SHELTER

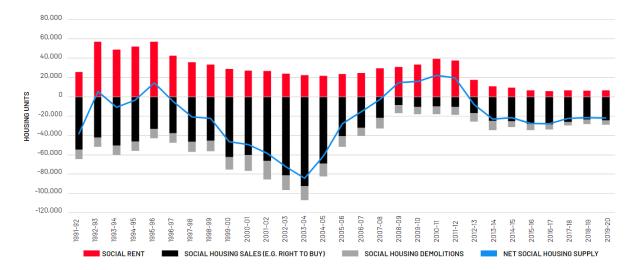
Briefing: The social housing deficit

We are in the midst of a housing emergency, a crisis that has been driven by decades of underinvestment in social housing.

Last year alone, we built just 6,644 social homes across the whole of England, but in the same period we lost 28,796 social homes to sales and demolitions. At the same time, over one million households are on social housing waiting lists across the country – and many more families struggle to get by in an increasingly expensive private rented sector.

In order to reverse this trend and fix the housing emergency, the government must:

- 1. Increase investment in social housing, in order to build at least 90,000 social homes a year.
- 2. Make social housing the priority tenure within the Affordable Homes Programme.
- 3. Ensure planning reforms maximise the delivery of social homes from new developments.



Social housing disappearing

- For decades, social housing has been in decline and has been disappearing at an alarming rate across the country.
- In the last 20 years, we have suffered a net loss of nearly half a million social homes.
- Every year, we lose more social homes than we built. In the last year alone, there was a net loss of 22,152 social homes across England.
- Our <u>analysis of the social housing deficit</u> goes into more detail.



The housing emergency in a snapshot

The disappearance of social housing has accelerated the housing emergency. There are 1.4 million fewer households living in social housing than there were in 1980. In the same period, **the private rented sector has more than doubled** as millions of families have been pushed into the expensive private rented sector.

Private rented homes are typically much more expensive than the equivalent social rented home. **To cope with expensive housing costs, many private renters have no choice but to live in overcrowded properties** – and rates of overcrowding are at their highest level since records began. In London, where housing costs are most expensive, overcrowding in the private rented sector is three times higher than the national rate.

The numbers of homeless people living in **insecure temporary accommodation** has <u>doubled in the last decade</u>. In 2020, over a quarter of a million people – half of them children – were stuck living in temporary accommodation.

At the same time, home ownership has become increasingly out of reach. In 2000, the average cost of a home was four times the average salary. In 2021, it is now eight times the average salary. For millions in the private rented sector, the high cost of renting makes it difficult to save for a deposit – and **61% of renters have no savings whatsoever.**

Build more social housing

We will never fix the housing emergency until we build more social homes: homes that are good quality, secure, and affordable to people on low incomes. The government must reverse the net loss we face by substantially increasing investment in social housing.

Currently, the government spends the vast majority of Affordable Homes Programme funding on homes that cannot reasonably be described as affordable. For example, <u>Shelter analysis</u> found that just 29% of private renters earn enough to access a First Home – the government's preferred so-called "affordable" housing tenure.

With central funding for social housing so low, the planning system has taken the leading role in delivering social homes in recent years. <u>Section 106</u> (negotiations between developers and councils) now accounts for the majority of all new social homes that are built in England. It is therefore vital that any reforms to the planning system do not negatively impact the delivery of social housing, and instead maximise the number of social homes that are delivered from every development.

Only social rents are linked to local incomes. The government must make homes for social rent the priority tenure within the Affordable Homes Programme, in order to address the root cause of the housing emergency and build good quality homes that people on low incomes can afford across the country. **The government can fix the social housing deficit by significantly increasing investment in social housing and building at least 90,000 social homes a year**.

