that quarter;
 - record levels of temporary accommodation:
 - 31 December 2025 134,210 households including 85,800 households with children;
 - Rough sleeping snapshot 4,793 one autumn night 2025, record high & fourth annual increase in a row;
 - Scotland:
 - Growth in use of temporary accommodation slowed;
 - Rough sleeping (among those accepted as homeless) highest level since 2010/11;
 - Wales:
 - Increases in main duty acceptances 11%;
 - Slight fall in temporary accommodation.



Context: UK Housing Review

- Benefits:
 - 2 child cap removed April 2026
 - Benefit cap not removed:
 - 160,000 children in families with 3 or more children will not benefit from lifting of 2 child cap;
 - LHA freeze: average shortfall between rents & benefits around £100 pm;
 - Last reset April 2024 to 30th percentile.



UK Housing Review: the Future

- Growth For Profit Registered Providers of social housing (FPRPs) in England:
 - Provided for in Housing and Regeneration Act 2008 & regulated by RSH:
 - 1.6% (46,555) of social stock in England;
 - 58% low cost homeownership
 - 42% rent (social and/or affordable);
 - 80 registered, often through groups/parent companies;
 - Financed through equity rather than debt ie returns for investors;
 - But also grant funded under Affordable Homes Programme, and now Social and Affordable Homes Programme;
 - Can transfer stock to private ownership ie not regulated without consent of RSH/Homes England (would no longer be providing social housing);
- Being considered by Scottish Government Housing Investment Taskforce.



UK Housing Review: the Future

- New Towns (England):
 - New Town Taskforce July 2025 recommended 12 potential sites, 3 locations for early start (Brabazon & West Innovation Arc, Milton Keynes, Tempsford);
 - Minimum 10,000 homes per site but hoping for substantially more to produce 250,000 – 300,000 in total;
 - 10 placemaking principles:
 - Vision-led;
 - Ambitious density allowing residents to walk to shops & amenities plus public transport, active & liveable neighbours;
 - Balanced communities: diverse range of high quality homes of different types & tenure, target of minimum 40% affordable homes;
 - Easy access to social infrastructure;
 - Health & safe places, green spaces etc;
 - Environmental sustainability;
 - Transport connectivity;
 - Business & employment opportunities;
 - Stewardship for managing communal assets;
 - Community engagement.



UK Housing Review: the Future

- Decent Homes Standard:
 - updated in England and NI in 2025;
 - Applicable to PRS (Renters' Rights Act 2025) to be implemented c.2036;
 - Welsh Housing Quality Standard implemented;
 - Building Safety (Wales) Act 2026
 - Scotland updates Housing Quality Standard:
 - Heat in Buildings Bill (paused for May 2026 elections).



The Future

- England:
 - *A National Plan to End Homelessness* (MHCLG, December 2025):
 - £3.5 billion funding over 3 years;
 - Halve rough sleeping by 2029;
 - End unlawful use of B&B for families;
 - Strengthen homelessness prevention;
 - New Duty to collaborate in legislation.
 - Renters' Rights Act 2026 may reduce homelessness approaches;
 - *Our Children, Our future: Tackling child poverty* (UK wide, Cabinet Office, December 2025)



The Future

- Wales:
 - Homelessness and Social Housing Allocation (Wales) Act 2026:
 - 6 month prevention period;
 - abolishes priority need & intentional homelessness 2030 – 31;
 - Plaid Cymru manifesto:
 - A right to adequate housing to be enshrined in legislation, meaning:
 - Housing First, trauma informed & person centred approach to tackling homelessness, with early intervention;
 - Reviewing effectiveness of existing measures on second homes & holiday lets;
 - Speeding up remediation work;
 - Improving housing adaptations & home improvements;
 - Deliver at least 20,000 new social homes by 2030.



The Future

- Wales cont'd..
 - End no fault evictions (s.173 Renting Homes (Wales) Act 2016);
 - Limit annual rent increases to lower of wage growth or CPI;
 - Private renters right to request pet;
 - Improve condition & enforcement in PRS.



The Future

- Scotland:
 - Plans to legislate for housing to be a human right not delivered;
 - Housing (Scotland) Act 2025:
 - ask and act duties on public bodies, homelessness prevention;
 - SNP manifesto 2026:
 - Everyone in Scotland should have access to a safe, high quality home;
 - 110,000 affordable homes by 2032, 70% for social rent;
 - More Homes Scotland agency to deliver new homes;
 - First Homes Fund for first time buyers;
 - Private tenants' right to first refusal
 - Homelessness Prevention Fund to “end homelessness for good”
 - Heat in Buildings Bill for clean heating



King's Speech 2026

England and Wales:

- Commonhold and Leasehold Reform Bill (England & Wales):
 - New legal framework for commonhold;
 - Ban leasehold for new flats (commonhold instead);
 - Cap ground rents £250 per year.
- Remediation Bill (England and Wales but mainly England):
 - Construction product manufacturers to pay (if claimed by developers, contractors etc);
 - Strengthen regulatory regime;
 - New legal duty to remediate;
 - Backstop permitting Homes England or others to carry out remediation with sanctions & cost recovery.



King's Speech 2026

England

- Social Housing Bill (England):
 - First reading HL 14 May 2026, Second Reading 2 June 2026;
 - RTB reform:
 - Minimum tenancy period increased from 3 to 10 years;
 - Discounts to start at 5% and maximum 15% of property value;
 - Exempt new build social & affordable homes for 35 years;
 - Increasing repayment of discount period from 5 to 10 years;
 - Prevent tenants who have previously bought from exercising RTB (exceptions domestic abuse & irretrievable relationship breakdown);
 - Requirement on PRPs to notify local authorities in advance of selling social homes outside of social housing sector – allow LHAs to consider whether to purchase;
 - Cont'd....



King's Speech 2026

Social Housing Bill (cont'd):

- Domestic abuse:
 - New mandatory ground for possession at s.84B Housing Act 1985 where conviction or breach of non-molestation order for DAPO;
 - NTQ served by joint tenant (alleged to have carried out DA) has no effect if notice of intention to seek possession on the grounds of DA has been served, or proceedings commenced;
 - New s.85B HA 1985, Court must transfer tenancy from joint to sole tenancy if possession proceedings under Grounds 2A or s.84B (DA) unless inappropriate for resident partner to continue to occupy and s/he has suitable alternative accommodation – in which case order for possession;
 - Similar amendments to HA 1988.
- Matthew Pennycook (Minister) announced review into allocation & use of social housing to reduce empty homes, support better use of existing stock & ensure homes go to those most in need.



Thank you

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