



Adroddiad Aseiad Marchnad Tai  
Lleol Gwynedd Local Housing  
Market Report

Gwynedd Local Housing Market  
Report

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2013

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## **Key points from the LHMA**

This report is produced by Gwynedd's Strategic Housing Unit, Housing Services Department, Cyngor Gwynedd. It is based on guidance issued by WG for creating LMHA as well as incorporating the market areas as agreed in the previous version, 2010, of this report.

The purpose of this document is to provide information to interested parties on the housing need in Gwynedd. It should be seen as a starting point for discussions for including affordable housing on proposed schemes.

Gwynedd Council is committed in ensuring that affordable homes are provided in the County. The definition of affordable housing encompasses:

- Social housing
- Shared equity schemes
- Intermediate Rent
- Self-build plots
- Discount on open market value properties

This document should be one of the main references for potential partners wanting to develop on the County. Other information which can be made available on a more specific and local level, which are:

- Information on number of registered applicants from our Common Allocations Register
- Information on the number of registered applicants on Tai Teg
- Information collated by the Rural Housing Enabler

The LHMA is a resource in the development of policies within the Joint Local Development Plan for Anglesey and Gwynedd and is a statistical exercise which gives a snapshot of need which forms a basis for a 5 year projection.

Current available data at the time of writing the report has been compiled within this report and where relevant the 2011 Census data has been included.

## **1. Introduction**

The purpose of this report is to provide information on the nature and level of housing demand and need within the local housing market. The report is an update on the North Wales Local Housing Market Assessment report (NWLHMA) which was carried out during 2008-10.

It aims to bring together information collated within other Strategic documents commissioned by the Strategic Housing Unit combined with the guidance issued by Welsh Government in 2006 and 2012 to give an overview of housing matters in Gwynedd. Key themes from the 2006 document has been used to provide an overview of the housing market in Gwynedd, whilst the guidance 'Getting Started With Your Local Housing Market Assessment ' has been followed to provide information on Section 7 Assessing Housing Need. The report has been written in consultation / partnership with Ynys Mon and Conwy Council as well as Prifysgol Glyndwr.

Information contained within the report provides an evidence base for the Local Authority in its development of housing and planning policy. The Joint Local Development Plan (JLDP) is the main document and this Local Housing Market Assessment is integral to the JLDP's content and strategy development.

### **Aims and objectives**

Local housing assessments are a crucial part of the evidence base for preparing Development Plans and local housing strategies. It is important to emphasise that housing assessments are essentially a snapshot of the position at a particular time. The housing market in an area will always be in a state of flux.

It is important that Local Authorities have a good understanding of the housing market and therefore a crucial part of this is having a robust LHMA in place which will assist the Authority with their strategic planning for housing. There is a requirement to have in place a strategy which sets out the objectives for developing land within the Gwynedd and Mon Planning Authority and the policies which will be implemented during the 15 year period (2011 to 2026).

As stated in WG guidelines 2006 the aim is to 'enable local authorities to develop an understanding of the nature and level of housing demand and need in their local housing markets'.

As stated, this assessment provides a snapshot of the housing market at a particular point in time which is projected forward 5 years. This report follows the principles as set out in the guidance issued by WG (2006 and 2012) and where possible data has been included from various sources utilising the most current data available (based on 2014 information).

The guidelines suggest that housing need is broken down by ward, property size, property type, and tenure. This level of detail has not been possible within this version of the assessment, which will be elaborated upon later in this report.

## **Local Policy Framework**

### **Local Development Plans**

The LHMA informs local housing policy development including the Gwynedd and Ynys Mon JLDP, Eryri LDP and the Local Housing Strategy.

Gwynedd Council and the Isle of Anglesey County Council are currently preparing a JLDP for Anglesey and Gwynedd Local Planning Authority Area for the period 2011-26.

A JLDP is a land use development strategy for a period of 15 years which concentrates on sustainable development. In general, it will aim to achieve the following:

- Guide the development of housing, retail, employment and other uses;
- Include policies which will aid the Local Planning Authority's decision with regard to planning applications;
- Protect areas to ensure the maintenance and enrichment of the natural and built environment

It should be emphasised at the beginning of this report, that the JLDP will be principal planning document for the Gwynedd Local Planning Authority area (i.e. outside of the Snowdonia National Park). The JLDP is currently being prepared with the intention to adopt the Plan by early 2017.

As mentioned, Gwynedd and Anglesey are preparing a Joint LDP (JLDP) for both planning authority areas. The deposit draft version of the JLDP was published for a 6 week public consultation period in February 2015. The deposit draft JLDP makes a provision for a requirement for 7,184 housing units during the Plan period (between 2011 and 2026). This requirement will be met by identifying opportunities for around 7,902 housing units to enable a 10% slippage allowance ( to deal with unexpected circumstances). This figure is split 4,084 units in Gwynedd and 3,817 units in Anglesey.

It is noted that units completed since the base date of the JLDP(i.e. 2011) and units with planning permission as of April 2014 are included within the above figure. The JLDP has identified land (i.e. allocated land) for 3,109 dwellings over the Plan period (1,455 units in Gwynedd and 1,654 in Anglesey). It is noted however that 848 of these dwellings (475 in Gwynedd; 373 in Anglesey ) are located on sites where planning permission existed at April 2014.

The deposit draft JLDP notes that sufficient land is identified to provide a minimum target of 1,400 new affordable homes during the Plan period (53% to Gwynedd; 47% to Anglesey). Affordable housing to meet local need is expected on all allocated sites (minimum of 25% or 15% dependent on which House Price Area a site is located). The figures identified for the provision of affordable housing are based on Background Report on the Affordable Housing Viability Study.

The JLDP as a whole will be subject to an examination in public by an independent Inspector. Pending the outcome of the Inspector's Report (which is binding), the housing figures contained within the JLDP could be amended prior to the adoption of the Plan.

Cymraeg: [www.gwynedd.gov.uk/cdli](http://www.gwynedd.gov.uk/cdli)

Saesneg: [www.gwynedd.gov.uk/ldp](http://www.gwynedd.gov.uk/ldp)

### **Eryri Local Development Plan**

Eryri Local Development Plan (LDP) was adopted by Snowdonia National Park Authority on the 13th of July 2011. The Eryri LDP sets out the planning framework for development within the National Park area. Land has been allocated within the plan for up to 830 new dwellings over the plan period. Approximately 50% of these will be delivered as affordable intermediate or social rented housing for local people in need who cannot afford open market housing. This stock of dwellings will be retained in perpetuity to establish a range of dwellings for the social and economic benefit of the National Park at lower cost than open market housing.

### **Gwynedd Housing Partnership Strategy**

Gwynedd Housing Partnership Strategy 2012-2017 has identified key themes it wishes to progress within the County:

- Supply and Affordability
- Quality- efficiency and the environment
- Suitability

By working in Partnership the aim is to respond to these key themes and thus increasing the supply of affordable housing within the County.

The current Strategy identifies various initiatives which increase the supply of affordable housing in the County and reports on progress at the Gwynedd Housing Partnership meetings on a quarterly basis. Work streams are identified with specific workgroups tasked with progressing projects during specific timeframes. A copy of the Strategy can be found here:

<https://www.gwynedd.gov.uk/en/Council/Documents---Council/Strategies-and-policies/Housing/Gwynedd-Housing-Strategy-2013-17.pdf>

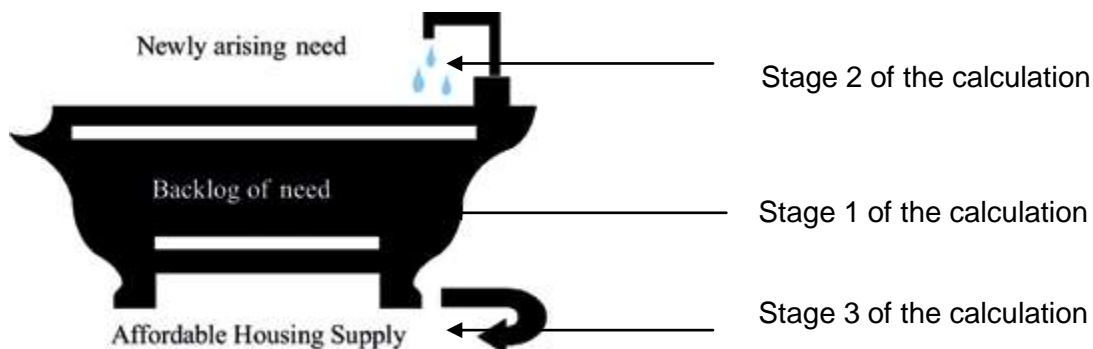
## 1. Gwynedd LHMA Draft Report

It is important that Local Authorities have a good understanding of the housing market and therefore a crucial part of this is having a robust Local Housing Market Assessment (LHMA) in place which will assist the Authority with their strategic planning for housing.

The previous LHMA was undertaken in 2010 by a consortium between the Isle of Anglesey County Council, Conwy County Borough Council, Denbighshire County Council, Gwynedd Council and Snowdonia National Park Authority where they worked in Partnership with Bangor University. The methodology used to calculate the housing need was the Local Housing Market Assessment Guide, Welsh Assembly Government, March 2006.

In March 2012 Welsh Government produced the document 'Getting Started with your Local Housing Market Assessment, a Step by Step Guide.' This guide outlines a quantitative approach to calculating housing need which can be used consistently across Local Authorities.

The methodology used in the guide is, "the bath analogy developed by Glen Bramley, to model and assess housing need. The model conceptualises "newly arising (housing) need as water from the taps, new [affordable] housing provision as water escaping through the plughole, and the backlog (of housing need) as the level of water in the bath".



The figures in this report should be seen as a statistical exercise that should, when being considered for practical purposes, be adjusted by the local context and knowledge of the relevant staff and partners

Gwynedd Council and the Isle of Anglesey County Council are currently preparing a Joint Local Development Plan (JLDP) for Anglesey and the Gwynedd Local Planning Authority Area.

A LDP is a land use development strategy for a period of 15 years which concentrates on sustainable development. It will aim to achieve the following:

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<sup>1</sup> Getting Started with your Local Housing Market Assessment, a Step by Step Guide, Welsh Government

- Guide the development of housing, retail, employment and other uses;
- Include policies which will aid the Local Planning Authority's decision with regard to planning applications;
- Protect areas to ensure the maintenance and enrichment of the natural and built environment

It should be emphasised at the beginning of this report, that the JLDP is the principal planning document for the County of Gwynedd not the LHMA.

It should be noted that the LHMA is a snapshot of the housing market from a moment in time which is projected forward 5 years. The housing need figure is used as a guide rather than a definitive figure.

Although the assessment intended to be carried out at ward level, unfortunately due to reasons which will be made clear during the report this has not been possible and therefore we have decided to carry out a Gwynedd assessment, where by the housing need figure is then apportioned against the population of each housing market area.

The housing need figure will be apportioned against the following market areas in Gwynedd:

- LHMA 03 - Menai (Gwynedd)
- LHMA 04 - Caernarfon
- LHMA 05 - Llŷn Peninsula
- LHMA 06 - Porthmadog
- LHMA 07 - South Coastal Gwynedd
- LHMA 08 - Machynlleth
- LHMA 09 - Bala



The assessment was split in to the following 3 parts, and the report will deal with each part individually.

1. Current Housing Need and Supply
2. Calculating New Housing Need
3. Bringing it all together

## **2. Current Housing Need and Supply**

The first part of the assessment concentrated on the following:

- Social housing register backlog
- Social housing register supply to include committed supply
- Low Cost Home Ownership (LCHO)/ Intermediate Housing register data backlog
- Low Cost Home Ownership (LCHO)/ Intermediate Housing register data supply

### **The social housing register backlog**

For this part of the assessment it was necessary to obtain access to the social housing register where the data was required to be broken down to the area of choice and the number of bedrooms that each individual required. Unfortunately due to the technical issues, mainly the structure of the housing IT system and the way in which information is recorded, extracting this précised data from the register was not possible. This is one of the reasons why this is a county assessment as it was only possible to obtain the number of bedrooms. However as all applicants where recorder on the register i.e. each member of each household, we had to work out the age of each applicant in order to identify how may bedrooms each household required. The following definition was also used when determining how many bedrooms each household required:

- Children under 16 of the same gender are expected to share
- Children under 10 expected to share, regardless of gender

As Gwynedd operates a common housing register all applications are held on a single database with partner RSL's. We also ensured that there were no transfers included on the register and this was also repeated when we gathered the lettings data from the RSL's further on in the calculation stage. For those applicants who had zero points these were also removed from the register. As stated above because of the way in which data is recorded on the Housing IT System and the SMD Level it was not possible to incorporate the area which applicants had chosen in to the calculation. This is disappointing and will be an area which will be looked to correct during the next update.

The following table outlines the data, which was extracted in 2013 for the current need for social housing, disaggregated by property size and has been divided by 5 to give a figure to be addressed for each year of the LHMA period.

**Number of Selections**

	<b>Bedrooms</b>					<b>Grand Total</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5+</b>	
Gwynedd	1,321	797	267	80	22	2,487

**Proportion of Selections**

	<b>Bedrooms</b>					<b>Grand Total</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	
Gwynedd	0.53116	0.32047	0.10736	0.03217	0.00885	1

Count of Applicant reference divided by 5

	<b>Bedrooms</b>					<b>Grand Total</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	
Gwynedd	264	159	53	16	4	497

**Social housing register supply to include committed supply**

Lettings data from 2010-2013 was gathered from the 4 Housing Associations which operate in Gwynedd, which are Tai Eryri, North Wales Housing, Cymdeithas Tai Clwyd and Cartrefi Cymunedol Gwynedd. Transfers were not included in this data to ensure consistency as with the social housing register. An average was taken over the three years in order to predict the likely number of lets that will come forward each year of the LHMA period. Incorporated in to this stage is also the committed supply which are those affordable units which are due to be built over the time period of the assessment. For this the Social Housing Grant Management Programme Delivery Plan was used along with the Housing Finance Grant developments and the Smaller Properties Programme Developments.

The following table outlines the data for the current supply of social housing; including committed supply disaggregated by property size and has been divided by 5 to give a figure to be addressed for each year of the LHMA period.

<b>TOTAL OF LETS 10-13</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 Bed</b>	<b>4+ BED</b>	<b>TOTAL</b>
Cartrefi Cymunedol Gwynedd	265	538	345	16	1,164
Tai Eryri	156	111	81	10	358
Tai Clwyd	31	17	16	0	64
North Wales Housing	47	61	49	3	160
<b>TOTAL - Gwynedd</b>	<b>499</b>	<b>727</b>	<b>491</b>	<b>29</b>	<b>1,746</b>

<b>AVERAGE OF LETS</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 Bed</b>	<b>4+ BED</b>	<b>TOTAL</b>
<b>TOTAL - Gwynedd</b>	<b>166</b>	<b>242</b>	<b>164</b>	<b>10</b>	<b>582</b>

<b>COMMITTED SUPPLY</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 Bed</b>	<b>4+ BED</b>	<b>TOTAL</b>
<b>TOTAL - Gwynedd</b>	<b>10</b>	<b>16</b>	<b>9</b>	<b>0</b>	<b>36</b>

<b>AVERAGE LETS + COMMITTED SUPPLY</b>	<b>1 BED</b>	<b>2 BED</b>	<b>3 Bed</b>	<b>4+ BED</b>	<b>TOTAL</b>
<b>TOTAL - Gwynedd</b>	<b>176</b>	<b>259</b>	<b>173</b>	<b>10</b>	<b>618</b>

### **Low Cost Home Ownership (LCHO)/ Intermediate Housing register data backlog**

Anglesey County Council and Gwynedd County Council operate a register called Tai Teg, which is a register of individuals who have an interest in home ownership but who cannot currently afford to buy outright on the open market. For this part of the calculation this was the register which was used for the LCHO and Intermediate Rent assessment. Although it is possible to identify the area of choice on this register as it was not possible to obtain the same level of information from the housing register we continued with a County level approach.

The register also collects information regarding an individual's income but it does not ask them what savings they have so this was set as £0 for all applicants. However we have now amended the registration form and this information is now collected so by the next update we will have a more accurate understanding of savings.

In order to identify those on the register who could afford LCHO and those who could afford an intermediate rent property the following formula was used:

Land Registry Lower Quartile House Price 2012 = £95,625.00 for all individuals who have registered
70% mortgage = Lower Quartile House Price multiplied by 70%
Affordability = Income multiplied 3.5 plus savings
Difference = Affordability minus 70% mortgage
If the difference is a minus figure no LCHO but yes for Intermediate Rent
If the difference is a plus figure yes LCHO but no for Intermediate Rent

Below is the table which shows those who have registered on Tai Teg and can either afford a LCHO property or an Intermediate Rent property. It outlines the backlog and has been disaggregated by household size. It has been divided by 5 to give a figure to be addressed for each year of the LHMA period.

### LCHO

	No in Household							
	1	2	3	4	5	6	7	Grand Total
Total - Gwynedd	5.8	13.6	7.4	6.6	3.2	0.4	0.4	37.4

### Intermediate Rent

	No in Household							
	1	2	3	4	5	6	9	Grand Total
Total - Gwynedd	6.4	7	6.2	4.2	1	0.6	0.2	25.6

### Low Cost Home Ownership (LCHO)/ Intermediate Housing register data supply

The units which are due to come forward during the next five years do not include any LCHO units but there are 18 3 bedroom Intermediate Rent Units.

Below is the table which outlines the committed supply of LCHO and Intermediate Rent homes. They have been divided by 5 to give a figure to be addressed for each year of the LHMA period.

Divide by five for each year of LHMA period	1	1	2	2	3	3	4	4	5	5	TOTAL
	BED LCHO	BED IR	BED LCHO	BED IR	BED LCHO	BED IR	BED LCHO	BED IR	BED LCHO	BED IR	
Gwynedd	0.0	0.0	0.0	0.0	0.0	3.6	0.0	0.0	0.0	0.0	3.6
Parc	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL - Gwynedd</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.6</b>

The first stage of the calculation has been completed, and we have identified what the current housing need and supply is by using the bath tub exercise.



### 3. Calculating New Housing Need

The second part of the assessment concentrates on the following:

- Newly arising need from new households
- Newly arising need from existing households

#### Newly arising need from new households

This stage of the calculation allows us to understand the current housing market and analyse the likely impact of need and demand for housing in the future.

Gwynedd's 2008 based household projections tell us that between 2013 – 2018 there will be a growth of 1,958 households in Gwynedd.

The following table provides more detail to Gwynedd's 2008 household projections.

<b>Overall Change</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>Change</b>
1 person	19,013	19,307	19,577	19,867	20,168	20,454	1,441
2 person (no children)	16,625	16,749	16,869	16,983	17,087	17,162	537
2 person (1 adult, 1 child)	2,162	2,218	2,274	2,326	2,384	2,441	279
3 person (no children)	3,413	3,416	3,417	3,417	3,409	3,390	-23
3 person (2 adults, 1 child)	2,928	2,924	2,922	2,916	2,923	2,916	-12
3 person (1 adult, 2 children)	1,349	1,374	1,401	1,429	1,457	1,493	144
4 person (no children)	1,162	1,167	1,168	1,170	1,165	1,157	-5
4 person (2+ adults, 1+ children)	3,879	3,823	3,774	3,727	3,688	3,661	-218
4 person (1 adult, 3 children)	420	427	435	443	450	463	43
5 + person (no children)	433	438	442	447	448	448	15
5 + person (2+ adults, 1+ children)	2,227	2,164	2,107	2,053	2,002	1,965	-262
5 + person (1 adult, 4 + children)	156	159	163	167	170	175	19
<b>Total</b>	<b>53,767</b>	<b>54,166</b>	<b>54,549</b>	<b>54,945</b>	<b>55,351</b>	<b>55,725</b>	<b>1,958</b>

The projections have not been disaggregated as the assessment is a County only calculation. As a result the census household proportion for Gwynedd as a county has been entered as 1. Therefore the total growth of 1,958 will be divided by 5 which will produce a figure of 392. This figure is the annual estimated household growth for Gwynedd.

The entry level house price in Gwynedd is £95,625.00 and this based on the lower quartile 2012 house price from the Land Registry. The income required to afford a mortgage for this property in Gwynedd would be £27, 321,43 This is worked out by dividing the entry level house price by 3.5. The income required for a 70% mortgage for this property in Gwynedd would be £19,125.00. This is worked out by multiplying the income required by 0.7

The weekly entry level rent in Gwynedd has been set at £97.36. It was not possible to collect data on private rents in Gwynedd by using Right Move and Zoopla as not every ward is recognised on the sites. Once again as it was agreed that a county assessment would be carried out it was felt that this was acceptable.

In order to work out the weekly entry level rent in Gwynedd, an average was taken from the data which was supplied to us from Rents Officers Wales. However this data is unofficial and is based on their market rents database. The following are median (50th percentile) net calendar monthly figures for the whole of Gwynedd and the data is for rents recorded in the 12 months ending 31 March 2013. In order to find the average weekly rent the following monthly rent figures were added together, divided by 6 and divided by 4.

	<b>Monthly rent</b>
Shared accommodation	£260.00
Studios	£281.67
1 bedroom	£320.00
2 bedroom	£425.00
3 bedroom	£500.00
4 bedroom	£550.00
<b>Total</b>	£2,336.67 divided by 6
<b>Total</b>	£389.45 divided by 4 weeks
<b>Total</b>	£97.36

The weekly intermediate rent is set at £77.89 which has been worked out by multiplying the weekly entry level rent (£97.36) by 0.8.

The annual intermediate rent in Gwynedd is £4,050.18 which has been worked out by multiplying the weekly intermediate rent (£77.89) by 52 weeks.

The income required in Gwynedd for intermediate rent is set at £13,500.59 which has been worked out by multiplying the annual intermediate rent (£4,050.18) by 100 divided by 30.

To summarise the estimated income required for a 70% mortgage is £19,125.00 and to be able to afford intermediate rent you would need require an income of £13,500.59.

The next step of the calculation was to identify the number of new households which will be in housing need. The source of data for this was CACI Paycheck. By using this data it allowed us to estimate how many newly forming households will be unable to afford market housing and whether they will require social rented housing or LCHO. The results are as follows:

%Able to afford a mortgage in Gwynedd = 37.9%  
Scope for LCHO in Gwynedd = 16.3%  
Scope for Intermediate Rent in Gwynedd = 11.4%  
Scope for Social Rent = 34.4%

By using the above % and the total growth figure of 392 we can calculate a housing need figure for LCHO, Intermediate Rent and Social Rent based on the household projections figures obtained. The results of which are as follows:

Number in need of LCHO  
392 multiplied 16.3% = 64

Number in need of Intermediate Rent  
392 multiplied 11.4% = 45

Number in need of Social Rent  
392 multiplied 34.4% = 135

It has also been possible to disaggregate the social rented need in Gwynedd to household sizes based on the projections, which can be seen in the following table:

	Household Types	Change	1 bed	2 bed	3 bed	4 bed	5 bed
			1.01	0.12	-0.04	0.03	-0.12
<b>1 bed</b>	1 person	1,441					
	2 person (no children)	537					
<b>2 bed</b>	2 person (1 adult, 1 child)	279					
	3 person (no children)	-23					
	3 person (2 adults, 1 child)	-12					
<b>3 bed</b>	3 person (1 adult, 2 children)	144					
	4 person (no children)	-5					
	4 person (2+ adults, 1+ children)	-218					
<b>4 bed</b>	4 person (1 adult, 3 children)	43					
	5 + person (no children)	15					
<b>5 bed</b>	5 + person (2+ adults, 1+ children)	-262					
	5 + person (1 adult, 4 + children)	19					
	<b>Total</b>	<b>1,958</b>					



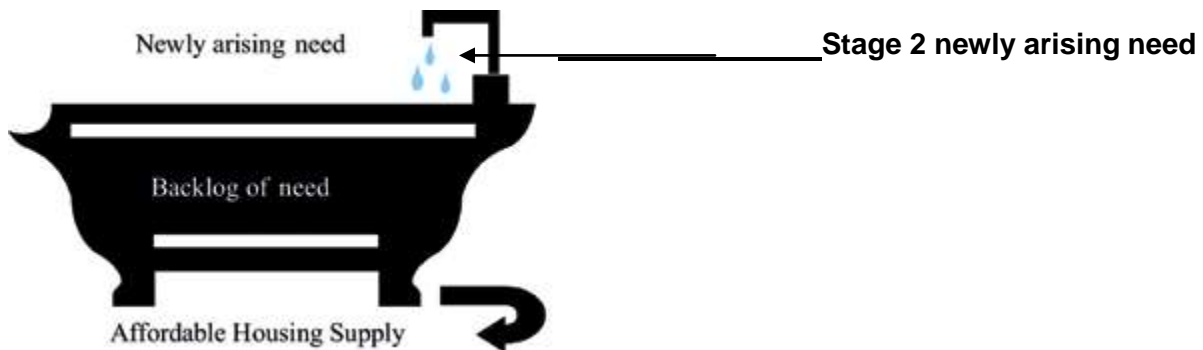
#### 4. Newly arising need from existing households

Another element of newly arising need stems from the number of existing households falling in to need each year. By using the Ministry of Justice website it has been possible to identify the number of mortgage and landlord orders over the last five years in Gwynedd. In addition to this the number of homeless presentations between 2008-2013 has also been added and an average of 562 presentations has been calculated.

This provides an estimated number of existing households which will fall into need per annum.

	2008/09	2009/10	2010/11	2011/12	2012/13
Mortgage Orders	181	134	100	88	73
Landlord Orders	95	80	93	101	55
Total Orders	276	214	193	189	128
Homeless Presentations	570	536	605	643	454
<b>AVERAGE HOMELESS PRESENTATIONS</b>	<b>562</b>				

The second stage of the calculation has been completed and we have identified what the new housing need is by using the bath tub exercise.



## 5. Bringing it all together

The first part of the assessment concentrated on the following:

- Assessing the Scope for Intermediate Rent
- Social Rent Turnover Analysis
- Total calculation sheets

### **Assessing the Scope for Intermediate Rent**

In assessing the scope for intermediate rent this was done on a North West and South Gwynedd level. This is because the Local Housing Allowance in Gwynedd is separated in two the North and South.

Mean market rent levels were sourced from Rent Officers Wales. However this data is unofficial and is based on their market rents database. The following are median (50th percentile) net calendar monthly figures for the whole of Gwynedd and the data is for rents recorded in the 12 months ending 31 March 2013.

	<b>Monthly rent</b>
Shared accommodation	£260.00
Studios	£281.67
1 bedroom	£320.00
2 bedroom	£425.00
3 bedroom	£500.00
4 bedroom	£550.00

	2 Bed MR	2 Bed IR (80% MR)	LHA	Benchmark Rent		3 Bed MR	3 Bed IR (80% MR)	LHA	Benchmark Rent
North West	£106.00	£84.80	£89.62	£71.48		£125.00	£100.00	£109.62	£80.28
South Gwynedd	106.00	84.80	82.55	71.48		125.00	100.00	99.05	80.28

In order to work out the weekly market rent, the monthly rent for a 2 and 3 bedroom property's (as seen in the table above) were divided by 4.

Gwynedd LHA weekly rates as of April 2013 for a 2 bedroom in North West of Gwynedd were, £89.62 and £82.55 in South Gwynedd. For a 3 bedroom in North Gwynedd it was £109.62 and in South Gwynedd £99.05.

The Benchmark rent levels were collected from Cymdeithas Tai Eryri and Cartrefi Cymunedol Gwynedd. It was not possible to differentiate between the north west and south of the county. An average weekly rent of 2 and 3 bedroom properties (which included 2 bedroom flats, maisonettes, houses and bungalows) were taken from the two housing associations. This resulted in a figure of £71.48 weekly rent for a 2 bedroom and £80.28 for a 3 bedroom.

In order to assess whether there is viability in the market for intermediate rent (based on Rent First Model) the intermediate rent level must be below LHA but above benchmark rent. The above table highlights that intermediate rent would be possible in the North West of the county but not the South.

### **Social Rent Turnover Analysis**

In order to allow for turnover across the social rented stock, it should be reduced accordingly. In order to carry out this calculation the following steps have been taken:

Average of three years' worth of social lettings = 582

Total of existing social housing stock = 8561

Divide 582 with 8561 = 0.06

Turnover = 0.06

1 minus Turnover = 0.94

This stage is now complete and social rent turnover has been factored in to the calculation.

## Total Calculation Sheets

### Social Housing Calculations

Using the figures gathered in previous steps this can now be used to get a total annual social rent figure. The table below will illustrate this.

1	Social Housing Backlog	497
2	Falling in to need	562
3	Newly Arising need	135
4	Total Gross Need (1+2+3)	1,194
5	Lets and Committed Supply	618
6	Net Social Housing need (4 minus 5)	576
7	Turnover	0.94
<b>8</b>	<b>Social Housing Need Turnover (6 multiplied 7)</b>	<b>541</b>

### LCHO Calculation Sheet

Using the figures gathered in previous steps this can now be used to get a total annual LCHO need figure. The table below will illustrate this.

1	LCHO backlog	37
2	Newly Arising Need	64
3	Gross Need (1 plus 2)	101
4	Committed Supply	0
<b>5</b>	<b>Total Net Need (3 minus 4)</b>	<b>101</b>

### Intermediate Rent Calculation Sheet

Using the figures gathered in previous steps this can now be used to get a total annual Intermediate Rent need figure. The table below will illustrate this.

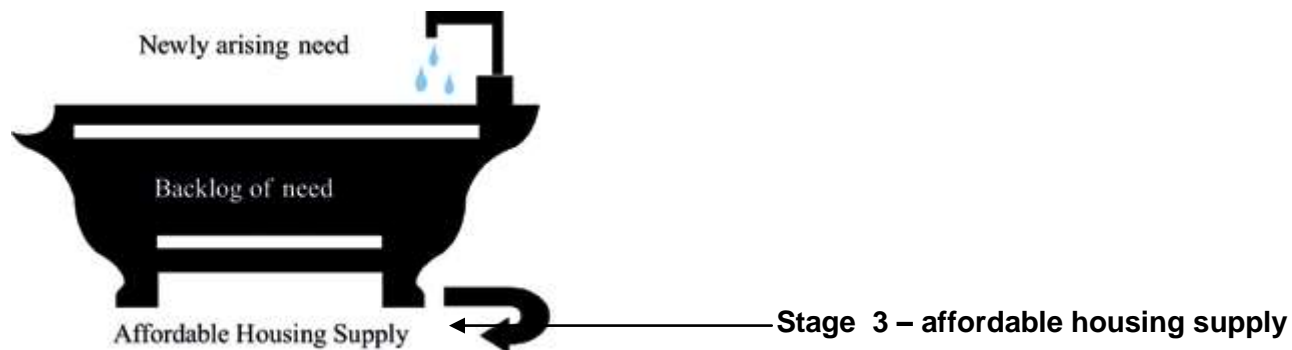
1	Intermediate Rent backlog	25
2	Newly Arising Need	45
3	Gross Need (1 plus 2)	70
4	Committed Supply	3
5	<b>Total Net Need (3 minus 4)</b>	<b>67</b>

### Final housing need figure

By adding the overall figures from each table this will provide us with an overall annual housing need figure.

1	<b>Social Rent</b>	541
2	LCHO	101
3	Intermediate Rent	67
4	<b>Annual housing need figure 2013 – 2018 (1+2+3)</b>	<b>709</b>

The third stage of the calculation has been completed and we have identified what the annual housing need figure is by using the bath tub exercise.



As stated at the beginning of the report the LHMA is a snapshot of the housing market from a moment in time which is projected forward 5 years. The housing need figure is used as a guide rather than a definitive figure. This is purely a statistical exercise and the housing need is led by Gwynedd and Anglesey Joint Local Development Plan. In the Preferred Strategy it states that during the duration of the plan, which is between 2011-2026, 7,665 additional units have been identified. Gwynedd's share of this is 4,292 units. and this can be broken down to 286 units a year.

What is clear is that the overall annual housing need figure set in JLDP is far less than the annual housing need figure set in the LHMA, which is unusual as you would expect the figures to be reversed. This is why the LHMA should only be used as a guide as it is a snapshot of the housing market only.

Based on the annual housing need figure of 709 we have apportioned this to the housing market areas by using the 2012 population figures. The results are as follows.

<b><u>Housing Need Figure</u></b>	<b>709</b>
LHMA 03 - Menai (Gwynedd)	171
LHMA 04 - Caernarfon	187
LHMA 05 - Llŷn Peninsula	98
LHMA 06 - Porthmadog	122
LHMA 07 - South Coastal Gwynedd	66
LHMA 08 - Machynlleth	15
LHMA 09 - Bala	49

## **6. Recommendations**

1. That an update is carried out on Gwynedd's LHMA in 2016.
2. Prior to the next update it may be useful to consider a North West Wales LHMA as was previously done in 2010.
3. It will be necessary to address the issues in gathering data from the housing register, in order to provide a more detailed level of information for the Gwynedd LHMA.
4. Gather more detailed information of the private rents in Gwynedd so that the LHMA is able to go in to more detail.
5. If the last two points are addressed a ward level LHMA could be delivered.
6. Ensure that all officers who are involved with the data collecting of the LHMA are aware of its importance and requirement to carry out the assessment

