



Pembrokeshire County Council
Cyngor Sir Benfro



Pembrokeshire Local Housing Market Assessment

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1. Introduction

Purpose

- 1.1 Pembrokeshire is a coastal county in the southwest of Wales. It contains the Pembrokeshire Coast National Park, which occupies over a third of the land area of the county. The National Park runs along the majority of the Pembrokeshire coast but also contains the Daugleddau estuary and the Preseli Hills in the north of the county. Haverfordwest is the largest settlement in the county and, whilst there are a number of other towns and villages, a significant portion of the county is rural.
- 1.2 Pembrokeshire County Council was part of a group of councils in the sub-region that commissioned a Regional Housing Market Assessment for South West and Mid Wales¹. This 2019 based study also included a report that detailed local authority-level results for certain outputs². The Council is currently working on a Replacement Local Development Plan for Pembrokeshire and recognises that, given a changing external environment and the need to better reflect circumstances local to Pembrokeshire, a local update of these outputs is required. It has therefore commissioned this study to compliment the Regional Housing Market Assessment, by providing further detail based on local data.
- 1.3 This report is a local housing market assessment (LHMA) that provides the Council with evidence for the forthcoming Local Development Plan and for both planning authorities to use as evidence for planning purposes. The information presented in this report complies with the current Government guidance on the evidence required as set out in the Planning Policy Wales and the Development Plans Manual.

Government Guidance

- 1.4 National Planning Policy is set out in Planning Policy Wales *Edition 11 (February 2021)*³ At paragraph 4.2.3 it notes that '*planning authorities need to understand their local housing market and the factors influencing housing requirements in their area over the plan period.*' Paragraph 4.2.5 then goes on to identify the housing detail councils must evidence:

'Planning authorities must clearly set out the housing requirement in their development plan. These requirements must be based on evidence and clearly express the number of market and affordable homes the planning authority considers will be required in their area over the plan period. Planning authorities should plan for a mix of market and affordable housing types to meet the requirement and specifically consider the differing needs of their communities; this should include the housing requirements of older people and people with disabilities.'

¹ https://www.pembrokeshire.gov.uk/objview.asp?object_id=8901&language=

² https://www.pembrokeshire.gov.uk/objview.asp?object_id=7735&language=

³ https://gov.wales/sites/default/files/publications/2021-02/planning-policy-wales-edition-11_0.pdf

- 1.5 Paragraph 4.28 of the document identifies the significant role that LHMA's have in helping councils compile the required evidence. It states that LHMA's '*allow authorities to develop a detailed understanding of the nature and level of market and affordable housing demand and need in their communities.*'
- 1.6 The importance of LHMA's to planning policy is reaffirmed by the Development Plans Manual Edition 3 March 2020⁴. This states at Paragraph 5.31 that:
- 'The value of an LHMA is that it identifies a level of housing need, both market and affordable, per annum, both numerically and spatially, as well as the type of need in an area, e.g. tenure mix and house types. This is a core piece of baseline evidence influencing the scale, type and location of growth in a plan.'*
- 1.7 Planning Policy Wales outlines how a LHMA fits into the wider housing policy framework and the 2006 Welsh Assembly Government Local Housing Market Assessment Guide⁵ (referred to subsequently as the LHMA Guide) sets out how the various elements of a LHMA should be undertaken, including detailing a comprehensive model for the assessment of affordable housing need.
- 1.8 In 2014 the Welsh Government published '*Getting Started With Your Local Housing Market Assessment: A Step by Step Guide*'⁶ (referred to subsequently as the SbS Guide) following on from a previous iteration of this title published in March 2012. This guide focuses only on one element of the LHMA: the assessment of the need for affordable housing. This guide '*has been developed to supplement and not to replace the comprehensive and detailed Welsh Assembly Government LHMA guidance*' (paragraph 3). It sets out a process where councils can use local data to calculate the extent of housing need within the authority, although it is acknowledged (paragraph 9) that '*the 'headline' housing need figure calculated by this approach should not be used as a definitive measure of need or as a target figure. Rather it should be used to improve the scale of local housing need.*' Chapter 4 of this report has followed the methodology set out in the SbS Guide, to produce the headline affordable housing need figure across Pembrokeshire as a whole, as well as for the National Park and non-National Park parts of the county.
- 1.9 A separate model is used to produce the outputs required to comply with paragraph 4.2.5 of Planning Policy Wales as set out above. This LHMA includes a Long-Term Balancing Housing Markets (LTBHM) model (Chapter 5) which breaks down the overall housing required in Pembrokeshire over the plan period into the component types (tenure and size).

⁴ <https://gov.wales/development-plans-manual-edition-3-march-2020>

⁵ <https://gov.wales/sites/default/files/publications/2019-06/local-housing-market-assessment-guidance-for-local-authorities.pdf>

⁶ <https://www.housinglin.org.uk/assets/Resources/Housing/Wales/141101-getting-started-with-local-housing-market-assessment-guide-en.pdf>

- 1.10 As noted by paragraph 5.34 of Edition 3 of the Development Plan Manual, *‘in terms of considering the level of housing provision for a plan, the most up-to date suite of Welsh Government Population and Household Projections are a fundamental part of the evidence base.’* The LTBHM model is based on the most recent population and household projections for Pembrokeshire which are used alongside data on the occupation patterns and affordability of household groups (and trends in how these are changing). The model identifies the mix of housing required to house the future population, which is then compared with the current stock profile to identify the tenure, type and size of new housing that the Council should be planning to deliver. These outputs are produced for Pembrokeshire as a whole and for the National Park and non-National Park parts of the county. The results are also disaggregated to the 77 community areas in Pembrokeshire.
- 1.11 As required to produce the outputs identified in Planning Policy Wales, the LTBHM model can be disaggregated to also present the housing requirements of differing groups in the community, including those of older people and people with disabilities. These are presented in Chapter 6. Chapter 7 of this report concludes how the various results presented for Pembrokeshire in this document should be used.

Coronavirus

- 1.12 This update is being carried out during the coronavirus pandemic. The coronavirus (COVID-19) was reported in China, in December 2019 and was declared a pandemic in March 2020. It is too early to predict what the longer term impact, may be. Some of the data sources utilised in this report were released within the last year and are based on data collated prior to the pandemic. The results produced reflect the normal housing market in Pembrokeshire and the recommendations will inform the suitable responses to the normal market.
- 1.13 The lockdown periods have seen a significant change to normal society (including travel restrictions, a higher mortality rate, different working conditions, the loss of jobs and different consumer behaviour). The impact of these changes on the housing market will not be understood for some time and it is difficult to predict what the long-term consequences will be, which could be far-reaching or relatively minimal. Until the Government indicates otherwise, the LHMA Guide and SbS Guide remain the documents that advise how LHMA's should be undertaken, this report therefore follows these documents and produces the outputs that they indicate are required.
- 1.14 Although we have conducted a market survey during lockdown conditions, there are uncertainties around the long-term values of property, and therefore the costs of housing, that are a direct result of the COVID-19 pandemic. It is not the purpose of this assessment to predict what the impact may be and how long the effect will be. We expect there to be changes due to uncertainty in the wider economy. Given the unknown future impact that COVID-19 might have on the real estate market, we recommend that Pembrokeshire Council keeps the assessment under frequent review.

Local housing market boundaries

- 1.15 This section of the chapter fulfils the requirements of Chapter 2 of the LHMA Guide. It surmises qualitative information from local professionals alongside the most recent quantitative data to identify boundaries of the local housing markets in operation in Pembrokeshire. This section will consider the geographic context in which the local housing market operates by assessing the various measures indicated by the LHMA Guide; travel-to-work areas, relocation patterns and the similarities and differences within the housing market. This section should be read in conjunction with the December 2020 report '*Pembrokeshire Updating the LDP Demographic Evidence*' published by Edge Analytics for the Council⁷. This report provides a detailed analysis of the latest population projections and contains notable analysis of migration flows into and out of Pembrokeshire.

Commuting flows

- 1.16 The most recent detailed profile of commuting flows occurring at the local level is still the 2011 Census. The table below shows the 10 authorities to which residents in Pembrokeshire most commonly travelled for work in 2011, alongside the 10 authorities from which people most commonly travelled to work in Pembrokeshire. The data indicates that almost 90% of employed residents in Pembrokeshire remained in the county to work and that people leaving the county for work most commonly went to a neighbouring authority (Carmarthenshire and Ceredigion), or Swansea or Cardiff. The table also shows that only 10.7% of people working in Pembrokeshire commuted from outside the county and that these people commuting into Pembrokeshire for work were most likely to live in a neighbouring authority.

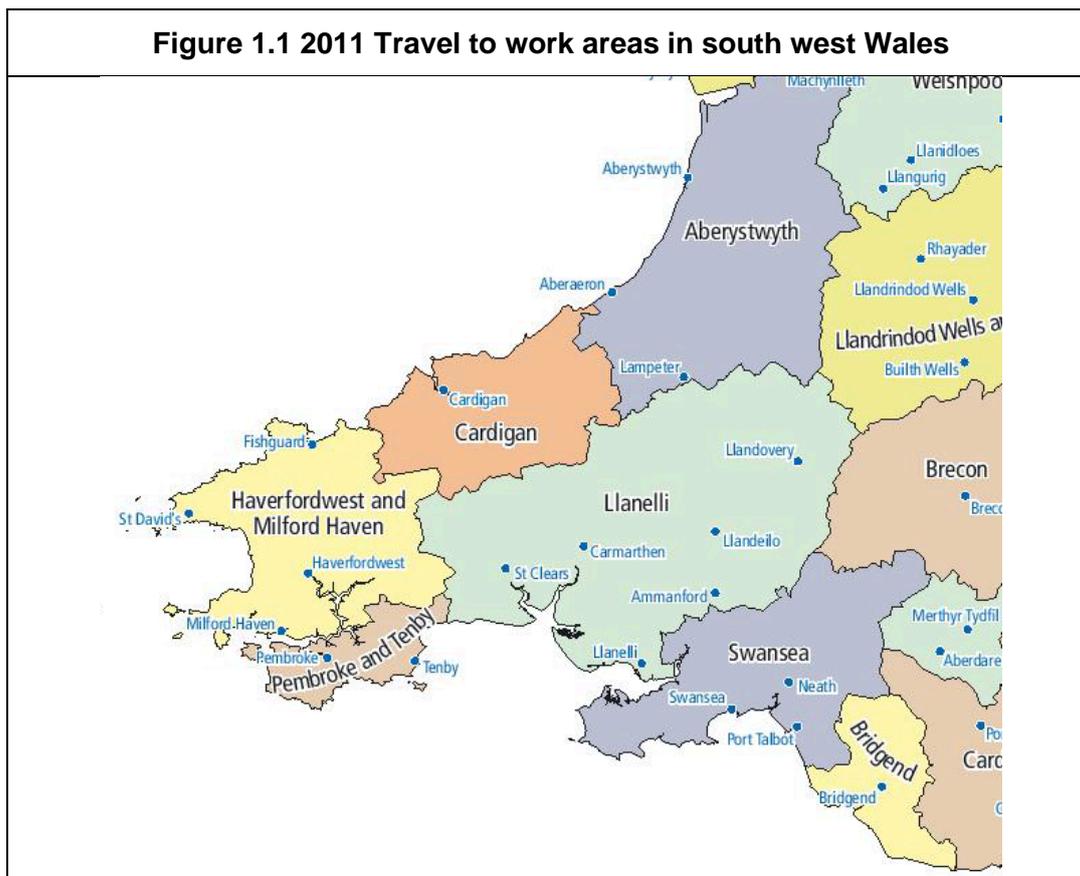
⁷ https://www.pembrokeshire.gov.uk/objview.asp?object_id=9100&language=

Table 1.1 The ten authorities with which Pembrokeshire has the largest travel to work flows					
<i>Travel to work journeys made by people aged 16 and over resident in Pembrokeshire</i>			<i>Travel to work journeys made by people aged 16 and over working in Pembrokeshire</i>		
<i>Destination authority area</i>	<i>Number of Pembrokeshire residents that work there</i>	<i>Proportion of all residents in work that work there</i>	<i>Authority area of residence</i>	<i>Number of people working in Pembrokeshire</i>	<i>Proportion of people working in Pembrokeshire that live there</i>
Pembrokeshire	34,617	87.2%	Pembrokeshire	34,617	89.3%
Carmarthenshire	1,717	4.3%	Carmarthenshire	1,749	4.5%
Ceredigion	1,232	3.1%	Ceredigion	711	1.8%
Swansea	249	0.6%	Swansea	173	0.4%
Cardiff	164	0.4%	Gwynedd	109	0.3%
Neath Port Talbot	83	0.2%	Cardiff	102	0.3%
Bristol, City of	73	0.2%	Newport	78	0.2%
Cornwall, Isles of Scilly	69	0.2%	Isle of Anglesey	72	0.2%
Gwynedd	63	0.2%	Neath Port Talbot	64	0.2%
Powys	63	0.2%	Bridgend	54	0.1%

Source: 2011 Census (table WU01UK)

- 1.17 The Office of National Statistics (ONS) used the data on commuting flows collected in the 2011 Census to derive travel to work area boundaries published in 2015⁸. The figure below shows an excerpt of the national map produced in this process, which concentrates on the travel to work areas in the south west of Wales. This shows that there were two travel-to-work areas identified in Pembrokeshire, Pembroke and Tenby in the south of the county and Haverfordwest and Milford Haven across the remainder of Pembrokeshire. It is also clear that the county falls within these two travel-to-work areas, which reflects the relatively high level of self-containment recorded by the county.

⁸ The criteria applied by the ONS was that the travel to work areas had to have a working population of at least 3,500 and that at least 75% of an area's resident workforce work within the area and at least 75% of the people who work in the area also live in the area. For areas with a working population in excess of 25,000, self-containment rates as low as 66.7% were accepted.



Source: Office of National Statistics, 2015

- 1.18 In March 2020, the Welsh Government published some modelled commuting patterns for Local Authorities in Wales based on the 2019 Annual Population Survey⁹. Although these do not produce a detailed disaggregation of flows between individual areas, it should be noted that this data source indicates that in 2019, 95.6% of people in work in Pembrokeshire have a work destination within the South Wales sub-region (within the authorities of Pembrokeshire, Carmarthenshire, Swansea and Neath Port Talbot).

Migration trends

- 1.19 The 2019-based population estimates produced by the Office of National Statistics (ONS) model detail on the origin and destination of people that moved into and out of Pembrokeshire in the previous year¹⁰. The table below shows the 10 authorities which residents in Pembrokeshire most commonly moved to in the year up to June 2019. The table also contains a column that details the equivalent proportion of movers from Pembrokeshire in the year prior

⁹ <https://stats.wales.gov.wales/Catalogue/Business-Economy-and-Labour-Market/People-and-Work/Employment/Commuting>

¹⁰ <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/migrationwithintheuk/datasets/interannualmigrationbyoriginanddestinationlocalauthoritiessexandsingleyearofagedetailedestimatesdataset>

to the 2011 Census that had the same destination - this enables a comparison of the changing relationship between these authorities and Pembrokeshire. It should be noted that internal flows within Pembrokeshire are not included in this analysis as they are not documented in the population estimates, the analysis only concerns people moving into the county from elsewhere in the UK. The 2011 Census however, revealed a high level of self-containment in the county with 70.6% of people that moved to a new home in Pembrokeshire in the year up to the 2011 Census, being previously resident in the County.

- 1.20 The data indicates that Carmarthenshire is the authority to which people from Pembrokeshire most commonly moved to in the year up to June 2019, followed by Cardiff, Ceredigion and Swansea. Flows to Cardiff have reduced in relative scale since the 2011 Census (from 11.7% of all out-migrants from Pembrokeshire moving there in 2011 to 10.0% of out-migrants in 2019), whilst the reverse is true for Carmarthenshire (from 11.4% of out-migrants in Pembrokeshire in 2011 to 13.6% in 2019) and Carmarthenshire has replaced Cardiff as the most common destination for those leaving Pembrokeshire. Ceredigion and Swansea are both areas that have become increasingly common destinations for those leaving Pembrokeshire recently (as a greater proportion of out-migrants from Pembrokeshire moved to these areas in 2019 than was the case in 2011).
- 1.21 It is important to note that the 2019 figures for migration flows are not as accurate as those recorded in the 2011 Census and although the Office for National Statistics (ONS) does not provide detail of the margin of error of these estimates they do note that *'these estimates are based on several data sources and estimation processes, and are not exact counts.'*¹¹

¹¹ User information for Table IM2019-1a: Detailed estimates dataset – internal migration by origin and destination local authorities, sex and single year of age, year ending June 2019. (page 2 under Disclosure Control).

Table 1.2 The ten authorities with which Pembrokeshire has the largest outward migration flows in 2019			
<i>People that moved out of Pembrokeshire in the preceding year</i>			
<i>2019</i>			<i>2011</i>
<i>Destination authority area</i>	<i>Number of Pembrokeshire residents that moved there</i>	<i>Proportion of all residents leaving Pembrokeshire that moved there</i>	<i>Proportion of all residents leaving Pembrokeshire that moved there</i>
Carmarthenshire	497	13.6%	11.4%
Cardiff	367	10.0%	11.7%
Ceredigion	260	7.1%	6.9%
Swansea	167	4.6%	4.4%
Rhondda Cynon Taf	73	2.0%	2.9%
Vale of Glamorgan	67	1.8%	1.4%
Powys	52	1.4%	1.2%
Bridgend	45	1.2%	1.5%
Newport	34	0.9%	1.0%
Neath Port Talbot	32	0.9%	0.6%

ONS Population estimates, 2019; 2011 Census (table MU01BUK)

- 1.22 The table below shows the 10 authorities from which residents most commonly moved to Pembrokeshire in the year up to June 2019. The table also contains a column that details the equivalent proportion of movers to Pembrokeshire in the year prior to the 2011 Census that originated from the same location¹².
- 1.23 The data indicates that Carmarthenshire is the authority people that moved into Pembrokeshire most commonly came from in the year up to June 2019, followed by Cardiff, Ceredigion and Swansea. Flows from Swansea have increased in relative scale since the 2011 Census (from 3.5% of all in-migrants to Pembrokeshire in 2011 to 3.9% of in-migrants in 2019). The data indicates that whilst moves from Carmarthenshire, Cardiff and Ceredigion have reduced in importance (a smaller proportion of in-migrants to Pembrokeshire moved from these areas in 2018 than was the case in 2011), moves from Rhonda Cynon Taf and Caerphilly have become more significant.

¹² As before, internal flows within Pembrokeshire are not included in this analysis.

Table 1.3 The ten authorities with which Pembrokeshire has the largest inward migration flows in 2019			
<i>People that moved into Pembrokeshire in the preceding year</i>			
<i>2019</i>			<i>2011</i>
<i>Original authority area of residence</i>	<i>Number of people that moved to Pembrokeshire</i>	<i>Proportion of all people moving to Pembrokeshire</i>	<i>Proportion of all people moving to Pembrokeshire</i>
Carmarthenshire	447	9.4%	9.7%
Cardiff	299	6.3%	7.1%
Ceredigion	277	5.8%	5.9%
Swansea	188	3.9%	3.5%
Rhondda Cynon Taf	155	3.2%	2.2%
Caerphilly	85	1.8%	1.4%
Vale of Glamorgan	74	1.6%	1.9%
Powys	72	1.5%	2.0%
Newport	61	1.3%	1.1%
Neath Port Talbot	57	1.2%	1.2%

ONS Population estimates, 2019; 2011 Census (table MU01BUK)

- 1.24 The table below shows how the country from which people have moved into Pembrokeshire from has changed between 2011 and 2019. The data indicates that flows from England have notably increased in relative scale since the 2011 Census (from 47.2% of all in-migrants to Pembrokeshire in 2011 to 54.6% of in-migrants in 2019). Flows from elsewhere in Wales have also slightly increased in importance whilst flows from abroad have reduced notably.

Table 1.4 Comparison of intra-national flows into Pembrokeshire between 2019 and 2011			
<i>People that moved into Pembrokeshire in the preceding year</i>			
<i>2019</i>			<i>2011</i>
<i>Original place of residence</i>	<i>Number of people that moved to Pembrokeshire</i>	<i>Proportion of all people moving to Pembrokeshire</i>	<i>Proportion of all people moving to Pembrokeshire</i>
Elsewhere within Wales	1,949	38.5%	35.1%
England	2,765	54.6%	47.2%
Other UK	64	1.3%	1.3%
Outside UK	281	5.6%	16.4%

ONS Population estimates, 2019; 2011 Census (table MU01BUK)

Housing market indicators

- 1.25 It is useful to compare the price of housing in Pembrokeshire with the authorities closest to it to see the similarities and differences between the housing markets in the areas. The table below presents the mean property price for dwellings sold in Pembrokeshire and the surrounding authorities in 2020. The table shows the overall mean price of homes sold as well as the mean for each dwelling type categorised by the Land Registry.
- 1.26 The table indicates that homes in Neath Post Talbot are notably cheaper than in the other areas profiled. Prices in Pembrokeshire are closest to those in Ceredigion and Swansea. Prices in Swansea are most expensive (the overall mean price for Swansea is skewed downwards by a smaller proportion of detached sales) followed by Pembrokeshire, Ceredigion (the overall mean price for Ceredigion is skewed upwards by a larger proportion of detached sales), Carmarthenshire and Neath Port Talbot.

Table 1.5 Mean property prices in 2020 in Pembrokeshire and surrounding authorities					
Location	Detached	Semi-detached	Terraced	Flat	Overall mean price
Pembrokeshire	£277,378	£166,467	£138,942	£143,630	£206,895
Ceredigion	£257,848	£166,399	£157,909	£134,916	£212,216
Carmarthenshire	£235,689	£135,016	£111,877	£85,920	£167,853
Swansea	£296,350	£169,924	£132,477	£136,434	£189,869
Neath Port Talbot	£225,985	£129,969	£98,471	£83,429	£141,158

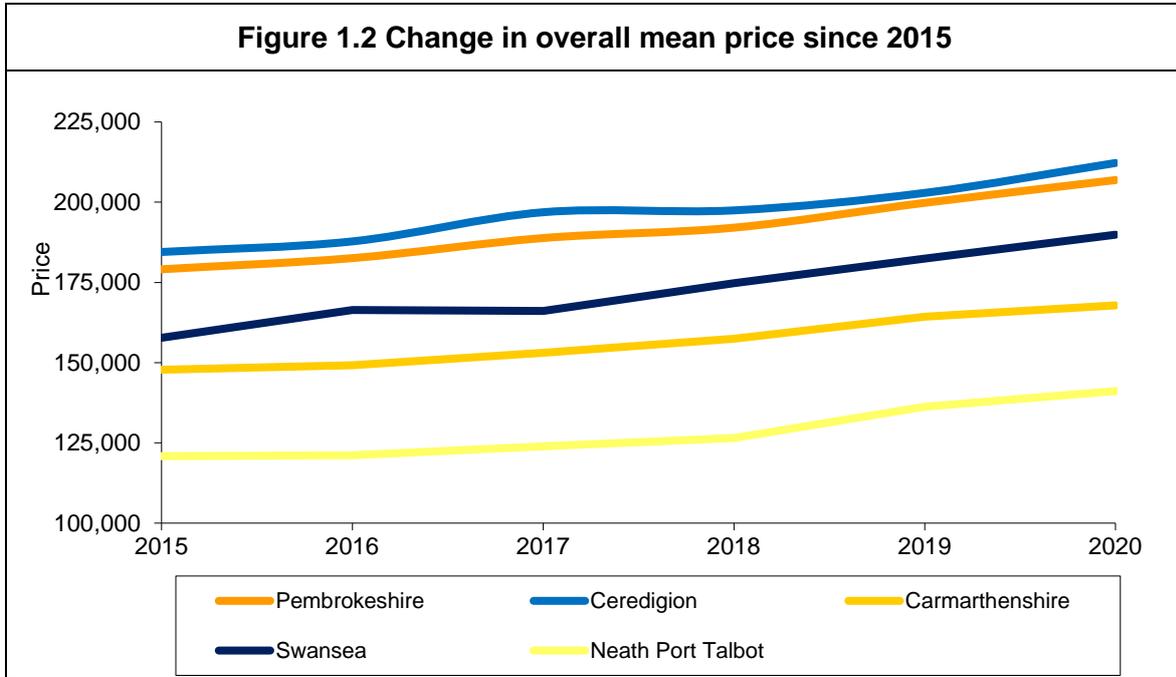
Source: Land Registry

- 1.27 The table below shows the distribution of sales by property type in each of these areas in 2020, which allows comparison of the profile of dwelling stock available for sale in each authority. The data indicates that, in Pembrokeshire, sales of detached houses are most common, and sales of flats are least frequent. The data implies that Ceredigion and Carmarthenshire are the authorities with the accommodation profile most similar to Pembrokeshire, with Neath Port Talbot recording a profile of property sales that is most distinct.

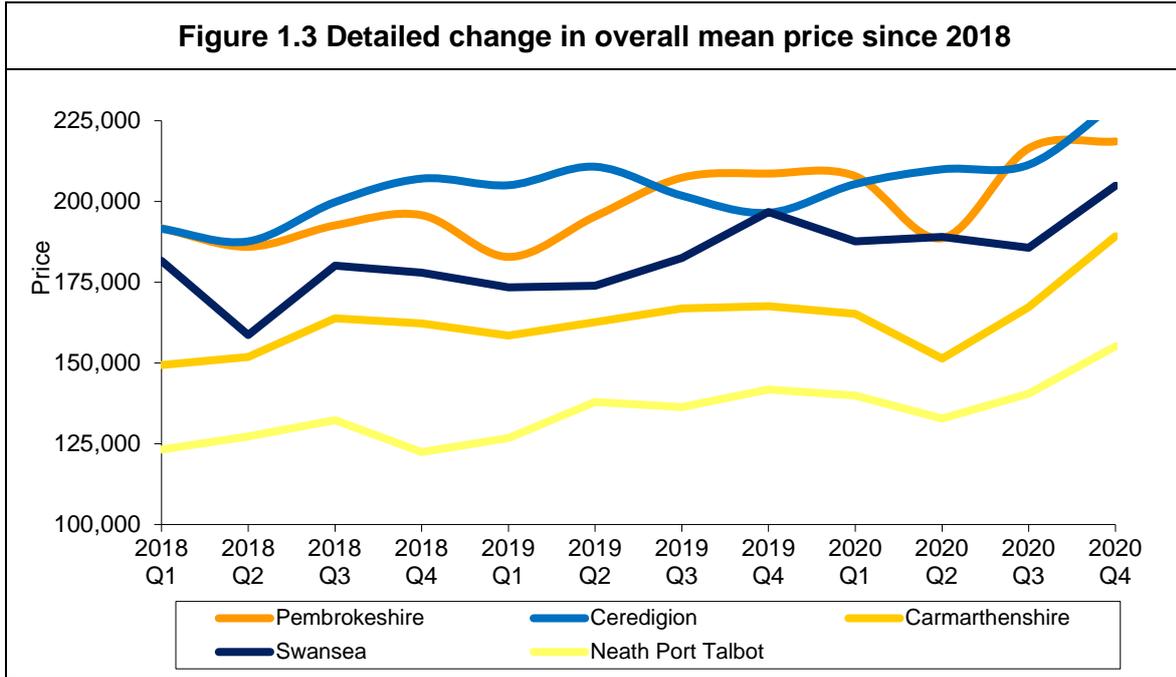
Table 1.6 Distribution of property sales in 2020					
Location	Detached	Semi-detached	Terraced	Flat	Total sales
Pembrokeshire	44.0%	24.6%	24.8%	6.7%	1,062
Ceredigion	53.4%	23.2%	19.1%	4.3%	581
Carmarthenshire	39.6%	31.9%	26.8%	1.7%	1,495
Swansea	26.8%	34.9%	29.6%	8.7%	1,747
Neath Port Talbot	23.4%	41.4%	33.9%	1.3%	1,068

Source: Land Registry

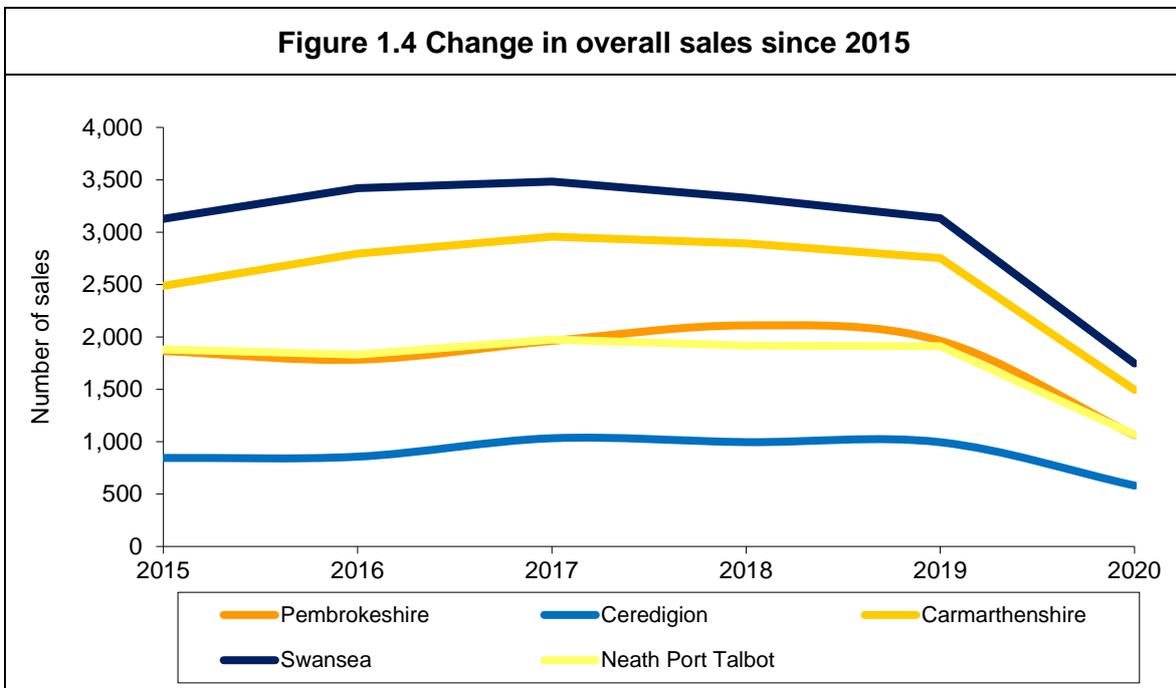
1.28 The figure below shows the change in mean overall property price in each council area over the last five years. The figure shows that prices have continued to rise steadily in all areas, however over the last five years prices have increased the most in Swansea (by 20.4%) and the smallest increase has been recorded in Carmarthenshire (13.6%). Prices in Pembrokeshire have risen by 15.5% between 2015 and 2020, which is most similar to the price rises in Ceredigion (15.0%) and Neath Port Talbot (16.8%).



1.29 The following figure considers in detail the trends over the last few years, during which prices have risen more quickly. The figure shows the change in mean overall property price in each council area for every quarter for the last three years. The figure suggests that average prices in Pembrokeshire were impacted by the first lockdown in response to the coronavirus pandemic, as they dropped notably in the second quarter of 2020 before increasing dramatically afterwards. This pattern was also recorded in Carmarthenshire and (although less pronounced) Neath Port Talbot.



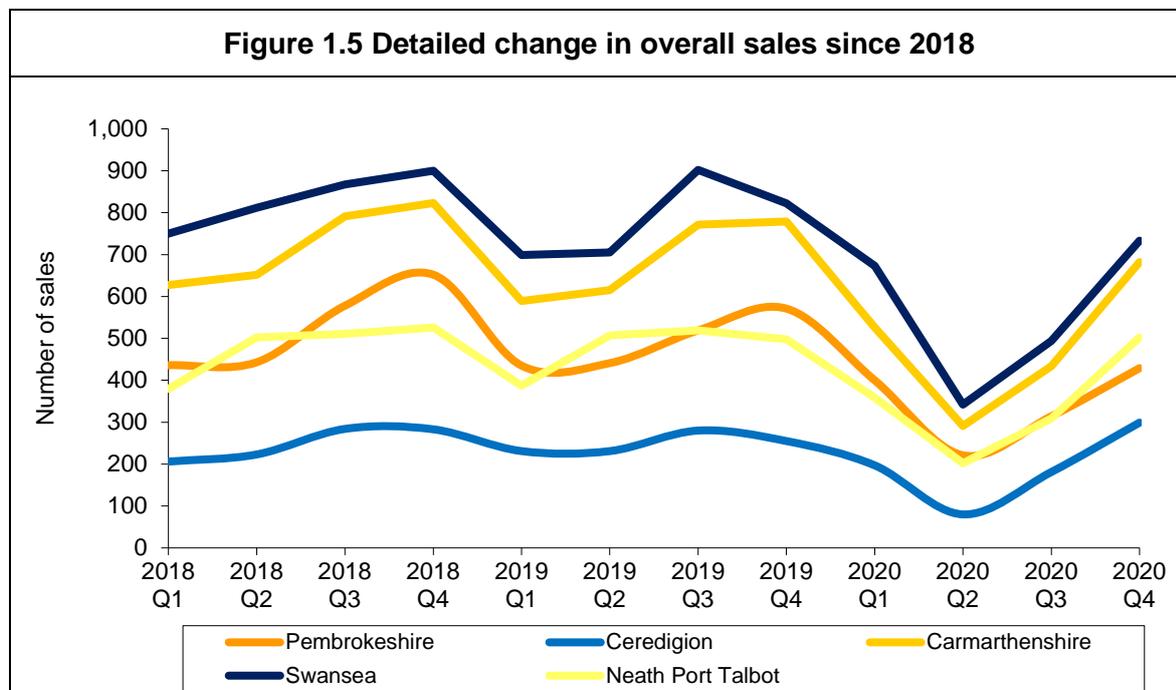
1.30 The figure below shows the change in the number of property sales in each council area over the last five years. Swansea has recorded the largest fall in sales (a 44.1% decrease), with Neath Port Talbot recording the next largest fall at 43.2%, followed by Pembrokeshire (43.1%). Ceredigion has recorded the smallest fall in sales (a 31.2% decrease) followed by Carmarthenshire (39.9%).



1.31 As before, the following figure considers in detail the trends over the last few years, during which sales have recorded a notable drop. The figure below shows the change in the number



of property sales in each council area for every quarter for the last three years. This makes it clear that the coronavirus pandemic has affected market behaviour as in 2020 the first quarter drop in sales (typically recorded every year), was sharper than normal and was sustained through the second quarter. From then sales levels picked up slowly in the third quarter and then rose closer to more typical level by the end of the year. This pattern was recorded across all the five authorities featured.



Views of local agents

- 1.32 A range of local estate agents were contacted to understand their perspective on the current housing market in Pembrokeshire. The consensus was that the housing market was incredibly buoyant, with demand for properties far outstripping supply. This has led to asking prices almost always being met and sometimes even exceeded with gazumping occasionally occurring. All agents noted that demand notably increased at the end of the first coronavirus lockdown last summer as people adjusted to the reality of regularly working from home and want both a larger property but also to be based in a nicer environment.
- 1.33 The demand for homes is large across all types of property, however with buyers being more concerned with outside space than previously because of the coronavirus related restrictions, the demand for flats has not grown as much as for houses with larger gardens. Agents noted a particular shortage of houses with three or more bedrooms and properties available in the first-time buyer price bracket. One agent also noted a specific supply shortage of bungalows.
- 1.34 It was noted by several agents that the demand from in-migrants to the area had notably increased since last summer. One agent thought that those from outside Pembrokeshire had increased from around 10-15% of all buyers to around 20-25% now. There was agreement from agents that these potential buyers new to the area were often relocating from far away,

including London and other cities in England. Another agent noted that many of these people moving from further afield were returners – those that had grown up in Pembrokeshire that moved away for work and have decided to return to the county now they are able to work from home. Several agents noted that some of the potential out-of-town buyers were put off by the lack of good quality broadband and mobile phone network in parts of the county.

- 1.35 There was consensus amongst local agents that the National Park boundary is not a factor in the decision-making process of potential buyers. Many moving from outside Pembrokeshire aren't aware it exists, but the vast majority of all movers just want to find the right house for them and are unconcerned as to whether this is within the National Park or not.

Conclusion

- 1.36 The analysis of Pembrokeshire and its neighbouring authorities presented above suggests that the most established linkages are those with the neighbours with which it shares the majority of the county boundary – Carmarthenshire and Ceredigion. Whilst there are linkages to authorities further to the east, the vast majority of migration and travel-to-work flows are relatively local. These three authorities also show a housing market profile similar to that found in Pembrokeshire, however it is clear that the authority is quite distinct in terms of the high level of self-containment recorded. It therefore appropriate to consider the county as its own housing market.

Report coverage

- 1.37 This report is focused on detailing the amount of new housing required over the plan period in Pembrokeshire, the size and tenure of housing that would be most suitable for the future population, the housing requirements of specific groups of the population and the level of affordable housing need that exists in the county. The report contains the following:

Chapter 2 presents an examination of the latest data on the labour market and the resident population and a profile of the housing stock in Pembrokeshire and the changes that have occurred within them.

Chapter 3 contains a detailed analysis of the cost of property in Pembrokeshire and the affordability of the different forms of housing for residents.

Chapter 4 sets out the calculation of outputs for the affordable housing needs model in accordance with the approach described in the SbS Guide. The chapter identifies both the type of households in housing need and the level of housing need in both the National Park and non-National Park parts of the county.

Chapter 5 sets out the calculation of the total housing need figure in Pembrokeshire between 2020 and 2033. It then disaggregates the total housing need to show the demographic profile of the future population in the county. The chapter uses this information to produce an analysis of the nature of future housing required within the long-term balancing housing markets model (LTBHM).

Chapter 6 contains an analysis of the specific housing situation of the particular sub-groups of the population identified within Planning Policy Wales.

Chapter 7 is a conclusion summarising the implications of these results.



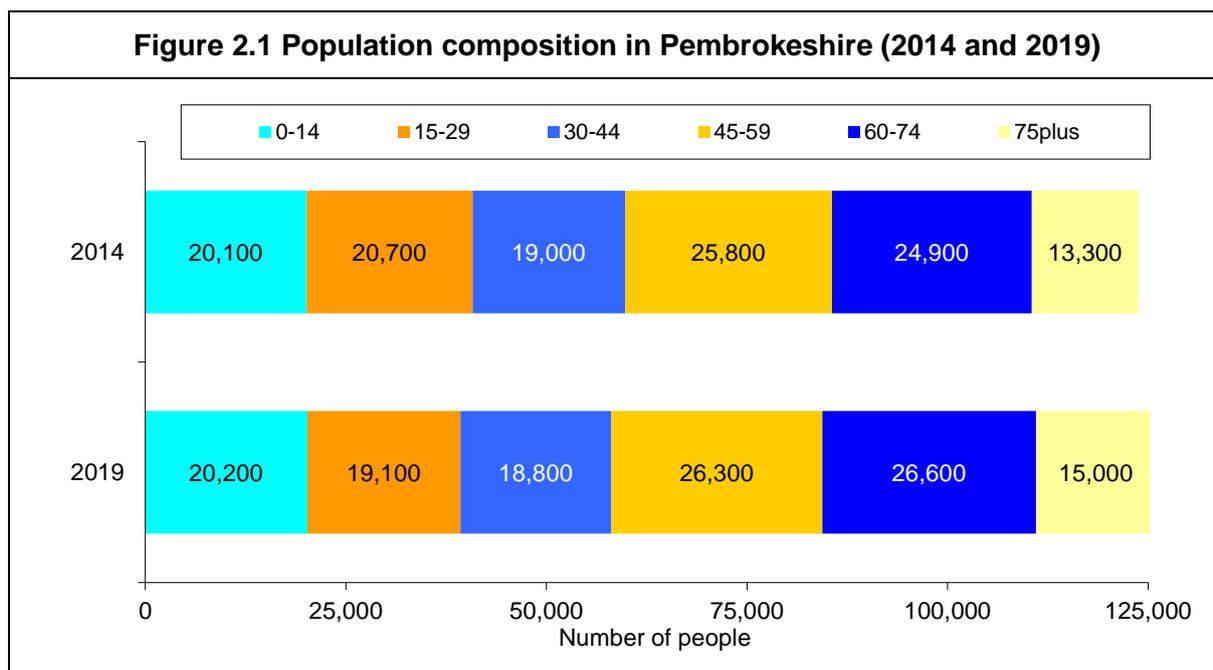
2. Local housing market drivers

Introduction

- 2.1 Two main drivers of the housing market are the resident population and the local labour market. They affect the nature of housing demand, including household formation rates and households' investment in housing. This socio-economic situation is important context to be understood before the housing requirements of the population are examined as set out in paragraph 4.2 of the LHMA Guide and paragraph 32 of the SbS Guide.
- 2.2 The first part of this chapter uses the most recently available data to document the current socio-economic profile in Pembrokeshire and how it has changed. Analysis of the stock of housing allows an understanding of the current market balance and existing occupation patterns. A range of data sources are used to provide an overview of the housing stock in Pembrokeshire and a comparison to the national situation will be presented where the data is available.

Demography

- 2.3 The 2019-based population estimates produced by the ONS show the age profile of the population in Pembrokeshire and how it has changed over the last 5 years. These population estimates indicate that the resident population in Pembrokeshire in 2019 was 126,000 and that since 2014 the population had increased by 1.8%, around 2,200 people. In comparison, the population of Wales as a whole increased by 2.0% over the same period.
- 2.4 The figure below illustrates the age composition of the population in Pembrokeshire in 2014 and 2019 according to the latest population estimates. The data shows that since 2014, the number of people aged 60 or over has markedly increased in the county. In contrast, the number of people aged between 15 and 44 has decreased. The 2019 population estimates indicate that the median age in Pembrokeshire in 2018 was 48.3, whilst for Wales the figure was 42.5.

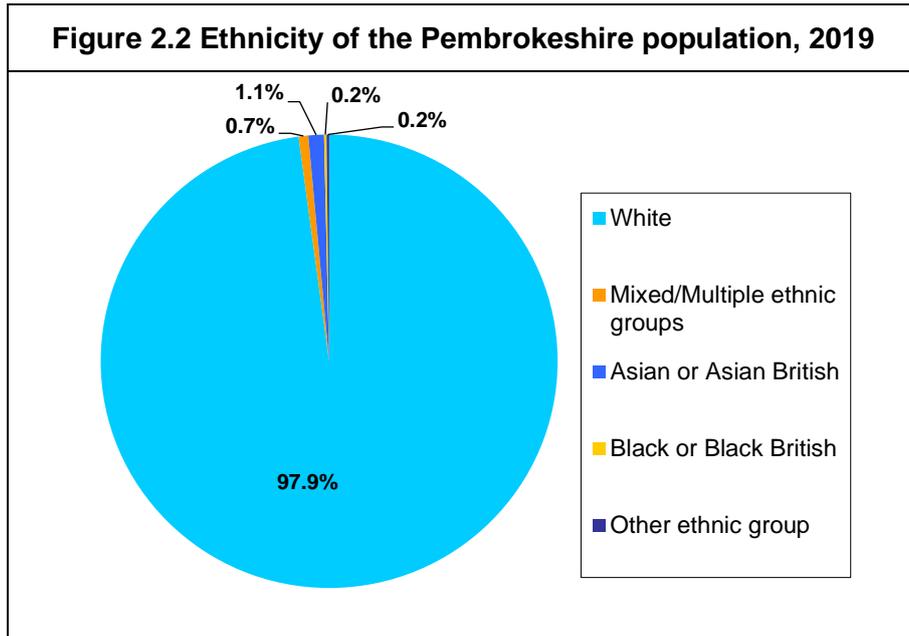


Source: ONS Population estimates, 2019

- 2.5 The population density in Pembrokeshire in 2019 was 78 people per sq. km according to the 2019 population estimates, notably lower than the figure for Wales as a whole (150 people per sq. km).
- 2.6 The 2019-based population estimates estimate that in 2019, just 0.2% of the population of Pembrokeshire had moved into the county from abroad within the last year, compared to 0.6% across Wales.

Ethnicity

- 2.7 The ONS have published estimates on the ethnicity of the population in local authorities across England and Wales that were produced in response to a specific request. The figures are consistent with the mid-year local area population estimates, however ONS note that these figures should be treated with caution as they have not been produced using methods which have undergone formal Quality Assurance. These figures do however provide the most up-to date profile of the ethnicity of the population at different geographies across the country. The figure below shows the estimated ethnicity in Pembrokeshire in 2019.
- 2.8 These estimates suggest that the 2.1% of the total population in Pembrokeshire in 2019 was from a BAME group, which was lower than the national figure (5.0% in Wales). The figure below presents the ethnicity of the population in Pembrokeshire in 2019. The Asian or Asian British represents the largest BAME group in Pembrokeshire (comprising 1.1% of total population).



Source: Office of National Statistics, 2019

Number of households

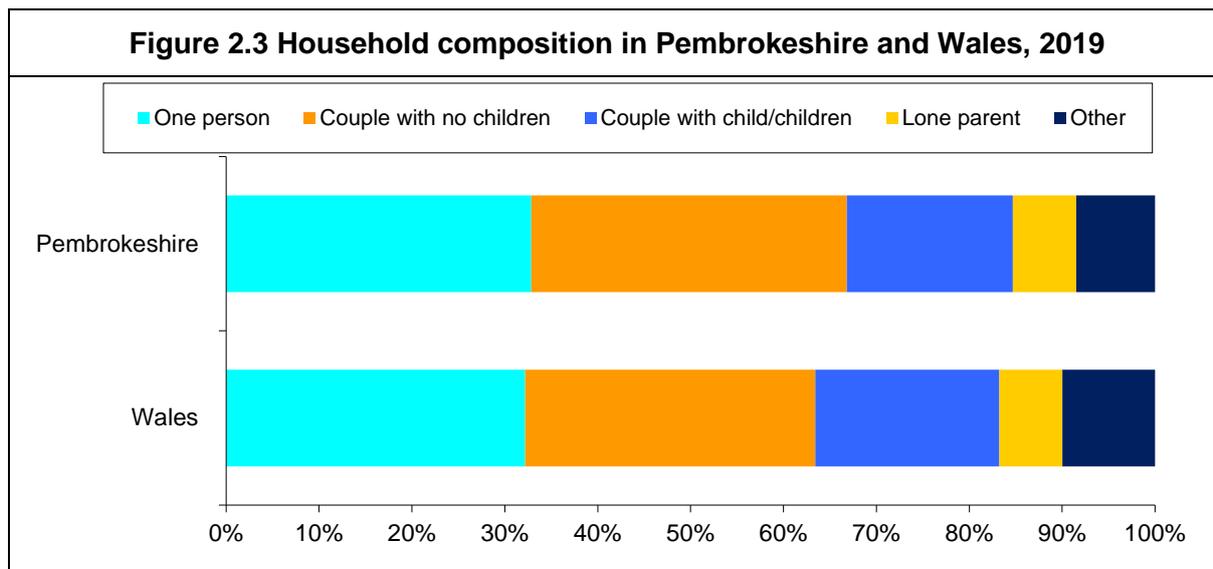
2.9 The 2019-based household estimates published by the Welsh Government indicated that the number of households in Pembrokeshire has increased by 3.4% since 2014, reaching 56,123 households in 2019. This compares to the national growth in the number of households of 3.2% over the same period. In Pembrokeshire the household population has increased at a slower rate than the number of households between 2014 and 2019 (at just 1.6%), resulting in a falling average household size, as is illustrated in the table below. At the national level, the average household size has also fallen over the last five years, albeit at a slower rate.

Table 2.1 Change in average household size between 2014 and 2019

<i>Location</i>	<i>Average household size in 2014</i>	<i>Average household size in 2019</i>
Pembrokeshire	2.25	2.20
Wales	2.29	2.26

Source: Welsh Government Household estimates, 2019

2.10 The figure below compares the household composition in Pembrokeshire in 2019 with that recorded for Wales. The data indicates that there are more couple households without children, and fewer couple households with children and also ‘other’ households in Pembrokeshire than are recorded regionally and nationally.



Economy

- 2.11 Considerable data is available on the economic context in Pembrokeshire, which enables a profile of the current local economy to be presented.

Employment in Pembrokeshire

- 2.12 NOMIS¹³ data on 'job density' (this is a measure of the number of individual jobs¹⁴ per person of working age) for 2019 shows that there are 0.82 jobs per working age person in the county, compared to 0.77 for Wales as a whole. The level of job density in Pembrokeshire has increased notably over the last five years (it was 0.76 in 2014), which represents higher growth than recorded nationally (from 0.73 to 0.77).
- 2.13 Measured by the ONS Business Register and Employment Survey there were 44,000 individual employee jobs¹⁵ in Pembrokeshire in 2019. This is the highest level recorded in the housing market area since the collection of this data was begun in 2015 (the data source is only four years old). Overall, the number of employee jobs in the county has increased by 4.8% between 2015 and 2019, compared to an increase of 3.2% nationally over the same time period.

¹³ NOMIS is a website provided by the Office for National Statistics that contains a range of labour market data at a local authority level. www.nomisweb.co.uk.

¹⁴ Jobs includes employees (both full and part-time), self-employed, government-supported trainees and HM Forces.

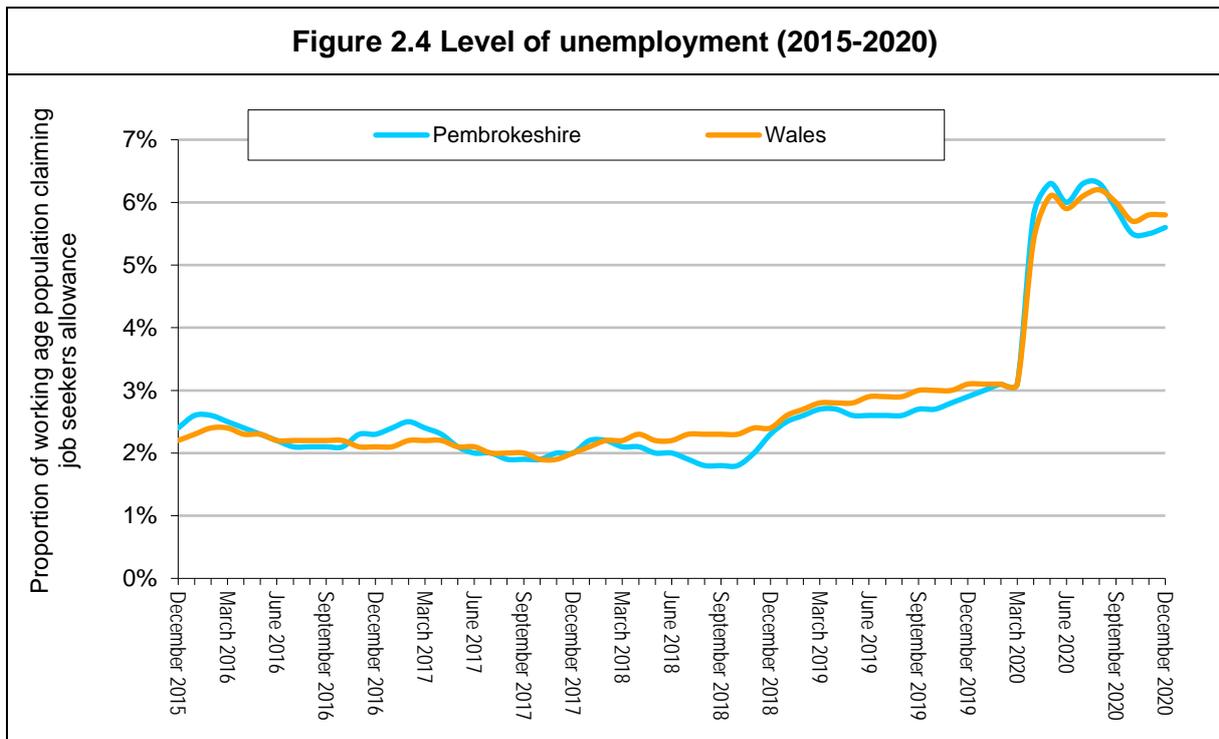
¹⁵ Employee jobs excludes self-employed, government-supported trainees and HM Forces. Employee jobs can be both part-time and full-time. Data also excludes farm-based agriculture.

2.14 Data is also available from the ONS about the number of businesses in the area and how this has changed. This can provide an indication of the state of the economy as an increase in businesses would suggest either new companies moving to the area or an increase in local entrepreneurship. The ONS indicates that in 2020 there were 5,930 enterprises in Pembrokeshire. A very similar proportion of enterprises are micro (with 9 or fewer employees) across Pembrokeshire (89.9%) compared with Wales (89.4%). In Pembrokeshire the number of enterprises has increased by 7.7% between 2015 and 2020 (a rise of 425), slightly lower than the national increase (8.2%).

Employment profile of residents in Pembrokeshire

2.15 Although the overall economic performance of the county provides important context, an understanding of the effect of the economic climate on the resident population is more pertinent to this study.

2.16 The ONS publishes the number of people claiming Job Seekers Allowance on a monthly basis. This provides a very up-to-date measure of the level of unemployment of residents in an area. The figure below shows the change in the proportion of the working age population claiming Job Seekers Allowance in Pembrokeshire and Wales over the last five years. The figure indicates that the unemployment level in Pembrokeshire, whilst fluctuating notably, has been quite similar to the national level. The figure also shows that the unemployment rate in all areas has grown dramatically since March 2020 as the impact of the behavioural changes required as a consequence of the Coronavirus have dramatically affected employment levels. Currently 5.6% of the working age population in Pembrokeshire are unemployed, compared to the national average of 5.8%. Over the last year, unemployment has increased in Pembrokeshire by 132.4%, compared to a rise of 164.6% nationally.



Source: ONS Claimant Count



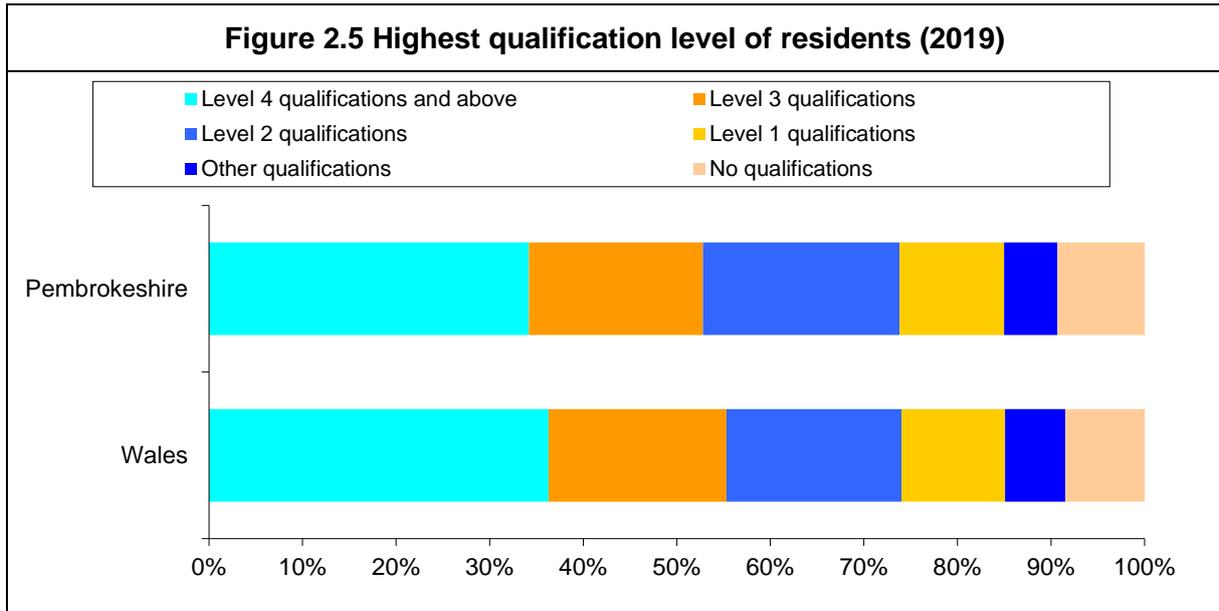
2.17 The Annual Population Survey presents a ‘Standard Occupation Classification’ which categorises all working people resident within an area into one of nine groups depending on the nature of the skills that they use. These nine groups are graded from managerial jobs (Groups 1-3) to unskilled jobs (Groups 8-9). As the table below illustrates, some 36.7% of employed residents in Pembrokeshire work in Groups 1 to 3, lower than the equivalent figure for Wales. The proportion of residents working in the other three groups is however higher than the national equivalents. Further analysis shows that, since 2015, there has been a slight increase in the proportion of people resident in Pembrokeshire employed within Groups 1 to 3, Groups 4 to 5 and Groups 6 to 7. There has also been a notable fall in the number of people employed within Groups 8 to 9.

Table 2.2 Occupation structure (2020)			
<i>Occupation Groups</i>	<i>Pembrokeshire</i>	<i>Wales</i>	<i>Change in # of people employed in Pembrokeshire since 2015</i>
Group 1-3: Senior, Professional or Technical	36.7%	44.1%	1.0%
Group 4-5: Administrative, skilled trades	23.7%	20.5%	1.5%
Group 6-7: Personal service, Customer service and Sales	22.3%	17.9%	0.8%
Group 8-9: Machine operatives, Elementary occupations	17.1%	16.9%	-11.1%
Total	100.0%	100.0%	-

Source: Annual Population Survey, 2020

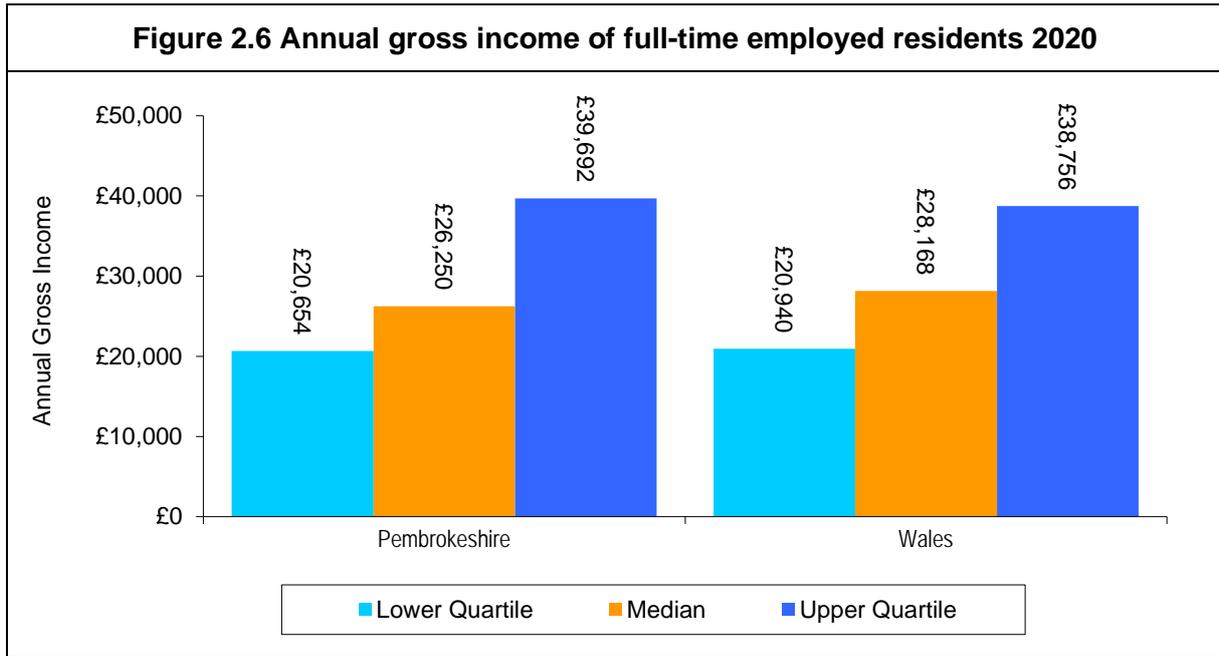
Qualifications

2.18 An important factor in the ability of any economy to grow is the level of skill of the workforce. The figure below shows the highest qualification level of the working-age residents of Pembrokeshire, compared to the regional and national equivalents as recorded in the Annual Population Survey. Level 1 qualification is the lowest (equivalent of any grade at GCSE or O-Level) and Level 4 the highest (undergraduate degree or higher). The data indicates that 34.2% of working-age residents in Pembrokeshire have level 4 or higher qualifications, lower than the figures for Wales (36.3%). Pembrokeshire also has slightly more residents with no qualifications than is found regionally (9.3% compared to 8.5%). It is important to note that in Pembrokeshire, the number of working-age residents without qualifications has reduced notably since 2014 (by 17.3%).



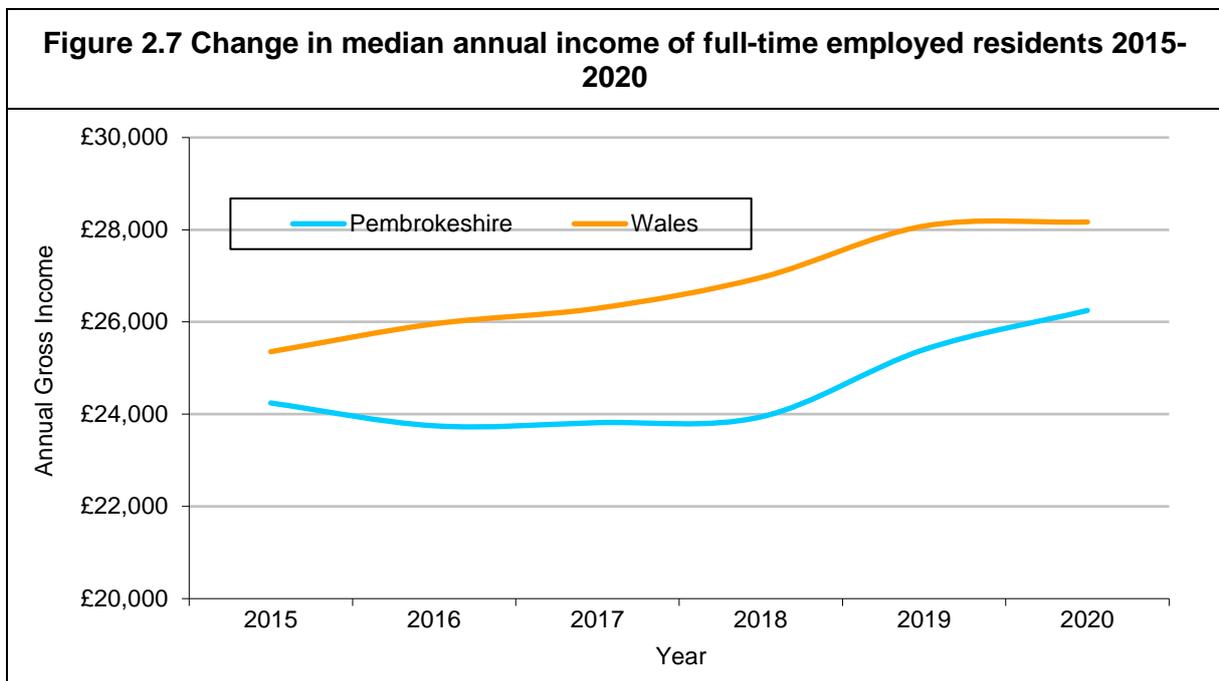
Income

- 2.19 Income has a core effect on the level of choice a household has when determining its future accommodation. The mean earned gross income for full-time employees resident in Pembrokeshire in 2020 was £31,829 according to the ONS Annual Survey of Hours and Earnings. In comparison, the national average was £31,897. It is important to note that these figures assess individual incomes rather than household incomes. It should also be noted that the median figures (set out in the figure below) provide a more accurate average than the mean figures as they are less influenced by extreme values, however the mean figures are presented for context.
- 2.20 The figure below shows that despite Wales recording a higher lower quartile and median income, the upper quartile income levels are higher in Pembrokeshire. In Pembrokeshire there is a relatively large difference between higher earners and lower earners (in comparison with nationally).



Source: ONS Annual Survey of Hours and Earnings (2020)

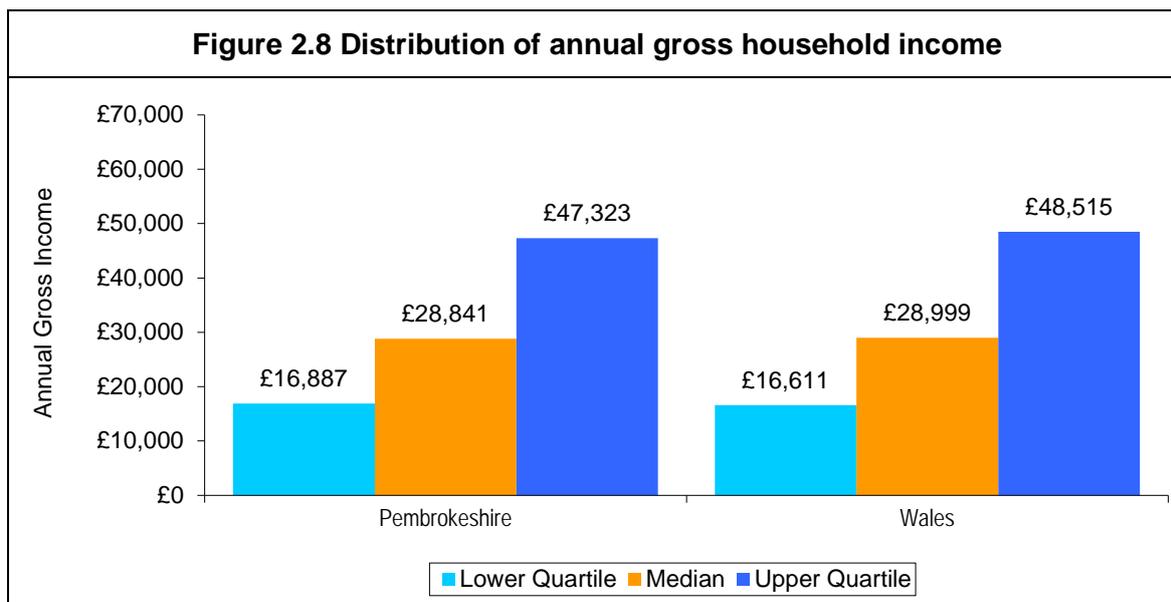
2.21 The figure below shows the change in the median income of full-time employees resident in Pembrokeshire and Wales since 2015. Pembrokeshire has recorded a lower increase since 2015 (8.3%) than Wales (11.1%).



Source: ONS Annual Survey of Hours and Earnings (2015-2020)

Household income

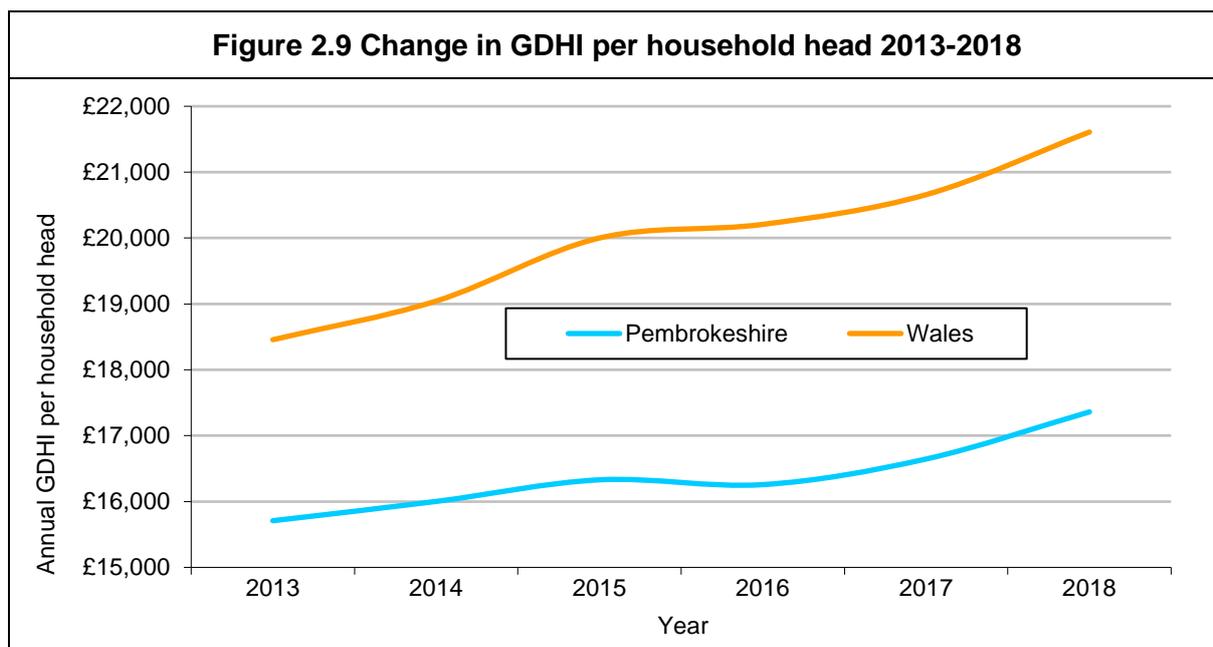
2.22 CACI Paycheck¹⁶ estimates that the mean gross annual household income in Pembrokeshire is £35,531, which is 1.9% above the equivalent for the country (£36,234 for Wales). The figure below shows household income at various points on the income distribution for the county alongside the national equivalents. The data indicates that lower quartile household incomes are slightly higher in Pembrokeshire than Wales, with the reverse true for median and upper quartile household incomes. It is clear that, household incomes are similar to those recorded for Wales as a whole.



2.23 The Welsh Government publishes estimates for the gross disposable household income (GDHI¹⁷) per household head, for each Local Authority in Wales on an annual basis. The most recent data published (2018), indicates that the GDHI per household head in Pembrokeshire is £17,360, a figure notably lower than the national average (£21,609). The figure below shows the change in the mean GDHI per household head in Pembrokeshire and Wales since 2013. Pembrokeshire has recorded a lower increase since 2013 (10.5%) than Wales (17.1%).

¹⁶ CACI is a commercial company that provides household income data.

¹⁷ GDHI is an estimate of the amount of money that households have available for consumption expenditure or saving. It is equivalent to the excess of income (including earnings, pensions, investments, benefits etc) over expenditures associated with their income (tax, property ownership and the provision for future pension provision).



Source: Welsh Government, 2020

Dwelling stock

- 2.24 The latest dwelling stock estimates from the Welsh Government¹⁸ indicate that there were 63,034 dwellings in Pembrokeshire in 2020, and that, over the last five years, the number of dwellings had increased by 2.4%, almost 1,500 properties. In comparison, the dwelling stock in Wales increased by 2.2% between 2015 and 2020.
- 2.25 Analysis of the data held by the Welsh Government on the application of Council Tax to dwellings¹⁹ indicates that, in 2020, 2.7% of dwellings in Pembrokeshire were long-term empty properties. This is notably higher than the figure recorded for Wales as a whole (1.8%). The same data source indicates that 6.8% of dwellings in Pembrokeshire were classified as chargeable second homes, markedly higher than the national figure (1.8%) reflecting the impact of location on the housing market.
- 2.26 The report *Second homes: Developing new policies in Wales*²⁰ published in early 2021 looked in detail at the number of second homes and also the number of homes used or registered as businesses (holiday units, houses which are let out, AirBnb etc), to fully identify the stock that is unable for residential use in the different counties of Wales. This recorded that in

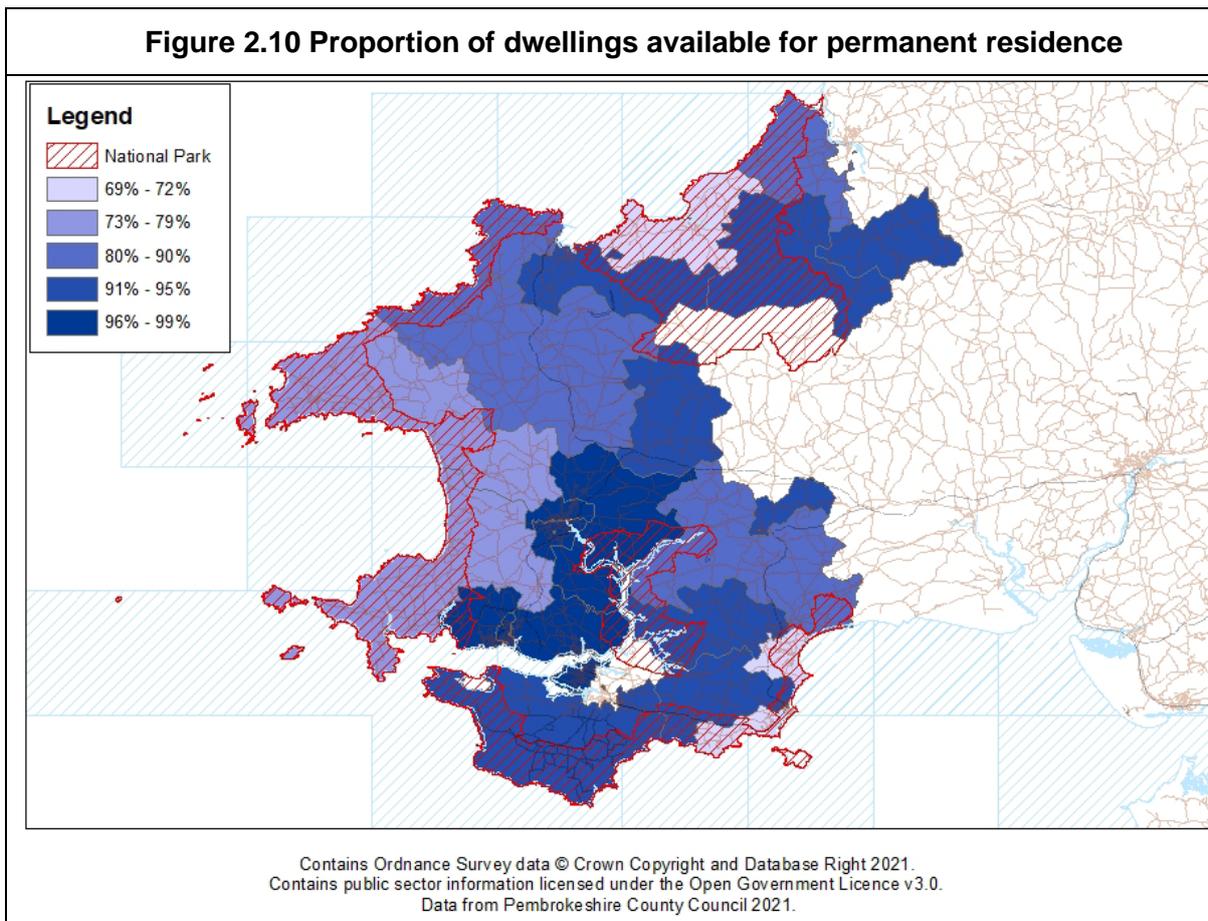
¹⁸ <https://statswales.gov.wales/Catalogue/Housing/Dwelling-Stock-Estimates>

¹⁹ <https://statswales.gov.wales/Catalogue/Local-Government/Finance/Council-Tax/Dwellings>

²⁰ <https://gov.wales/second-homes-developing-new-policies>

Pembrokeshire in Mid-2020 some 9.2% of the housing stock was unavailable for use, the second highest figure recorded across the whole of Wales.

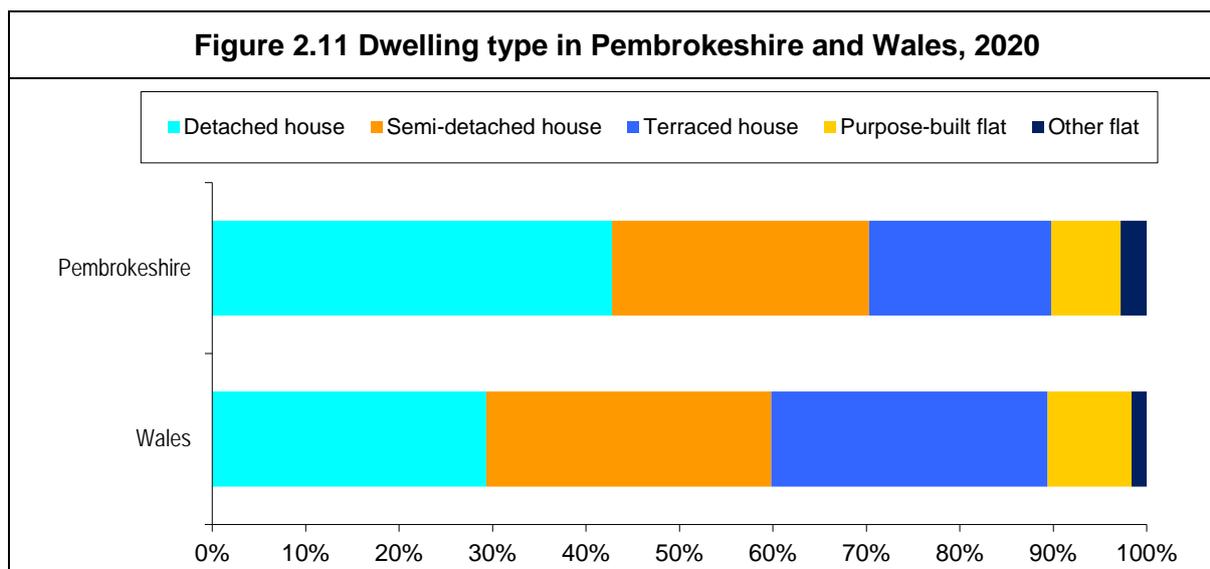
2.27 This report notes that these properties are unevenly distributed across the country and also within individual counties, being located principally in the areas most commonly associated with tourism. The figure below highlights this by identifying the proportion of dwellings available for permanent residence in each community council area using data on the Council Tax Register as provided by the Council. The figure highlights whilst the impact of second home and holiday lettings is not large in the urban parts of the County, it is very significant in parts of Pembrokeshire, both inside and outside of the National Park.



Source: Pembrokeshire Council, 2021

Accommodation profile

2.28 The figure below compares the type of accommodation in Pembrokeshire in 2020 with that recorded for Wales. Pembrokeshire contains more detached dwellings than the national average. The county contains notably fewer terraced houses than is found across Wales. The most common property type in Pembrokeshire is detached houses followed by semi-detached dwellings.



2.29 The table below compares the size of accommodation (in terms of bedrooms) in Pembrokeshire with Wales. The table indicates that Pembrokeshire has a greater proportion of larger homes (homes with 4 or more bedrooms) and fewer smaller dwellings (one bedroom) than Wales as a whole. Overall, some 44.2% of all dwellings in Pembrokeshire have three bedrooms.

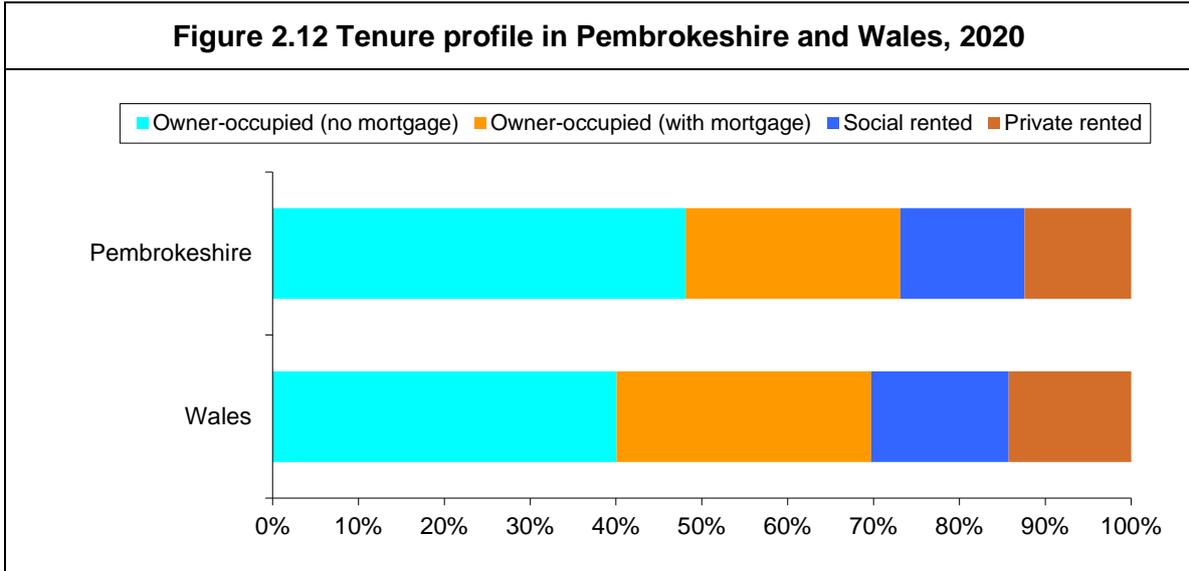
Table 2.3 Size of dwelling stock in the Pembrokeshire and Wales, 2020

Property size*	Pembrokeshire	Wales
One bedroom	6.4%	7.8%
Two bedroom	23.5%	23.2%
Three bedroom	44.2%	46.8%
Four or more bedrooms	25.9%	22.2%
Total	100%	100%

Source: National Survey for Wales 2018, modelled 2011 Census data

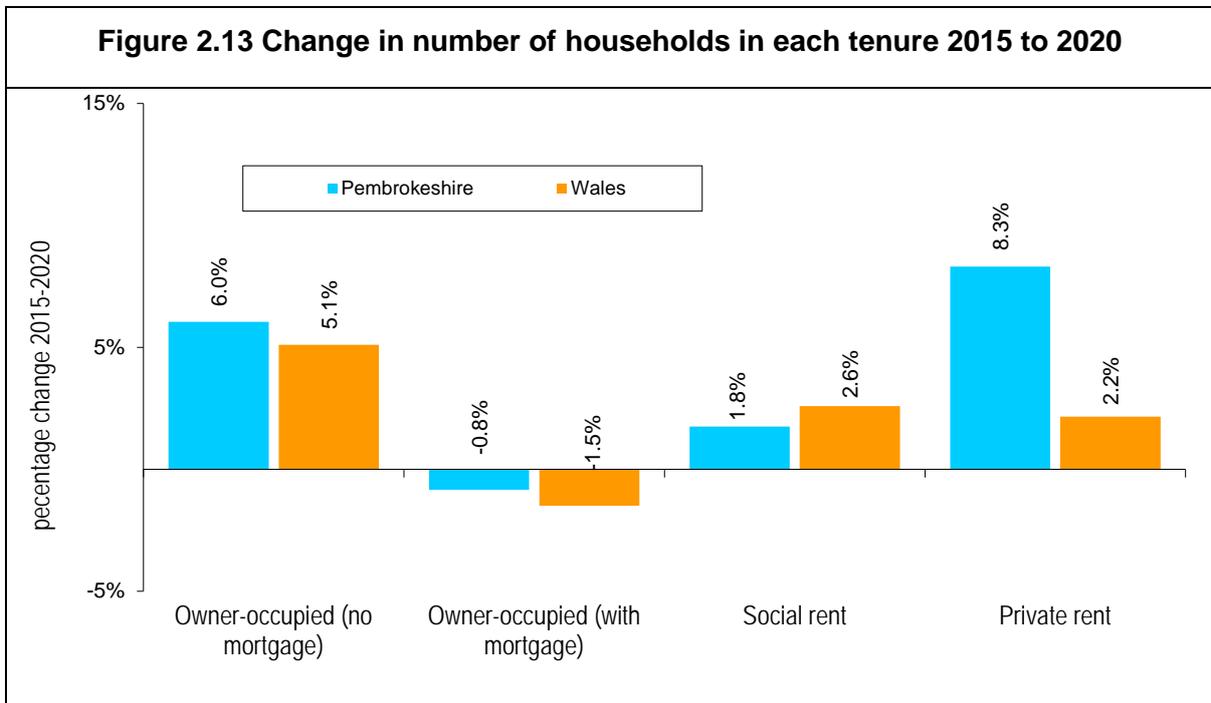
Tenure

2.30 The figure below compares the tenure of households in Pembrokeshire in 2020 with that recorded for Wales. The data indicates that 48.1% of households in the county are owner-occupiers without a mortgage, compared to 40.1% nationally. The proportion of owner-occupiers with a mortgage in Pembrokeshire (25.0%) is however lower than the national average (29.7%). Some 14.5% of households in Pembrokeshire are resident in the Social Rented sector, lower than the figure for and Wales (16.0%). Finally, some 12.4% of households in Pembrokeshire live in private rented accommodation, compared to 14.3% in Wales.



Source: Welsh Government Dwelling Stock Estimates, 2020, modelled 2011 Census data

2.31 The figure below shows the change in the size of each tenure between 2015 and 2020. The figure shows that in Pembrokeshire the private rented sector has increased most dramatically and the number of owner-occupiers with no mortgage has also grown notably. In comparison, the number of owner-occupiers with a mortgage has decreased slightly. The Social Rented sector has recorded a modest growth.



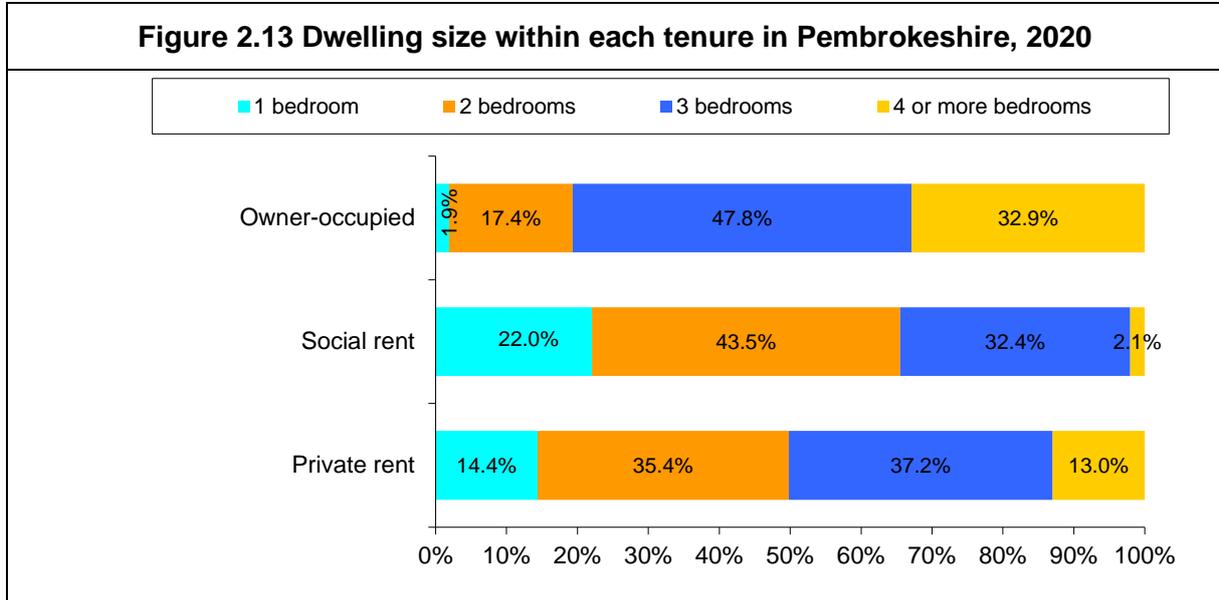
Source: Welsh Government Dwelling Stock Estimates, 2020, modelled 2011 Census data

Tenure by bedroom

2.32 Finally, it is useful to understand the size of accommodation within each tenure as recorded in the LTBHM model (discussed further in Chapter 5). This is shown in the figure below. The



data indicates that, in Pembrokeshire, rented accommodation is smaller on average than owned dwellings. This pattern is common across the country and reflects of the profile of dwellings built in each sector alongside the size of homes lost from the affordable stock through Right-to-Buy, rather than the aspirations of those in the different tenures.



3. The cost and affordability of housing

Introduction

- 3.1 An effective housing needs assessment is founded on a thorough understanding of local housing – what it costs and how this varies. This chapter initially considers the cost of market housing in Pembrokeshire in a national context. Subsequently, it assesses the entry-level costs of housing across the county. A comparison of the cost of different tenures will be used to identify the housing market gaps that exist. Finally, the chapter will report on the affordability of housing for different groups of the population currently. This chapter, alongside the data set out in Chapter 3, addresses the requirements of Chapter 4 of the LHMA Guide.

Relative prices

- 3.2 The table below shows the average property price by dwelling type in 2020 in Pembrokeshire, and Wales as a whole as presented by the Land Registry²¹. The data indicates that the overall average property price in Pembrokeshire is 6.5% higher than the national figure. The data also shows that detached and semi-detached houses in the county are cheaper than their national equivalents, however flats and terraced houses in Pembrokeshire are typically more expensive than the national figures.
- 3.3 The dwelling sales profile is not the same across the two areas (with Pembrokeshire having a greater proportion of sales of detached houses and a notably smaller proportion of sales of flats than nationally), so a mix adjusted average has therefore been derived to work out what the average price would be where the dwelling mix in Pembrokeshire to be the same profile as is recorded across Wales. The mix adjusted average price indicates that equivalent properties in Pembrokeshire are around 2.6% lower than those found nationally.

²¹ <http://landregistry.data.gov.uk/app/standard-reports/report-design?utf8=%E2%9C%93&report=avgPrice>

Table 3.1 Mean property prices 2020				
Dwelling type	Pembrokeshire		Wales	
	Average price	% of sales	Average price	% of sales
Detached	£277,378	44.0%	£286,107	30.2%
Semi-detached	£166,467	24.6%	£176,562	30.2%
Terraced	£138,942	24.8%	£138,248	33.1%
Flats	£143,630	6.7%	£136,810	6.5%
Overall average price	£206,895	100.0%	£194,324	100.0%
Mixed adjusted overall average price	£189,315	-	£194,324	-

Source: Land Registry, 2020

- 3.4 The mean property price in Pembrokeshire has risen by 15.5% between 2015 and 2020 compared to an increase of 17.4% nationally. The number of sales in Pembrokeshire over this period has fallen by 43.1% compared to a decrease of 43.9% in Wales.
- 3.5 The table below shows the average private rents by dwelling size in 2019 in Pembrokeshire, and Wales as recorded by the Rent Officers Wales. The data indicates that the overall average rental price in Pembrokeshire is 9.4% lower than the national figure. The data also shows that whilst one, two and four bedroom rents are notably cheaper than the national figures, three bedroom rents are quite similar to their national equivalent. The mix adjusted average rent indicates that equivalent properties in Pembrokeshire are around 10.2% lower than those found nationally.

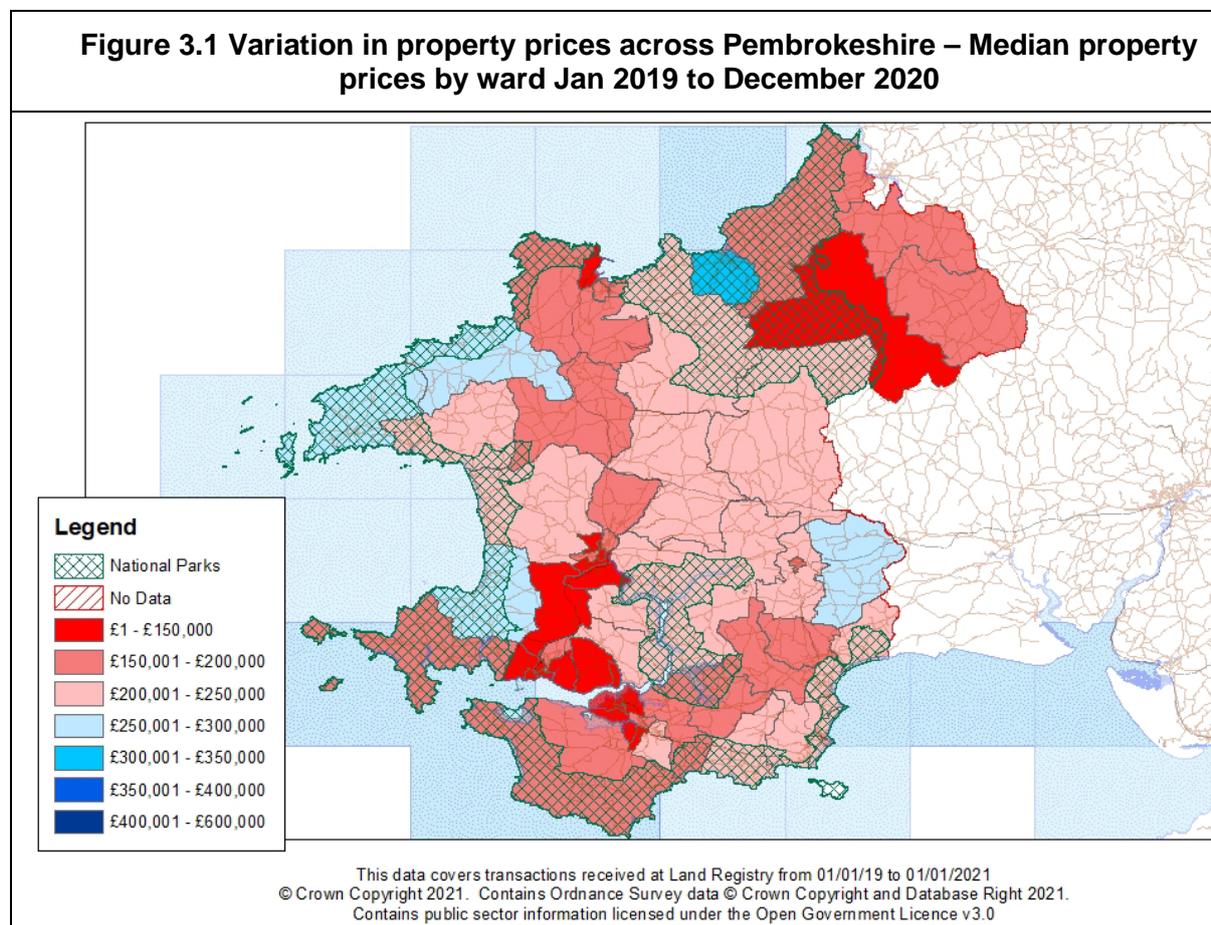
Table 3.2 Mean private rents in 2019* (price per month)				
Dwelling size	Pembrokeshire		Wales	
	No. of sales	Average price	No. of sales	Average price
One bedroom	268	£390	5,215	£468
Two bedroom	669	£477	13,507	£549
Three bedroom	633	£580	11,941	£598
Four bedroom	145	£704	2,238	£856
Overall average rent**	1,715	£521	32,901	£575
Mixed adjusted rent	-	£516	-	£575

*Recorded between 1 January 2019 to 31 December 2019. Source: Rent Officers Wales, 2019

- 3.6 The mean rents in Pembrokeshire have fallen by 2.0% between 2014 and 2019 compared to an increase of 8.2% nationally. The number of lettings in Pembrokeshire over this period has grown by 34.8% compared to a rise of 26.2% in Wales.

The cost of housing

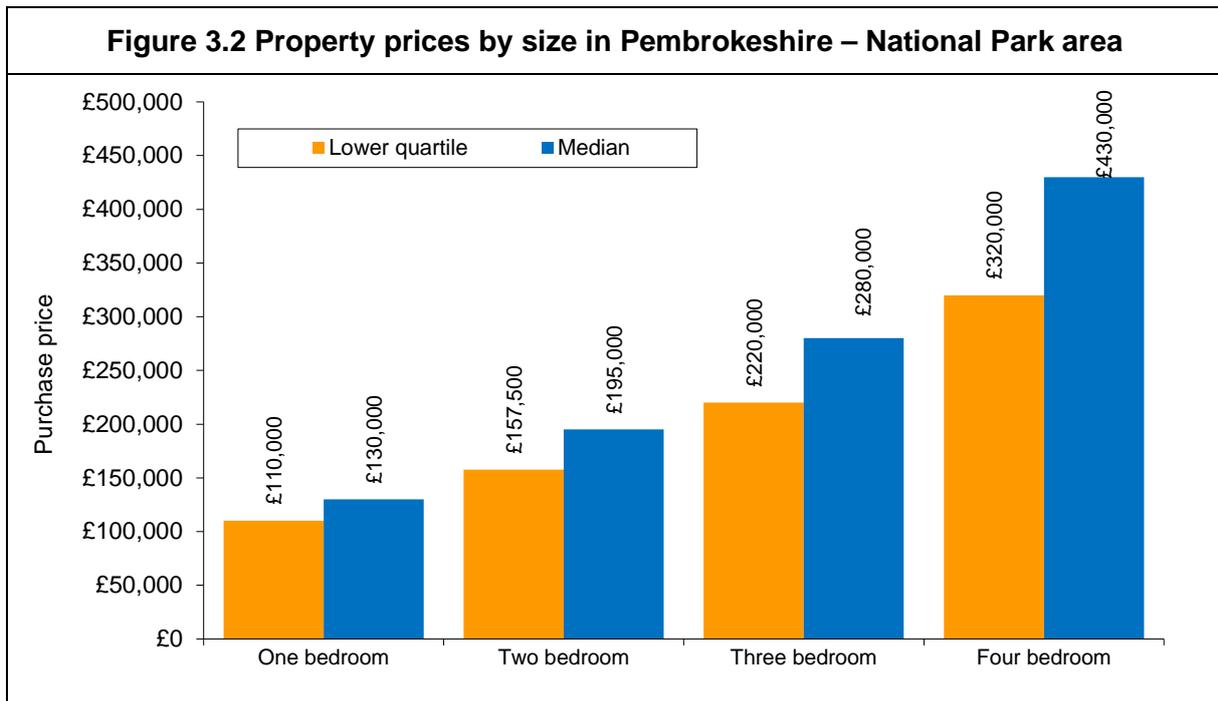
3.7 As acknowledged in Chapter 4 of the LHMA Guide and the SbS Guide, to fully understand the affordability of housing within an area, it is necessary to collect data on the cost of housing by number of bedrooms. This ensures that it is possible to assess the ability of households to afford market housing of the size required by that particular household. No published secondary data contains this information at a local authority level. As part of this study, we have therefore undertaken a price survey to assess the current cost of market (owner-occupied and private rented) and affordable housing in Pembrokeshire. At the time of the price survey there were over 500 homes advertised for sale and over 150 properties available to rent in Pembrokeshire providing a suitably large sample size for this process. The figure below shows the variations in the cost of housing across the county and illustrates that there is some variation, with prices generally slightly cheaper around Haverfordwest, with the most expensive parts being the rural coastal areas of the county.



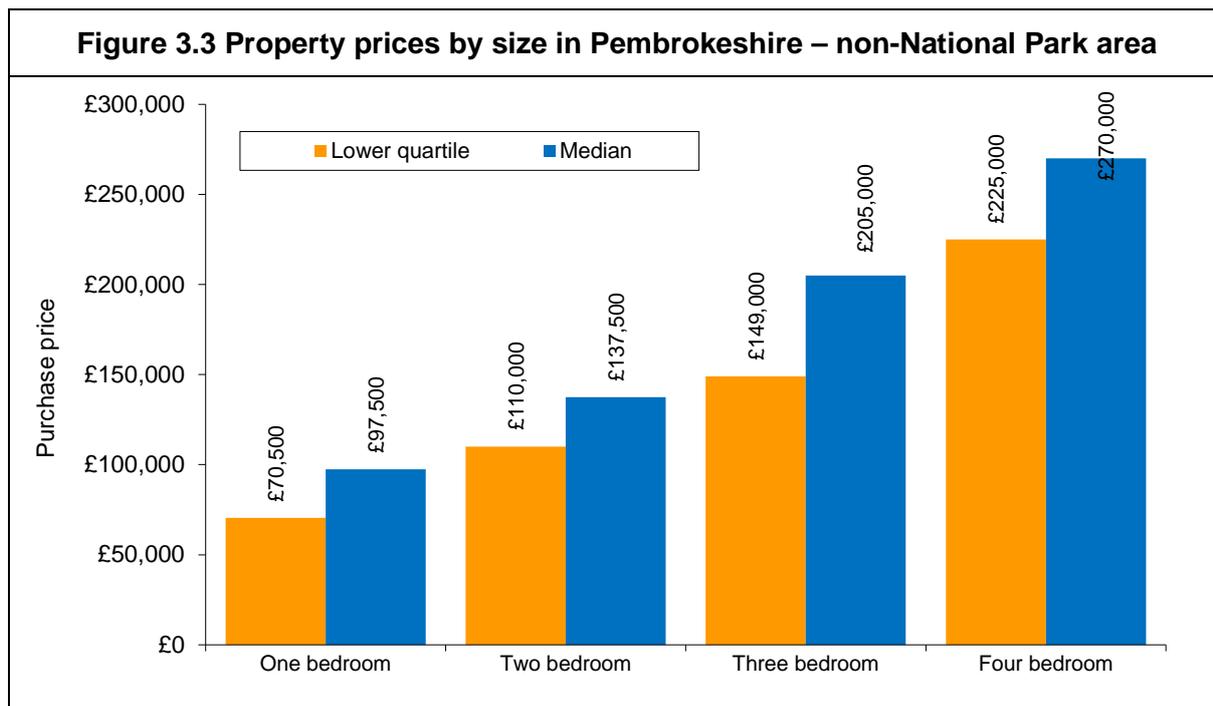
Source: Land Registry, 2021

3.8 Median asking prices by number of bedrooms were obtained in Pembrokeshire via an online search of properties advertised for sale during January 2021. The county was divided into the National Park and non-National Park parts and two separate surveys conducted, this is because, whilst local estate agents were clear that most potential residents are not affected by the National Park boundary, there is a clear price distinction between homes inside and outside this area.

- 3.9 The results of this online price survey are presented in the figure below. The prices recorded reflect that currently the full asking price is achieved in Pembrokeshire (according to the interviews with local estate agents). In terms of market availability, the analysis showed that four bedroom properties are most commonly available to purchase in National Park part of Pembrokeshire, with two bedroom homes the next most widely available. In the non-National Park part of the county, three bedroom homes are most commonly available, followed by four bedroom dwellings. In both areas, the smallest supply is of one bedroom homes.
- 3.10 The online survey also collected information at different points of the price distribution. Entry-level property prices for each price market are also presented in the figure below. In accordance with the paragraph 4.22 of the LHMA Guide, entry-level prices are based on lower quartile prices. This lower quartile price reflects the cost of a home in suitable condition for habitation, some of the properties available in the lowest quartile are sub-standard and will require modernisation and updating which will add further expense to the purchase price.
- 3.11 The figures indicate that entry-level prices in National Park part of Pembrokeshire range from £111,000 for a one bedroom home, up to £320,000 for a four bedroom property, with median prices between 20 and 35% higher. In the non-National Park part of the county, entry-level prices range from £70,500 for a one bedroom home, up to £225,000 for a four bedroom property, with median prices between 20 and 40% higher.



Source: Online estate agents survey January 2021



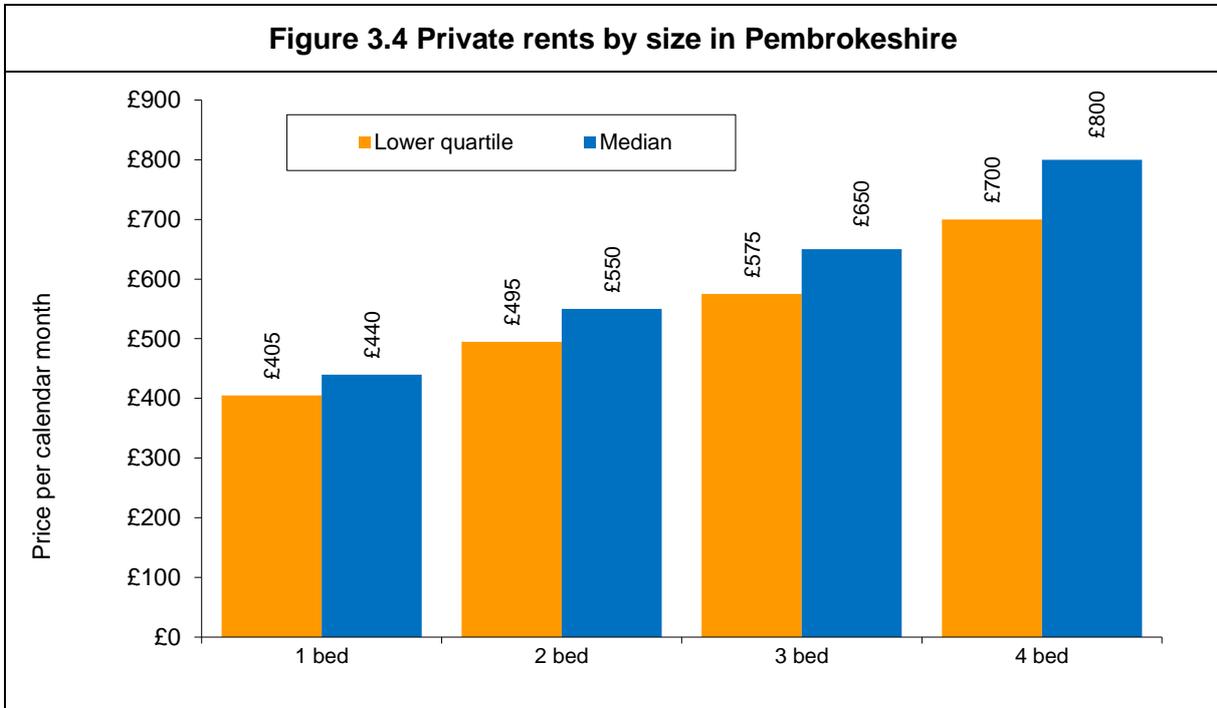
Source: Online estate agents survey January 2021

Private rents

- 3.12 Whilst private rent levels vary across the county, the distinction between the areas is less marked than with owner-occupation, reflecting that location is not as important a determinant in rent levels as the condition and quality of the property. It is also clear that the size of the private rented sector in the National Park of the county has notably reduced in the last decade in response to the growth in popularity of peer-to-peer accommodation websites such as Airbnb. Research²² has shown that landlords in Pembrokeshire are increasingly choosing to make their property available for use for short-term holiday lets rather than as a long-term private rented home (discussed also in paragraphs 2.26 and 2.27). The consequence of this reduction in the availability of private rented homes in the National Park part of the county is that there is now no longer a sufficient supply of residences in this tenure within this area. This means it is not possible to separate the private rented sector into National Park and non-National park sub-markets, but instead a single county-wide private rented market.
- 3.13 The median price for private rented accommodation by property size across the whole of Pembrokeshire is presented in the figure below. The costs recorded are the agreed letting cost rather than the advertised cost, although generally there is little distinction between the

²² Twelve Councils in Wales commissioned a study (not yet publicly available) by Global Tourism Solution Ltd using data on peer-to-peer accommodation lettings from 2016 to 2019. This study showed that Pembrokeshire recorded by far the highest number of such lettings and that the number of these lettings in Pembrokeshire had grown by 450% between January 2017 and December 2019, notably higher than for any other area included in the study.

two. The profile of properties available is somewhat different to that for purchase with a greater proportion of two bedroom homes available to rent in the county. Entry-level private rents for Pembrokeshire are also presented in the figure below. The figure indicates that entry-level rents range from £405 per month for a one bedroom home, up to £700 per month for a four bedroom property.



Source: Online estate agents survey January 2021

Social Rents

3.14 The cost of Social Rented accommodation by dwelling size in Pembrokeshire can be obtained from the Welsh Government²³. The table below illustrates the cost of Social Rented dwellings in Pembrokeshire. The costs are significantly below those for private rented housing, particularly for larger homes, indicating a significant gap between the Social Rented and market sectors.

²³ <https://statswales.gov.wales/Catalogue/Housing/Social-Housing-Stock-and-Rents>

Table 3.3 Average Social Rented costs (per month)	
<i>Bedrooms</i>	<i>Average cost</i>
One bedroom	£317
Two bedrooms	£355
Three bedrooms	£378
Four bedrooms	£485

Source: Welsh Government, 2019

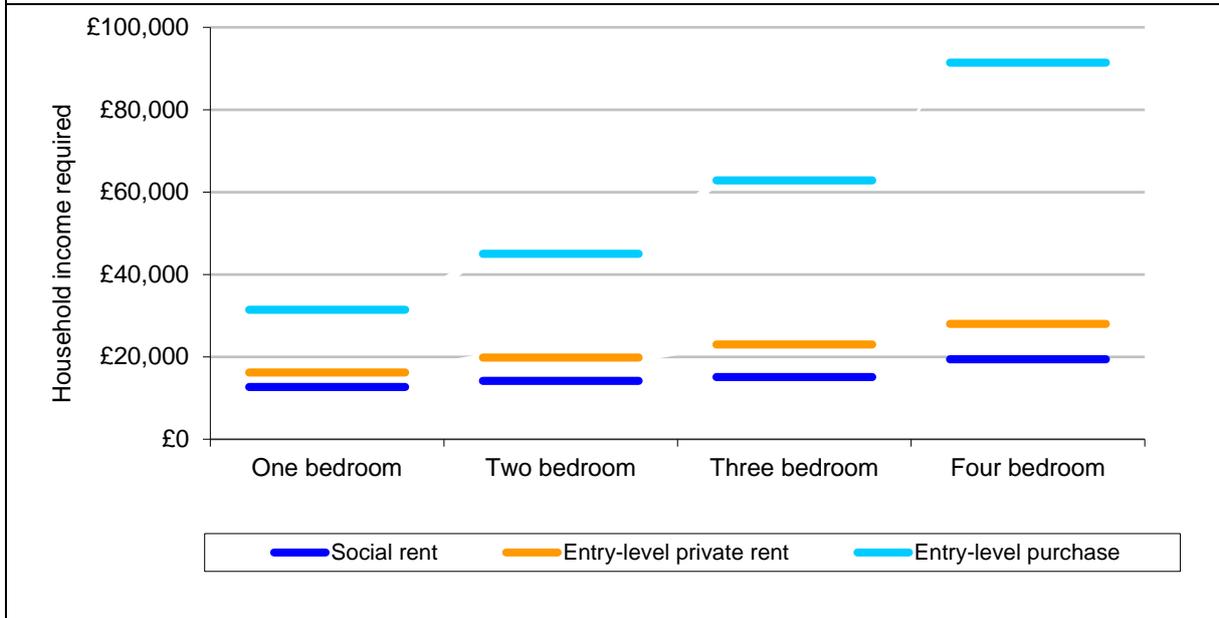
Analysis of housing market ‘gaps’

- 3.15 Housing market gaps analysis has been developed to allow comparison of the costs of different tenures. The figure below shows the housing ladder that exists for different sizes of property. The housing ladder is illustrated by comparing the different types of housing in terms of the income required to afford them. To do this, we have divided the entry-level property price (set out in Figures 3.2 and 3.3) by 3.5²⁴ to get an annual income figure (to reflect the likely minimum income required to be granted a mortgage on the property) and multiplied the annual rent by 3.3333 to produce a comparable figure. This latter step was carried out for both Social Rents (set out in Table 3.4) and market rents (set out in Figure 3.4). These approaches assume a household spends no more than 30% ($1/30 = 3.3333$) of gross household income on rent²⁵.
- 3.16 The figures below show a comparison of the indicative income requirements per household for different types of housing in the National Park and non-National Park parts of Pembrokeshire. Measurement of the size of the gaps between these ‘rungs of the ladder’ helps assess the feasibility of households moving between the tenures - the smaller the gaps, the easier it is for a household to ascend the ladder.

²⁴ This is the recommended ratio to use for owner-occupation as set out in paragraph 27 of the SbS Guide.

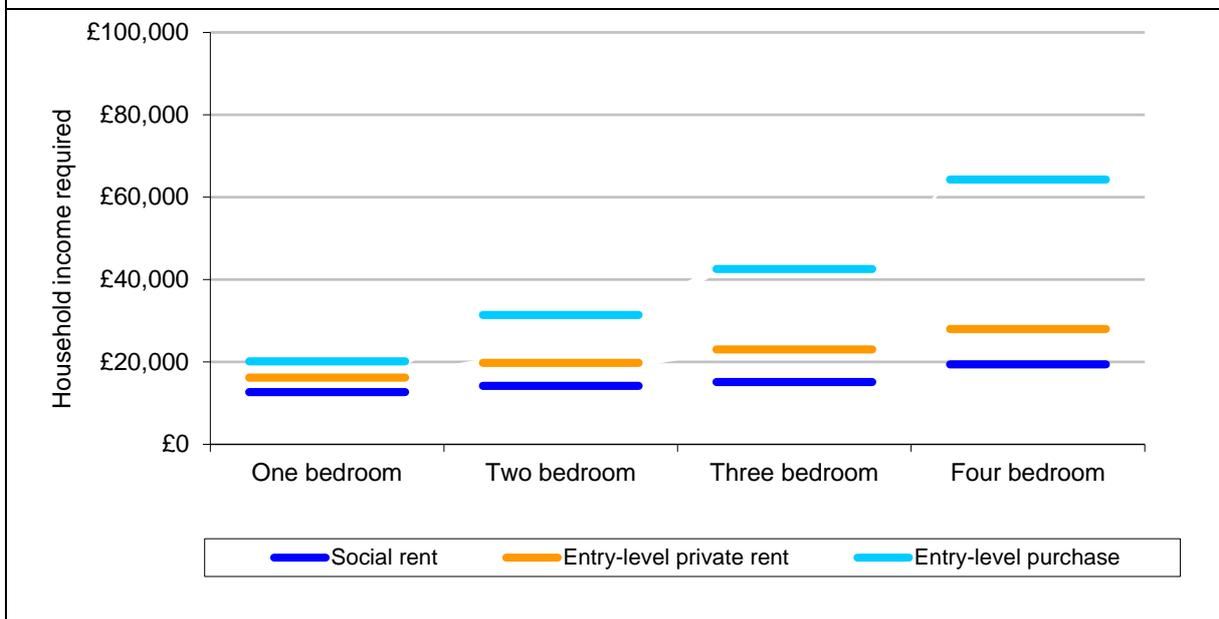
²⁵ Paragraph 15 of the SbS Guide notes that the Welsh Government recommends that ‘a household should not spend more than 30% of their gross household income on rent, inclusive of any service charges’.

Figure 3.5 Household income required to access housing in the National Park part of Pembrokeshire, by number of bedrooms



Source: Online survey of property prices January 2021; Welsh Government, 2019

Figure 3.6 Household income required to access housing in the non-National Park part of Pembrokeshire, by number of bedrooms



Source: Online survey of property prices January 2021; Welsh Government, 2019

3.17 The figures above indicate that for all dwelling sizes in both areas, the gap between Social Rent and market rent is smaller than the gap between market rent and entry-level home ownership. The gaps for four bedroom accommodation are large; in the National Park part of Pembrokeshire an additional £8,500 per year is required to access a four bedroom private rented home over the cost of a four bedroom Social Rented property, with a further £63,500 in household income required to move to an owner-occupied home.



3.18 The table shows the size of the gaps for each dwelling size in both areas of Pembrokeshire. The table indicates, for example, that three bedroom market entry rents in the county are 27.7% higher (in terms of income required) than the cost of Social Rented. The notable gap recorded between Social Rents and market entry rents for most dwelling sizes indicates that intermediate housing could potentially be useful for many households. The very large gap between market entry rents and market entry purchase in all cases indicates notable potential demand for part-ownership products for households in this gap.

Table 3.4 Scale of key housing market gaps		
<i>National Park part of Pembrokeshire</i>		
<i>Property size</i>	<i>Social Rent<entry-level rent</i>	<i>Entry-level rent<entry-level purchase</i>
One bedroom	27.7%	94.0%
Two bedrooms	39.5%	127.3%
Three bedrooms	52.1%	173.3%
Four bedrooms	44.2%	226.5%
<i>Non-National Park part of Pembrokeshire</i>		
<i>Property size</i>	<i>Social Rent<entry-level rent</i>	<i>Entry-level rent<entry-level purchase</i>
One bedroom	27.7%	24.3%
Two bedrooms	39.5%	58.7%
Three bedrooms	52.1%	85.1%
Four bedrooms	44.2%	129.6%

Source: Online survey of property prices January 2021; Welsh Government, 2019

Intermediate products

3.19 A range of intermediate options are potentially available for households in Pembrokeshire, the costs of these are profiled below.

Rent First Wales

3.20 Rent First Wales is a route to home ownership where homes are let to households at an Intermediate Rent, to give them the opportunity to save for a deposit to buy the home they are renting. The tenant can receive '25% of the rent paid over the duration of the tenancy and 50% of the increase in the property value (if any) during the period of time [renting the property] to use as a deposit towards the purchase of the property'²⁶. The discounted rents are agreed

²⁶ <https://www.gov.uk/government/publications/joint-service-housing-advice-office-leaflet-index/affordable-home-ownership-schemes-wales-updated-april-2020#:~:text=Homebuy%20is%20a%20Welsh%20Government,assist%20in%20purchasing%20a%20property.&text=The%20loan%20can%20be%20repaid,when%20the%20property%20is%20sold>

for a maximum of 5 years, to provide time for the tenant to acquire a deposit so that they may purchase the home. The tenant can apply to buy the home between the end of the second year and the end of the agreement.

- 3.21 More detail on the how the Intermediate Rent should be determined is set out in the Rent First – Intermediate Rent – Final Guidance²⁷. This indicates that Intermediate Rent is a social tenure intended to house households on the Housing Register. Intermediate Rents can be set at up to 80% of open market rents, implying there is a flexibility as to what they may cost, however the intermediate rents should be set at or below the appropriate Local Housing Allowance. Households also should only be offered the opportunity access Intermediate Rents if the housing cost of Intermediate Rent (inclusive of any service charges) constitutes no more than approximately 30% of gross income.
- 3.22 The table below sets out the costs of Intermediate Rent in Pembrokeshire, presuming that the rent is set as 75% of median market rents²⁸. The table shows that in all instances, Intermediate Rent is cheaper than market entry rent and can be considered an affordable product. In all cases, it is also more expensive than the Social Rent currently charged within Pembrokeshire.

Table 3.5 Estimated cost of Intermediate Rent within Pembrokeshire (monthly cost)			
<i>Bedrooms</i>	<i>Intermediate Rent</i>	<i>Entry-level private rent</i>	<i>Social Rent</i>
One bedroom	£330	£405	£317
Two bedrooms	£413	£495	£355
Three bedrooms	£488	£575	£378
Four bedrooms	£600	£700	£485

Source: Online survey of property prices January 2021; Welsh Government, 2019

- 3.23 As the main purpose of this intermediate housing option is to allow households the opportunity to save for a deposit to buy a home through the Rent First Wales scheme, it is useful to consider whether this product is likely to allow households to build up their savings sufficiently.
- 3.24 The table below shows the average income of households in the private rented sector by number of bedrooms that they require²⁹ alongside the income required to afford the

²⁷ <https://gov.wales/sites/default/files/publications/2019-04/rent-first-intermediate-rent-guidance.pdf>

²⁸ 75% has been chosen as it ensures that the Intermediate Rent levels are below the Local Housing Allowance caps in operation in Pembrokeshire as presented in table 3.11.

²⁹ The household income distribution differentiated by household type is summarised in Figure 3.7.

Intermediate Rent³⁰. The cost of a 10% deposit³¹ for a median owner-occupied home across Pembrokeshire is presented in the fourth column. The next column indicates the time in years it would take on average for a household in the private rented sector to save enough money to afford the deposit required if they were to reside in a home available at Intermediate Rent³². The final column sets out the time it would take on average for a household to save for the deposit required were they to reside in entry-level private rented accommodation instead.

3.25 The table shows that households in the private rented sector in Pembrokeshire that require a one bedroom home would take on average 2.1 years to save enough money to afford a 10% deposit on a one bedroom median home to purchase in the county. If these households were to reside in a home priced at Intermediate Rent, they would be able to save for this deposit within 1.1 years. For all dwelling sizes, private rented households would be able to afford a 10% deposit notably quicker if they were to reside in a home priced at Intermediate Rent rather than within the private rented sector. For households requiring a two bedroom home the reduction in the amount of time required to save for a deposit is most dramatic.

Table 3.6 Average time taken to afford a 10% deposit by households residing in Intermediate Rented accommodation					
<i>Bedrooms</i>	<i>Average income of applicable* households</i>	<i>Annual income required to afford Intermediate Rent</i>	<i>Cost of 10% deposit of a median owner-occupied home</i>	<i>Length of time in years taken to acquire deposit</i>	<i>Length of time in years taken to acquire deposit if household were to reside in private rented sector</i>
One bedroom	£19,704	£13,200	£7,250	1.1	2.1
Two bedrooms	£23,599	£16,500	£11,500	1.6	3.0
Three bedrooms	£29,109	£19,500	£15,500	1.6	2.5
Four bedrooms	£34,360	£24,000	£24,500	2.4	3.9

*This refers to households that would otherwise be renting in the private rented sector.

3.26 Whilst the cost profile indicates that Intermediate Rent within Rent First Wales could be a useful product within the local housing market, the Council has indicated that it has not proved popular with households in the county.

³⁰ Following the approach used in Figures 3.5 and 3.6 the annual intermediate rent was multiplied by 3.333 to produce a figure for the annual income required to afford this accommodation (based on 30% of gross income being spent on rent).

³¹ This is the typical minimum level of deposit required

³² This is calculated by taking the difference between the average income of households in the private rented sector and the income required to afford intermediate Rent housing and dividing this figure by the cost of a 10% deposit.

Shared Ownership

- 3.27 The table below presents the estimated costs of Shared Ownership housing in Pembrokeshire. The open market values are based on newbuild prices at the time of the survey. The monthly costs of purchasing the property with a 40% equity share and 25% equity share are both presented. The monthly costs are based on a 30-year repayment mortgage with an interest rate of 3.49%³³ paid on the equity share owned and a rent payable at 2.75% on the remaining equity (i.e. the part of the house not purchased).
- 3.28 The table shows that a 25% equity share Shared Ownership is cheaper than Shared Ownership with a 40% equity share. Both Shared Ownership products are cheaper than market entry for one, two and three bedroom accommodation for both rent and home ownership. Four bedroom home shared ownership homes are more expensive than entry-level market to rent (although it is cheaper than entry-level home ownership).

Help to Buy equity loan Wales

- 3.29 The Help to Buy equity loan Wales is available to help potential homeowners acquire a new home through a lower than usual deposit. In this scheme the Government lends up to 20% of the cost of a newly built home. The potential homeowner needs to provide a 5% deposit and be able to acquire a 75% mortgage to make up the rest (a deposit of at least 10% would typically be required on newbuild homes). There is no interest to pay on the 20% loan for the first five years after the home is bought, although an administration fee of £1 a month is required. In the sixth year, the homeowner will be charged interest of 1.75% per year of the original loan amount. After this, the interest will increase every year by 1% plus the uplift indicated by the Retail Prices Index. Equity loans are available to first time buyers as well as homeowners looking to move. The home must be newly built and cost no more than £300,000. It is not possible to sublet a home bought with a Help to Buy equity loan Wales or own another property when acquiring a home through this initiative.

The modelled costs of purchasing a Help to Buy equity loan Wales property with a 75% equity share (less the 20% loan and 5% deposit) are set out in the table below. The monthly costs are based on a 30-year repayment mortgage with an interest rate of 3.49% paid on the equity share owned, with no interest paid on the other share (to reflect the situation for the first five years of ownership).

- 3.30 The table shows that, for one and two bedroom homes, Help to Buy equity loan Wales is cheaper than entry-level market accommodation, for three bedroom properties the cost is the

³³ This interest rate is available as a five-year fixed product to potential homeowners with a high loan to value ratio currently. It is also a rate with no additional product fee associated with it. Whilst there are lower interest rates available for those with lower loan to value ratios we are principally assessing households looking to purchase a home for the first time who are likely to have higher loan to value ratios. Lower interest rates are available for those choosing a shorter fixed term period, however we feel that the use of a five-year period provides a known cost for households becoming owners for a good amount of time.

same as market entry (private rent), and for four bedroom dwellings it is more expensive. It is also more expensive than Shared Ownership accommodation, however it is cheaper than entry-level home ownership.

<i>Bedrooms</i>	<i>Open market value (newbuild home)</i>	<i>Shared Ownership – 40% equity</i>	<i>Shared Ownership – 25% equity</i>	<i>Help to Buy equity loan</i>	<i>County-wide entry-level private rent</i>	<i>County-wide entry-level owner-occupation*</i>
One bedroom	£95,000	£284	£259	£287	£405	£293
Two bedrooms	£140,000	£418	£382	£424	£495	£464
Three bedrooms	£190,000	£568	£518	£575	£575	£625
Four bedrooms	£275,000	£822	£750	£832	£700	£989

*The monthly cost of entry-level owner-occupation presuming a 30-year repayment mortgage with an interest rate of 3.49%. Source: Online estate agents survey, January 2021

- 3.31 Shared Ownership and Help to Buy equity loan Wales are similar products with similar cost levels that are particularly likely to appeal to households unable to access a large deposit. They are also likely to be sought by households that do not meet the criteria for the low-cost home ownership products available (discussed below), such those that are not first-time buyers and not in immediate housing need.

Homes Within Reach Wales

- 3.32 Homes Within Reach Wales is an intermediate housing product available for first-time buyers with a total household salary of between £15,000 and £40,000. It is administered by a group of RSLs spread across South Wales. It is like Help to Buy equity loan Wales in that it is limited to newbuild housing. The loan however is provided by the RSLs rather than the Welsh Government.
- 3.33 The proportion applicants may purchase ranges between 50% and 90% depending on the development and the financial status of the applicant. Participants of this scheme can increase their equity share by purchasing additional equity from the RSL (in portions of no less than 10%). There is no interest to be paid on the loan, and unlike Help to Buy equity loan Wales, there is no time limit on the interest free period.

HomeBuy Wales

- 3.34 HomeBuy Wales is a scheme that helps those unable to meet their housing needs buy a suitable home. HomeBuy Wales allows households in housing need to purchase a home by providing an equity loan of properties. The equity loan is financed by the Welsh Government and is normally 30% of the approved purchase price but it can rise to 50%. No interest will be paid on the un-bought equity, rather, when the home is sold on in the future, it will be available at the same proportion of discount for which it was originally bought.

- 3.35 It is intended to help people who would otherwise need social housing, it is not intended for those already suitably housed or able to afford to buy a home without assistance. There are also some other preconditions. Firstly, the applicant cannot be in rent arrears, or in breach of their tenancy agreement if they are already in affordable housing. Secondly, the applicant must not have received Housing Benefit in the 12 months prior to the HomeBuy application. It is distinct from the Help to Buy equity loan sales because it is targeted specifically at those in housing need rather than first-time buyers. There is also nothing in the guidance that indicates that it is restricted to newbuild properties.
- 3.36 The guidance is clear that 30% is the typical level of discount applied, however a higher discount can be pursued. It is useful therefore to understand whether a larger discount would be required in Pembrokeshire currently. This is presented in the table below. The table suggests that a 30% discount will be sufficient to ensure newbuild properties are notably cheaper than entry-level owner-occupation and will therefore address a gap in the housing market locally.

Table 3.8 A comparison of the potential price of a HomeBuy Wales property with entry-level owner-occupation			
<i>Bedrooms</i>	<i>New build prices</i>	<i>New build prices with a 30% discount</i>	<i>County-wide entry-level owner-occupation</i>
One bedroom	£95,000	£66,500	£72,500
Two bedrooms	£140,000	£98,000	£115,000
Three bedrooms	£190,000	£133,000	£155,000
Four bedrooms	£275,000	£192,500	£245,000

Source: Online survey of property prices January 2021

- 3.37 It is clear that a 30% discount from newbuild prices provides a useful access point for sub-market home ownership. As 30% is the normal discount offered within the HomeBuy Wales scheme and is in the middle of the range suggested for the Homes Within Reach Wales scheme, this is the cost point that will be used to model the potential affordability of these products in Chapter 5. Whilst the two schemes are distinct, they use the same discount mechanism so will be grouped together for the subsequent affordability analysis.
- 3.38 It is useful to assess the ability of households to build up the 10% deposit likely to be required for a Homes Within Reach Wales/ HomeBuy Wales property in Pembrokeshire. The total discounted price of these homes is set out in the table above. Following the approach used to produce the analysis set out in Table 3.6, the table below sets out the average time it would take for households resident in the private rented sector paying lower quartile rents to afford a 10% deposit for a Homes Within Reach Wales/ HomeBuy Wales.
- 3.39 The table shows that many households in the private rented sector would be able to build up the deposit required for a Homes Within Reach Wales/ HomeBuy Wales in between 2 and 3 years. A comparison with the final column in Table 3.6 shows that it is a faster avenue into home ownership than purchasing a second-hand home. Although it will prove a useful entry-

point for many households, it will be unobtainable for a number of households in the private rented sector.

Table 3.9 Average time taken for households residing in the private rented sector to afford a 10% deposit for a First Home				
<i>Bedrooms</i>	<i>Average income of applicable* households</i>	<i>Annual income required to afford entry-level private Rent</i>	<i>Cost of 10% deposit of discount market housing</i>	<i>Length of time in years taken to acquire deposit</i>
One bedroom	£19,704	£16,200	£6,650	1.9
Two bedrooms	£23,599	£19,800	£9,800	2.6
Three bedrooms	£29,109	£23,000	£13,300	2.2
Four bedrooms	£34,360	£28,000	£19,250	3.0

*This refers to households that would otherwise be renting in the private rented sector.

Local Housing Allowance

- 3.40 Local Housing Allowance (LHA) is the mechanism for calculating Housing Benefit and the housing element of Universal Credit outside of the Social Rented Sector. It is designed to assist people in their ability to pay for their housing, however there is a limit as to how much financial assistance will be provided dependent on the location and size of the property. The LHA cap sets out what this maximum limit for the Broad Rental Market Area (BRMA) in which the claim is made as determined by the Valuation Office Agency. If the rent charged is in excess of this cap, it is the responsibility of the household to pay the shortfall.
- 3.41 The table below sets out the monthly LHA caps that apply in Pembrokeshire, which is covered by two BRMAs - the vast majority of the county is within the Pembroke BRMA, with a small portion of households in the north east of the county in the Ceredigion BRMA. A comparison with the Social Rent levels in Pembrokeshire (set out in Table 3.3) indicates that the local Social Rents are currently cheaper than the LHA caps for all dwellings sizes in both BRMA areas.
- 3.42 A comparison with the entry-level private rents in Pembrokeshire (set out in Figure 3.4) suggests that the LHA caps in the Pembroke BRMA are 10%-15% lower than entry-level private rent. This means that households in receipt of the full LHA applicable in the private rented sector are likely to need additional income sources to be able to pay for their rent. In the Ceredigion BRMA the LHA caps are around 5%-10% lower.

Table 3.10 Local Housing Allowance Cap (per month)		
<i>Bedrooms</i>	Pembroke BRMA	Ceredigion BRMA
One bedroom	£339	£399
Two bedrooms	£429	£479
Three bedrooms	£524	£529
Four bedrooms	£623	£598

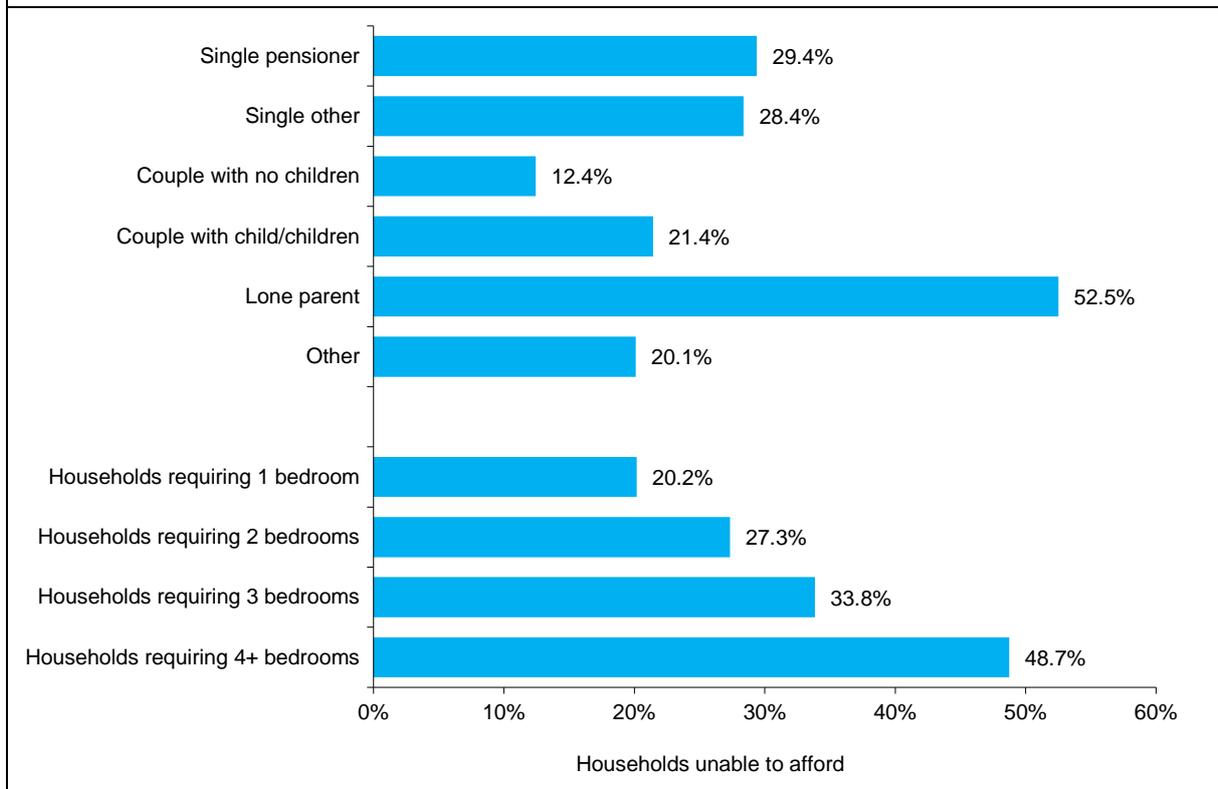
Source: Valuation Office Agency 2021

Affordability of housing

- 3.43 Assessing the affordability of market housing in an area is crucial to understanding the sustainability of the housing market. The household income distribution referred to in Figure 2.8 differentiated by household type can be used to assess the ability of households in each authority to afford the size of home that they require (according to the bedroom standard³⁴). The entry-level cost of housing by bedroom size is presented in Figures 3.2 and 3.3 and the test is based on the affordability criteria discussed above. This matches the approach recommended in paragraph 3.9 of the LHMA Guide which notes that *'ideally, household income data should be linked to house price data to assess affordability'*.
- 3.44 The figure below shows the current affordability of households in Pembrokeshire by household type and number of bedrooms required. This is the theoretical affordability of households, as the analysis considers all households regardless of whether the household intends to move. It is used to just demonstrate the comparative affordability of different household groups for contextual purposes and does not represent information that the Council needs to plan against.
- 3.45 The data indicates that 48.6% of lone parent households in Pembrokeshire would be unable to afford market housing (if they were to move home now). Single person households are also relatively unlikely to be able to afford, whilst couple households without children are most likely to be able to afford market housing in the county. Households requiring a four bedroom home are least likely to be able to afford this size of market housing in Pembrokeshire.

³⁴ This is the number of bedrooms that is required and is calculated depending on the age, sex and relationship status of the members to the household. A separate bedroom is allocated for each couple and any single person aged 21 or over. Any children aged 10-20 of the same sex is presumed to be able to share a bedroom as are each pair of children under 10 (regardless of gender). Any unpaired child aged 10-20 is paired, if possible, with a child under 10 of the same sex, or, if that is not possible, they are counted as requiring a separate bedroom, as is any unpaired child under 10.

Figure 3.7 Theoretical affordability of market housing: Proportion of households unable to afford both entry-level private rent and entry-level home ownership





4. Affordable housing need

Introduction

- 4.1 In 2014 the Welsh Government published *‘Getting Started With Your Local Housing Market Assessment: A Step by Step Guide’*³⁵ (referred to subsequently as the SbS Guide) which sets out how affordable housing need should be calculated. It details a quantitative approach to calculating affordable housing need, which can be applied consistently across the local authorities of Wales.
- 4.2 The SbS Guide supplements the 2006 Welsh Assembly Government Local Housing Market Assessment Guide³⁶ (referred to subsequently as the LHMA Guide). It follows the same staged approach but provides clarity on the data sources and method that should be used. It also follows the same definition of affordable housing need. This is *‘households lacking their own housing or living in housing, which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the local housing market without assistance’* (LHMA Guide paragraph 6.5).
- 4.3 This chapter presents the results of the five broad stages of the model used in the SbS Guide to calculate affordable housing need. Within each of the five stages there are a number of detailed steps many of which themselves have a number of components. This chapter presents details of how each of these stages is calculated using locally available data for Pembrokeshire.

Stage 1: Calculating the current need for affordable housing

- 4.4 This stage is an assessment of *‘the current number of households who are in housing need and unable to meet their needs in the market’* (LHMA Guide paragraph 6.40). The SbS Guide notes that *‘the first key source of data required for this stage is the number of households waiting on the housing register’* (paragraph 12). Pembrokeshire Council has provided us with an anonymised copy of the key fields from its housing register for this purpose.
- 4.5 The SbS Guide divides Stage One into parts a and b, to separate the need for social housing and the need for low cost home ownership housing. In Pembrokeshire the same single housing register contains applicants for both tenures so we will analyse them together.

³⁵ <https://www.housinglin.org.uk/assets/Resources/Housing/Wales/141101-getting-started-with-local-housing-market-assessment-guide-en.pdf>

³⁶ <https://gov.wales/sites/default/files/publications/2019-06/local-housing-market-assessment-guidance-for-local-authorities.pdf>

- 4.6 The SbS Guide indicates that once duplicate applications have been removed an assessment of the households on the housing register is required to determine whether households are currently unsuitably housed and require alternative accommodation. We have examined the households on the housing register and have determined that in January 2021 there were 4,480 households in housing need in Pembrokeshire. These are separated into two groups, existing households, which account for 3,418 households within this group, and unmet (or potential) households, which account for the remaining 1,062 households. The unmet households include those that are currently concealed (living with another household) and households currently resident in temporary accommodation.

Affordability

- 4.7 Some of these households in housing need currently are likely to be able to afford alternative accommodation in the market sector without requiring subsidy. The SbS Guide makes it clear that these households should be discounted from the calculation. In addition, the SbS Guide encourages that an affordability test also be applied to determine the respective requirement for social rented and low-cost home ownership housing within the affordable sector. In the absence of income data on the housing register applicants, we have used the CACI household income distribution for the county (outputs from which are presented in Figure 2.8³⁷) as recommended by the SbS Guide (paragraph 36).
- 4.8 The ability of the households in need to afford the cost of entry-level market housing of the appropriate size (set out in Figures 3.2, 3.3 and 3.4) is therefore tested. The housing register details the size of accommodation required by these household. Following the approach set out in the SbS Guide (paragraphs 15 and 27), a household is considered to require affordable accommodation if they have to spend more than 30% of their gross household income on rent, (inclusive of any service charges) or if their household multiplied by 3.5 is lower than entry-level purchase prices.
- 4.9 The table below shows the number of unsuitably housed households requiring alternative accommodation and the proportion of these households that are able to afford market-entry accommodation. The number of households that require affordable accommodation are divided between those able to afford low-cost home ownership housing, and those that require a social rented home.

³⁷ This data source presents the full distribution of household incomes across Pembrokeshire, however, under the terms of use, only the values at specific points are permitted to be presented in the report.

Table 4.1 Affordability of households in current need in Pembrokeshire				
<i>Number of bedrooms required</i>	<i>Households in current need</i>	<i>Percentage unable to afford market accommodation</i>	<i>Households in current affordable housing need</i>	
			<i>Can afford LCHO</i>	<i>Require social rented</i>
One bedroom	1,881	53.5%	203	803
Two bedroom	1,664	66.6%	315	793
Three bedroom	726	73.8%	224	311
Four or more bedrooms	209	80.9%	39	130
<i>Household Situation</i>	<i>Households in current need</i>	<i>Percentage unable to afford market accommodation</i>	<i>Households in current affordable housing need</i>	
			<i>Can afford LCHO</i>	<i>Require social rented</i>
Potential	1,062	58.0%	124	492
Existing households	3,418	64.4%	657	1,545
<i>Location</i>	<i>Households in current need</i>	<i>Percentage unable to afford market accommodation</i>	<i>Households in current affordable housing need</i>	
			<i>Can afford LCHO</i>	<i>Require social rented</i>
National park	574	88.0%	155	350
Non-National Park	3,906	59.2%	626	1,687
Total	4,480	62.9%	781	2,037

Source: Pembrokeshire Council Housing Register, 2021; CACI household income profile for Pembrokeshire, 2021

- 4.10 Overall, 62.9% (2,037 households) are in current need of affordable housing in Pembrokeshire. The table indicates that affordability for households in need is notably worse in the National Park part of Pembrokeshire, than in the remainder of the county. The table also shows that potential households are slightly more able to afford market housing than existing households in need. Overall, the data indicates that 27.7% of all households in affordable housing need would be able to afford a low cost home ownership home (781 households), with the remainder 72.3% requiring social rented accommodation (2,037 households).
- 4.11 The SbS Guide (paragraphs 21 and 30) indicates that these results should be divided by five, to reflect that this backlog is need will be addressed over a five year period. The table below therefore converts the figures above into an annual requirement for affordable housing from households in current need. The current need for affordable housing is 564 per year in Pembrokeshire.

Table 4.2 Annual requirement for affordable housing from households in current need in Pembrokeshire			
<i>Location</i>	<i>LCHO</i>	<i>Social rented</i>	<i>All affordable need</i>
National Park	31	70	101
Non-National Park	125	337	463
Whole of Pembrokeshire	156	407	564

Source: Pembrokeshire Council Housing Register, 2021; CACI household income profile for Pembrokeshire, 2021

Stage 2: Newly arising affordable housing need

- 4.12 The SbS Guide indicates that *‘the purpose of this stage is twofold; to understand the current housing market and analyse the likely impact of need and demand for housing in the future’* (paragraph 31). The first step in this stage is an analysis of the components of the housing system. This includes the demography, economic activity and income levels of the local population, the cost of housing in the area and a profile of the housing stock. This information has been presented in Chapters 2 and 3 of this report.
- 4.13 The second step of this stage in the SbS Guide is to estimate the potential change in the number of households to gauge the amount of additional housing that will be required to accommodate them. The SbS Guide indicates that the Welsh Government local authority household projections should be used to model the likely future household growth over the next five years, although it acknowledged that some authorities may want to use different projection sources. Pembrokeshire Council has indicated that it wishes to use the most recent Welsh Government household projections, the 2018-based version. It has also advised that it intends to follow the principal projection, although alternative outputs based on the higher variation version will be presented in Chapter 5.
- 4.14 The principal variant of the 2018-based household projections indicates that between 2020 and 2025 there will be 1,483 additional households in Pembrokeshire, which equates to growth of 297 households per year. The projections published by the Welsh Government are disaggregated into different household types, from which the number of bedrooms required can be derived.
- 4.15 Step 3 indicates that the local authority level projections should be disaggregated into smaller geographies. To model the number of these 1,483 extra households that are likely to arise in the National Park part of Pembrokeshire, we have utilised the most recent household projections published by the Welsh Government for the National Parks. The most recent version are the 2014-based projections. The growth recorded for each household type over the 2020 to 2025 period in Pembrokeshire by the 2018-based projections was applied to the estimated household type profile within the National Park in 2020 according to the 2014-based National Park estimates (once the 2020 National Park profile had been adapted to reflect the latest data indicated in the 2018-based projections). The same process was used to identify the number of these 1,483 extra households that are likely to arise in the non-National Park

part of the County. This process suggests that 18.4% of all these additional households will arise in the National Park, which represents 274 households or 55 per year over the five year period. Outside of the National Park, it is anticipated that 1,209 households will arise, which equates to 242 per year.

Affordability

- 4.16 According to the SbS Guide (paragraph 36) the next step is to ‘*estimate the number of newly forming households that will be unable to afford market housing in the next five years and whether they will require social rented housing or LCHO.*’ It then provides two options as to how affordability for this group of households can be assessed. We have followed the second option, which utilises the CACI household income profile for Pembrokeshire. Following the same process as described within paragraphs 4.7 and 4.8 above, the ability of these additional households to afford market housing of a suitable size is assessed, with a distinction again made between those able to afford low cost home ownership and those requiring Social Rent.
- 4.17 The table below details the derivation of newly arising need from additional households. It shows that 21.7% of additional households will be unable to afford market housing in Pembrokeshire, which means that there will be an annual affordable housing requirement from 64 households. Of these additional households that require affordable housing, 21 per year can afford low cost home ownership and the remaining 43 households require Social Rented accommodation.

Table 4.3 Newly arising need affordable housing need (per annum) in Pembrokeshire				
<i>Location</i>	<i>Additional households per year</i>	<i>Percentage unable to afford market accommodation</i>	<i>Additional households in affordable housing need per year</i>	
			<i>Can afford LCHO</i>	<i>Require social rented</i>
National park	55	29.6%	6	10
Non-National Park	242	19.9%	16	33
Total	297	21.7%	21	43

Stage 3: Newly arising need from existing households

- 4.18 The SbS Guide notes that the other element of newly arising need arises from ‘*the number of existing households ‘falling into need’ each year*’ (paragraph 41). It proposes that trend data from the Ministry of Justice on *the number of mortgage and landlord possession claims leading to orders* should be utilised to estimate this. The SbS Guide clarifies that not all these orders will be enacted, therefore necessary to compare the figure from the Ministry of Justice with local data on the number of homelessness presentations recorded over the same period.

- 4.19 The data presented by the Ministry of Justice³⁸ indicates that over the most recent complete five-year period (2015 to 2019) there were 985 mortgage and landlord possession claims that led to orders, an average of 197 per year. Anonymized data provided by the Council on households that have been housed into affordable accommodation in Pembrokeshire over the last three years has been analysed to identify the number of homeless presentations recorded by the Council. Although the time periods are not equivalent, (the housing register data shows moves between January 2018 and December 2020), it is clear that the Ministry of Justice data is giving an incomplete picture of the level of housing need arising from this source. The housing register data indicates that in the last three years 602 households have been housed in affordable accommodation in Pembrokeshire that were homeless or threatened with homelessness, which equates to an average of 201 per annum. The figure of 201 is therefore used for this stage of the model.
- 4.20 The SbS Guide indicates that the figure derived for the amount of Newly Arising Need from Existing Households derived through this process (201 per year) should be disaggregated to more local geographies than county-wide. To do this we have analysed the location of those households that have been accommodated in affordable housing in Pembrokeshire after presenting as homeless. This process indicates that 8.3% of these households were resident in the National Park (17 households per year) and 91.7% lived in the remainder of the county (184 households per year).

Stage 4: Supply of affordable housing

- 4.21 Paragraph 47 of the SbS Guide indicates that *‘the supply of affordable housing (including social housing and LCHO) expected over the next five years should be considered in order to counterbalance demand from newly arising need and the backlog need.’* There are two broad components of the affordable housing supply. The first is the regular annual supply of occupied affordable housing that becomes available for re-let. The second is the affordable stock that becomes available for re-let, when it previously wasn't. This element includes newbuild housing, and properties that are currently vacant.

Trend based projection of social lets

- 4.22 The first step within this stage is an estimate of the likely future re-lets from the existing Social Rented stock. The SbS Guide (paragraph 48) prescribes that the average number of lettings in the Social Rented sector over the last three years should be calculated as a trend-based estimate of future supply. The table below sets out the number of Social Rented lettings that have occurred in the last three years as recorded by the Welsh Government³⁹ and the County

³⁸ <https://www.gov.uk/government/statistics/mortgage-and-landlord-possession-statistics-july-to-september-2020>

³⁹ <https://statswales.gov.wales/Catalogue/Housing/Social-Housing-Lettings/numberoflettings-by-year-lettingtype>

Council (for 2019-20)⁴⁰. Following the recommendation in the SbS Guide (paragraph 49), the figures exclude households transferring within affordable accommodation as they were excluded in the prior backlog of need stage (Stage 1). The average number of re-lets across the Social and Affordable Rented sector over the three-year period was 615 per annum in Pembrokeshire.

Table 4.4 Past RSL rented supply (excluding transfers)	
<i>Year</i>	<i>Number of re-lets</i>
2017-18	611
2018-19	636
2019-20	599
Average	615

Source: Social housing lettings data collection, Welsh Government, 2021

- 4.23 To examine the potential impact of the coronavirus pandemic and whether it will have distorted the average recorded above, the Council has also examined their own statistics on the number of relets of affordable accommodation excluding transfers that have occurred within 2020-2021. Analysis by the Council indicates that the supply of affordable housing has been reduced by an average of 39 units per year. This figure is therefore deducted from the total of 615 identified above. The revised number re-lets in Pembrokeshire across the Social and Affordable Rented sector over the three-year period is therefore 576 per annum.

Surplus stock adjustment

- 4.24 A certain level of vacant dwellings is normal as this allows for transfers and for work on properties to be carried out. The SbS Guide (at paragraph 50) suggests that if the vacancy rate in the affordable stock is in excess of 3%, some of the vacant units should be considered as surplus stock. According to the Welsh Government's social housing vacancies data collection⁴¹, in 2019 Pembrokeshire recorded a vacancy rate in the affordable sector of 0.9%. As the vacancy rate is lower than the 3% benchmark, no vacant dwellings are considered available to be brought back into use to in Pembrokeshire. This forms the first part of step 2.
- 4.25 According to the SbS Guide, in the second part of step 2 '*any units to be demolished or to be taken out of management*' should be quantified. The Council has indicated that there are no affordable housing replacement schemes that will lead to a net loss of affordable accommodation and so a figure of zero is also used for the second part of step 2.

⁴⁰ The coronavirus pandemic has meant that some Welsh Government statistics have not been updated as regularly as usual and it has been necessary to utilise the more recent Council data.

⁴¹ <http://gov.wales/statistics-and-research/social-housing-vacancies-lettings-arrears/?lang=en>

Committed supply of new affordable units

- 4.26 The SbS Guide indicates that ‘quantity of affordable housing already planned to be built over the time period of the assessment’ (paragraph 52) be taken into account within the model. This forms step 3 of stage 4. The Council estimates that 500 new affordable homes are likely to be delivered in Pembrokeshire over the LHMA period (the next five years). The SbS Guide indicates that the re-lets that will arise from this new affordable housing should be added to the supply from the existing stock.
- 4.27 The relet rate in the Social Rented stock is calculated by dividing the number of re-lets excluding transfers (576 set out in the previous step), by the total Social Rented stock in the county (8,186 dwellings as recorded by the Welsh Government statistics). The re-let rate in Pembrokeshire is therefore calculated to be 7.0%. This means that it can be assumed that an average of 35 of these 500 affordable homes will become available for re-let each year. The figure of 35 is therefore used for this stage of the model

Total affordable housing supply

- 4.28 Having been through the steps in order to assess the affordable housing supply, the final stage of the model is summarised in the table below. The data shows that there will be an estimated supply of 611 affordable homes per year in Pembrokeshire.

Table 4.5 Stage 4 Supply of affordable housing in Pembrokeshire	
<i>Component</i>	
Annual supply of Social re-lets	576
Surplus stock	0
Units to be taken out of management	0
Re-lets arising from the committed supply of affordable housing	35
Total affordable housing stock available	611

Stage 5: Bringing together a robust evidence base

- 4.29 The fifth stage involves bringing together the evidence from the four previous stages and identifying the overall annual requirement for affordable accommodation in Pembrokeshire. This process is set out in the table below, with the figures separated for the National Park and non-National Park parts of the county. The three stages that calculate affordable housing need (Stages 1 to 3) are converted to annual figures and then summed. The estimated annual supply of affordable housing (Stage 4) is then deducted from this total to provide the overall

annual need for affordable housing⁴². The table shows that the annual requirement for affordable housing is 217 homes per year in Pembrokeshire, of which 40 is required within the National Park area, and 177 in the non-National Park part of the county.

Table 4.6 Results of the affordable housing needs model in Pembrokeshire (annual figures)			
<i>Stage in calculation</i>	<i>Location</i>		
	<i>National Park</i>	<i>Non-National Park</i>	<i>All of Pembrokes hire</i>
Stage 1: current need for affordable housing	101	463	564
Stage 2: Newly arising affordable housing need	16	48	64
Stage 3: Newly arising Need from Existing Household	17	184	201
Total affordable housing need (sum of stages 1 to 3)	134	694	829
Stage 4: Supply of affordable housing	94	517	611
Stage 5: Total need for affordable housing	40	177	217

- 4.30 It should be noted that this need for 217 affordable homes per year represents 73.3% of the projected annual household growth in Pembrokeshire between 2020 and 2025 (a figure of 297 as identified in table 4.3). The figure of 40 affordable homes per year recorded in the National Park area represents 74.0% of the projected annual household growth in this part of the county between 2020 and 2025. The annual need for 177 affordable homes in the non-National Park part of Pembrokeshire represents 73.2% of the projected annual household there.

Overall households in affordable housing need by type (gross)

- 4.31 The table below gives a breakdown of the gross annual households in need, by household type in Pembrokeshire. The table shows that some 5.2% of lone parent households are in housing need compared to 0.8% of couple households with no children. Overall, couple households with children and lone parent households comprise over half of all households in need.

⁴² The geographical distribution of the supply figure is based on the proportion of households in the National Park and non-National Park parts of the county that have been housed into affordable accommodation in Pembrokeshire over the last three years (as recorded on the anonymised data extract provided to us by the Council).

Table 4.7 Annual need requirement by household type in Pembrokeshire					
<i>Household type</i>	<i>Need requirement</i>				
	<i>No. of h'holds in need (gross)</i>	<i>Not in need</i>	<i>Total Number of h'holds</i>	<i>% of h'hold type in need</i>	<i>As a % of those in need</i>
One person	198	18,481	18,679	1.1%	23.9%
Couple with no children	152	19,066	19,219	0.8%	18.4%
Couple with child/children	218	9,768	9,986	2.2%	26.3%
Lone parent	198	3,645	3,843	5.2%	23.9%
Other	62	4,726	4,788	1.3%	7.5%
Total	829	55,686	56,515	1.5%	100.0%

Size and tenure of affordable accommodation required

4.32 The SbS Guide includes two subsequent stages in the model. One stage looks at the potential requirement scope for Intermediate Rent, however the Council has advised that this has proved not to be a useful product within Pembrokeshire. The other stage proposes to identify the stock imbalance for the different sizes of accommodation within the affordable sector through looking at likely turnover rates. However, as this involves modelling how households will move across the housing market, it will therefore impact also on the market sector. This analysis is better conducted within a model than considers the whole housing market rather than the affordable sector in isolation. This detail is therefore derived through the long-term balancing housing markets model, which is presented in the following chapter.

5. Type and tenure of future housing needed

Introduction

- 5.1 Paragraph 4.2.5 of Planning Policy Wales 2021 requires Planning Authorities to ‘*plan for a mix of market and affordable housing types to meet the requirement and specifically consider the differing needs of their communities*’ is addressed through the model described in this chapter. This chapter presents the long-term balancing housing markets (LTBHM) model which determines the future demand for housing by size and tenure based on the future profile of the population. This model also provides an ‘*understanding of the nature and level of housing demand and need in their local housing markets*’ as required within the LHMA Guide (paragraph 1.1).
- 5.2 There are two stages to this process, the first is to identify the household growth that will occur between 2020 and 2033 that the Council will have to plan to accommodate. The second is to use secondary data to model the future demand for housing arising from this future population. This is then compared to the current housing stock so that a profile of new accommodation required can be determined. The demand modelling is described in more detail subsequently; however, this chapter initially presents the process for identifying the total housing need over the 2020 to 2033 plan period.

Projected future population

- 5.3 The starting point is as indicated in paragraph 5.3.4 of Edition 3 of the Development Plans Manual, ‘*the most up-to date suite of Welsh Government Population and Household Projections*’. The 2018-based projections published in 2020 are the current projections. These present three scenarios, the principal variant, the lower variant and higher variant, which show projected growth of 3,021 households (232 per year), 2,039 households (157 per year) and 3,801 households (292 per year) in Pembrokeshire respectively over the 2020⁴³ to 2033 plan period. The Council have indicated that they intend to plan for the change recorded in the principal variant, so the base model, presented in this chapter, will examine the type of housing required to best accommodate the additional 3,021 households projected over this period. It should be noted that alternative equivalent outputs have also been produced for the higher variant scenario (growth of 3,801 households between 2020 and 2033), which are presented in Appendix 2.
- 5.4 In addition to the projected growth there is also a need to account for existing unmet need. These are households that already exist but are not able to live in their own home currently,

⁴³ It should be noted that whilst the change in the population between 2020 and 2033 is the same in terms of scale and type as is recorded in the 2018-based household and population projections, the base population in 2020 has been adjusted to reflect the latest data on the population in Pembrokeshire as indicated in the 2019-based population and household estimates (published by the Welsh Government in December 2020).

either because they are housed in temporary accommodation or because they are sharing a property with a different household. The Welsh Government's own sub-regional estimate of unmet housing need⁴⁴ and the one included in the recent regional housing market assessment⁴⁵ are based on estimates of concealed households modelled from the 2011 Census, alongside more recent figures on those in temporary accommodation published by the Welsh Government. Pembrokeshire Council has indicated that it would be more accurate if this figure were to be based on recent local data on concealed and temporarily housed households contained in the Council's housing register. This source reflects the current situation in the market and provides an up-to-date total for these groups and contains detail on the age and type of each household.

- 5.5 This unmet housing need was calculated from this source in stage 1 of the SbS Guide affordable housing need model in Chapter 4. As noted in paragraph 4.6 of this report there are 1,062 households in unmet need in Pembrokeshire currently (either living with another household or currently resident in temporary accommodation). Table 4.1 also notes that, of the 1,062 households in unmet need, 616 need affordable accommodation and 446 require market housing.
- 5.6 Whilst it is assumed that this unmet need will be addressed within five years mirroring the Welsh Government approach and the preference of Pembrokeshire Council, the main analysis presented in this chapter looks at the housing requirement across the 2020 to 2033 plan period. This is based on the unmet need being addressed between 2020 and 2025, alongside the projected household growth for that period, with the 2025 to 2033 period based solely on the projected household growth. Summary results presenting the change required over the 2020 to 2025 period are presented in Appendix 3.
- 5.7 Overall, it is projected that in 2033 there will be an additional 4,083 in Pembrokeshire in 2033 compared with 2020 (the unmet need of 1,062 households being addressed alongside growth of 3,021 households). The table below sets out the age profile of the population in Pembrokeshire in 2033 in comparison to the age profile of the county currently. The table suggests that those aged 75 or over are going to constitute a greater section of the population by the end of the plan period - those aged 75 or over will rise from 15,429 in 2020 to 20,898 in 2033, an increase of 35.4%. Whilst those aged 60 and over will account for almost 40% of all people in Pembrokeshire in 2033, over a quarter of people in the county at the end of the plan period will be aged under 30.

⁴⁴ Contained within the projections detailed at <https://gov.wales/estimates-housing-need>.

⁴⁵ See footnote 1.

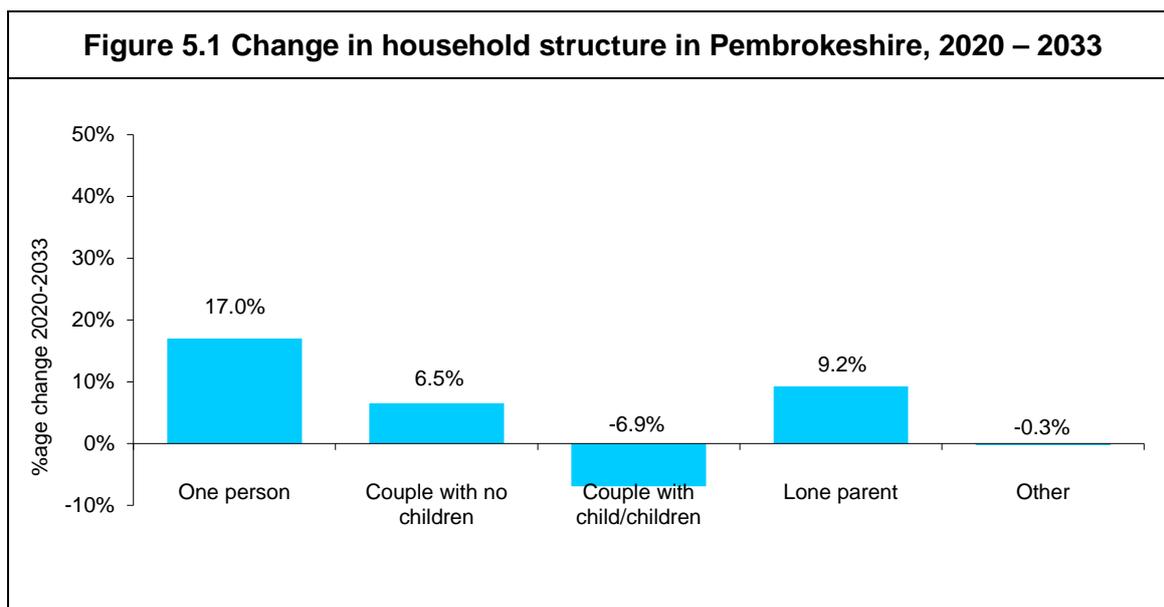
Age	2020 Population	2020 Percentage	2033 Population	2033 Percentage
0-14	21,406	17.0%	18,940	14.7%
15-29	17,480	13.9%	17,210	13.3%
30-44	18,957	15.0%	19,303	15.0%
45-59	26,030	20.6%	22,040	17.1%
60-75	26,818	21.3%	30,562	23.7%
75+	15,429	12.2%	20,898	16.2%
Total	126,121	100.0%	128,953	100.0%

5.8 The table below sets out the number of households that will be resident in Pembrokeshire in 2033 disaggregated by broad household type according to these projections. The 2020 household profile is also presented as a reference point, as 2020 is the base date for this model.

Household type	2020 Number	2020 Percentage	2033 Number	2033 Percentage
One person	18,679	33.1%	21,854	36.1%
Couple with no children	19,219	34.0%	20,475	33.8%
Couple with child/children	9,986	17.7%	9,295	15.3%
Lone parent	3,843	6.8%	4,198	6.9%
Other*	4,788	8.5%	4,776	7.9%
Total	56,515	100.0%	60,598	100.0%

*Other households include multi-generational households, student households, households of unrelated people sharing accommodation as well as other groups.

5.9 The figure below indicates the change in these household types that will occur between 2020 and 2033 in Pembrokeshire. The figure indicates that the number of one person households are expected to increase the most in Pembrokeshire, followed by lone parent households and couple households with no children. Couple households with children are projected to decrease in number over the plan period.



Methodology of the demand model

- 5.10 The demand model uses secondary data to determine the future demand for housing by size and tenure as derived from the profile of households resident in the area at the end of the plan period. It is based on both a detailed understanding of the current stock of housing in the county, and also the occupation and affordability patterns of households in Pembrokeshire and how they are changing. It is driven by the changes projected to the composition of the population over the next 13 years as set out above.
- 5.11 The Welsh Government provides data on the tenure profile in Pembrokeshire and the size of the affordable and intermediate stock. This is supplemented with data on the size of the stock in market tenures in the county from the 2011 Census (updated to reflect information on changes in the stock size in these tenures indicated by the National Survey for Wales).
- 5.12 The 2011 Census also provides detail on the occupational patterns of different household groups in Pembrokeshire, which means that the profile of housing occupied by each household type can be determined. Mirroring the process outlined in Chapter 4, the ability of households to afford the identified tenure is tested using the CACI household income distribution for the county, and alterations are made to ensure that households are in a tenure they can afford (this means households moving from rented accommodation into intermediate housing where this can be afforded and is likely to suit the household) and that they do not reside in overcrowded accommodation (they have a sufficient number of bedrooms as required for the household as identified by the bedroom standard⁴⁶).

⁴⁶ The bedroom standard is set out on page 181 of the LHMA Guide.

- 5.13 The profile of accommodation required through to 2025 is based on the occupation and affordability analysis as of 2020. To produce results through to 2033, these have been adjusted to continue the current recorded trends in changes to occupation patterns in terms of accommodation size and tenure⁴⁷, with the future affordability profile also adjusted to account for the continuation of recent changes in the affordability of different tenures⁴⁸. This means that the future housing stock will better reflect the requirements of the future population in the area.
- 5.14 This profile of suitable accommodation for each household type is applied to the size of the household group in 13 years' time. The accommodation profile required in 2033 is then compared to the current accommodation profile and the nature of additional housing required is derived.

Tenure of housing required

- 5.15 The tables below show the projected tenure profile in Pembrokeshire in 13 years' time. The current tenure is also set out for context. The data shows that in 2033, the housing stock across Pembrokeshire should comprise 71.1% owner-occupied accommodation, 12.1% private rented homes, 0.5% Homebuy/Homes Within Reach or another form of low cost home ownership product, 1.5% Shared Ownership or Help-to-Buy properties and 14.8% Social Rented dwellings.

<i>Tenure</i>	<i>Current tenure (2020)</i>		<i>Projected tenure (2033)</i>	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
Owner-occupied	40,541	71.7%	43,096	71.1%
Private rented	7,030	12.4%	7,313	12.1%
Homebuy/ HWR	133	0.2%	310	0.5%
Shared Ownership/HTB	642	1.1%	890	1.5%
Social Rent	8,169	14.5%	8,989	14.8%
Total	56,515	100.0%	60,598	100.0%

⁴⁷ As recorded by the Census in Pembrokeshire and more recent behavioural trends recorded nationally in the National Survey for Wales.

⁴⁸ Modelled by comparing changes recorded in the gross disposable household income and annual survey of hours and earnings data for Pembrokeshire with trend data on the cost of different tenures of housing in Pembrokeshire recorded by the Welsh Government, Rent Officers Wales and the Land Registry.

5.16 The table below shows the tenure profile required by households resident in Pembrokeshire in 13 years' time in comparison to the tenure profile recorded in the county currently. The difference between these two distributions is the change required to the housing stock over this period. The results show that 62.6% of new housing in Pembrokeshire should be owner-occupied, 6.9% private rented, 4.3% Homebuy/ Homes Within Reach, 6.1% should be Shared Ownership or Help to Buy and 20.1% Social Rent.

Table 5.4 Tenure of new accommodation required in Pembrokeshire over the next 13 years				
<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	40,541	43,096	2,555	62.6%
Private rent	7,030	7,313	283	6.9%
Homebuy/ HWR	133	310	177	4.3%
Shared Ownership/HTB	642	890	248	6.1%
Social Rent/Affordable Rent	8,169	8,989	820	20.1%
Total	56,515	60,598	4,083	100.0%

5.17 The model is also able to provide detail on the size of new housing required within each tenure, as is set out in the section below.

Size of housing required within each tenure

5.18 The table below presents the size of owner-occupied accommodation required in Pembrokeshire in 13 years' time in comparison to the size profile recorded in the sector at the base date. The implied change to the housing stock is also presented. The data shows that some 40.4% of new owner-occupied housing in Pembrokeshire should be three bedroom homes, with 29.3% being two bedroom units, 19.4% should have four or more bedrooms and 10.9% one bedroom accommodation.

Table 5.5 Size of new owner-occupied accommodation required in Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	764	1,042	278	10.9%
Two bedroom	6,993	7,741	749	29.3%
Three bedroom	19,324	20,357	1,033	40.4%
Four or more bedrooms	13,460	13,956	496	19.4%
Total	40,541	43,096	2,555	100.0%

- 5.19 This analysis can be repeated for private rented housing and is presented in the table below. The data indicates that, of the 283 private rented homes required within Pembrokeshire, 31.0% should be four or more bedroom properties and a further 28.1% should have three bedrooms. Some 22.2% should be two bedroom homes and 18.7% should be single bedroom accommodation.

Table 5.6 Size of new private rented accommodation required in Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	1,029	1,082	53	18.7%
Two bedroom	2,509	2,572	63	22.2%
Three bedroom	2,585	2,665	80	28.1%
Four or more bedrooms	907	994	88	31.0%
Total	7,030	7,313	283	100.0%

- 5.20 The table below sets out the same information for Homebuy Wales/ Homes Within Reach Wales. The data indicates that of the 177 new dwellings of this tenure required within Pembrokeshire, 33.0% should be three bedroom properties with a further 25.9% two bedroom accommodation. Some 19.4% should have one bedroom and 21.7% should have four or more bedrooms.

Table 5.7 Size of new Homebuy/Homes Within Reach accommodation required in Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	0	34	34	19.4%
Two bedroom	29	75	46	25.9%
Three bedroom	79	137	58	33.0%
Four or more bedrooms	25	64	38	21.7%
Total	133	310	177	100.0%

- 5.21 The table below sets out the equivalent analysis for Shared Ownership and Help to Buy housing. The data indicates that of the 248 Shared Ownership and Help to Buy dwellings required within Pembrokeshire, 33.6% should be three bedroom properties with a further 28.5% two bedroom accommodation. Some 25.1% should have four or more bedrooms and 12.9% should have one bedroom.

Table 5.8 Size of new Shared Ownership or Help to Buy accommodation required in Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	18	50	32	12.9%
Two bedroom	185	256	70	28.5%
Three bedroom	333	416	83	33.6%
Four or more bedrooms	106	168	62	25.1%
Total	642	890	248	100.0%

5.22 The table below shows the size of accommodation required in the Social Rented sector. The table shows that of the 820 additional Social Rented units required within Pembrokeshire over the 13 year plan period, 33.8% should have four bedrooms, 25.3% one bedroom, 21.5% three bedrooms and 19.4% two bedrooms.

Table 5.9 Size of new Social Rent required in Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	1,799	2,007	208	25.3%
Two bedroom	3,553	3,712	159	19.4%
Three bedroom	2,649	2,826	176	21.5%
Four or more bedrooms	168	445	278	33.8%
Total	8,169	8,989	820	100.0%

5.23 The table below summarises the results for presented for each tenure individually above and shows the profile the new housing required in Pembrokeshire over the next 13 years.

Table 5.10 Profile of new accommodation required in Pembrokeshire					
<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	278	53	34	32	208
2 bedroom	749	63	46	70	159
3 bedroom	1,033	80	58	83	176
4+ bedrooms	496	88	38	62	278
Total	2,555	283	177	248	820

5.24 The outputs presented so far in this chapter are county-wide. The following sections provide the equivalent results for the National Park and non-National Park parts of the county separately, to reflect the planning distinction that operates within Pembrokeshire.

Outputs for the National Park part of Pembrokeshire

5.25 The table below shows the projected tenure profile in the National Park part of Pembrokeshire in 13 years' time. The current tenure is also set out for context. The data shows that in 2033, the housing stock across the National Park part of Pembrokeshire should comprise 77.5% owner-occupied accommodation, 8.5% private rented homes, 0.5% Homebuy or Homes Within Reach, 1.5% Shared Ownership or Help to Buy properties and 12.0% Social Rented dwellings.

Tenure	Current tenure (2020)		Projected tenure (2033)	
	Number	Percentage	Number	Percentage
Owner-occupied	7,948	79.1%	8,329	77.5%
Private rented	843	8.4%	908	8.5%
Homebuy/ HWR	15	0.2%	54	0.5%
Shared Ownership/HTB	117	1.2%	161	1.5%
Social Rent	1,127	11.2%	1,289	12.0%
Total	10,050	100.0%	10,741	100.0%

5.26 The table below shows the tenure profile required by households resident in the National Park part of Pembrokeshire in 13 years' time in comparison to the tenure profile recorded in the area currently. The difference between these two distributions is the change required over this period. The results show that 55.2% of new housing in the area should be owner-occupied, 9.4% private rented, 5.6% Homebuy or Homes Within Reach 6.4% should be Shared Ownership or Help to Buy and 23.5% Social Rent.

Tenure	Current tenure profile (2020)	Tenure profile 2033	Change required	% of change required
Owner-occupied	7,948	8,329	381	55.2%
Private rent	843	908	65	9.4%
Homebuy/ HWR	15	54	39	5.6%
Shared Ownership/HTB	117	161	44	6.4%
Social Rent/Affordable Rent	1,127	1,289	162	23.5%
Total	10,050	10,741	691	100.0%

5.27 The following tables below detail the size of new housing required within each tenure in the National Park part of Pembrokeshire.

Table 5.13 Size of new owner-occupied accommodation required in the National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	133	155	22	5.7%
Two bedroom	1,277	1,378	101	26.4%
Three bedroom	3,710	3,900	189	49.7%
Four or more bedrooms	2,828	2,897	69	18.1%
Total	7,948	8,329	381	100.0%

Table 5.14 Size of new private rented accommodation required in the National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	110	122	12	19.2%
Two bedroom	299	321	22	34.6%
Three bedroom	289	316	27	42.0%
Four or more bedrooms	146	149	3	4.2%
Total	843	908	65	100.0%

Table 5.15 Size of new Homebuy/HWR accommodation required in the National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	0	4	4	10.3%
Two bedroom	0	9	9	22.6%
Three bedroom	12	30	18	46.8%
Four or more bedrooms	3	11	8	20.4%
Total	15	54	39	100.0%

Table 5.16 Size of new Shared Ownership/HTB accommodation required in the National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	0	3	3	6.8%
Two bedroom	20	33	14	31.3%
Three bedroom	70	89	19	44.0%
Four or more bedrooms	27	35	8	17.9%
Total	117	161	44	100.0%

Table 5.17 Size of new Social Rent required in the National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	277	307	30	18.6%
Two bedroom	479	542	64	39.3%
Three bedroom	333	389	56	34.5%
Four or more bedrooms	38	50	12	7.6%
Total	1,127	1,289	162	100.0%

5.28 The table below summarises the results for presented for each tenure individually above and shows the profile the new housing required in the National Park part of Pembrokeshire over the next 13 years.

Table 5.18 Profile of new accommodation required in the National Park part of Pembrokeshire

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	22	12	4	3	30
2 bedroom	101	22	9	14	64
3 bedroom	189	27	18	19	56
4+ bedrooms	69	3	8	8	12
Total	381	65	39	44	162
<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	3.2%	1.8%	0.6%	0.4%	4.4%
2 bedroom	14.6%	3.2%	1.3%	2.0%	9.2%
3 bedroom	27.4%	3.9%	2.6%	2.8%	8.1%
4+ bedrooms	10.0%	0.4%	1.2%	1.1%	1.8%
Total	55.2%	9.4%	5.6%	6.4%	23.5%

Outputs for the non-National Park part of Pembrokeshire

- 5.29 The table below shows the projected tenure profile in the non-National Park part of Pembrokeshire in 13 years' time. The current tenure is also set out for context. The data shows that in 2033 the housing stock across the non-National Park part of Pembrokeshire should comprise 69.7% owner-occupied accommodation, 12.8% private rented homes, 0.5% Homebuy, Homes Within Reach or another form of low cost home ownership product, 1.5% Shared Ownership or Help to Buy properties and 15.4% Social Rented dwellings.

Table 5.19 Current tenure and tenure profile projected in the non-National Park part of Pembrokeshire in 2033

<i>Tenure</i>	<i>Current tenure (2020)</i>		<i>Projected tenure (2033)</i>	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
Owner-occupied	32,593	70.1%	34,767	69.7%
Private rented	6,187	13.3%	6,406	12.8%
Homebuy/ HWR	118	0.3%	256	0.5%
Shared Ownership/HTB	525	1.1%	729	1.5%
Social Rent	7,042	15.2%	7,700	15.4%
Total	46,465	100.0%	49,857	100.0%

- 5.30 The table below shows the tenure profile required by households resident in the non-National Park part of Pembrokeshire in 13 years' time in comparison to the tenure profile recorded in

the area currently. The difference between these two distributions is the change required over this period. The results show that 64.1% of new housing in the area should be owner-occupied, 6.4% private rented, 4.1% Homebuy or Homes Within Reach, 6.0% should be Shared Ownership or Help to Buy and 19.4% Social Rent.

Table 5.20 Tenure of new accommodation required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	32,593	34,767	2,174	64.1%
Private rent	6,187	6,406	218	6.4%
Homebuy/ HWR	118	256	138	4.1%
Shared Ownership/HTB	525	729	203	6.0%
Social Rent/Affordable Rent	7,042	7,700	658	19.4%
Total	46,465	49,857	3,392	100.0%

5.31 The following tables below detail the size of new housing required within each tenure the non-National Park part of Pembrokeshire.

Table 5.21 Size of new owner-occupied accommodation required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	631	887	256	11.8%
Two bedroom	5,716	6,363	648	29.8%
Three bedroom	15,614	16,457	843	38.8%
Four or more bedrooms	10,632	11,059	427	19.6%
Total	32,593	34,767	2,174	100.0%

Table 5.22 Size of new private rented accommodation required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	919	960	40	18.5%
Two bedroom	2,211	2,251	41	18.6%
Three bedroom	2,296	2,349	52	24.0%
Four or more bedrooms	761	845	85	38.9%
Total	6,187	6,406	218	100.0%

Table 5.23 Size of new Homebuy/HWR accommodation required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	0	30	30	22.0%
Two bedroom	29	66	37	26.9%
Three bedroom	67	107	40	29.1%
Four or more bedrooms	22	53	30	22.1%
Total	118	256	138	100.0%

Table 5.24 Size of new Shared Ownership/HTB accommodation required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	18	47	29	14.2%
Two bedroom	165	222	57	27.9%
Three bedroom	264	327	64	31.3%
Four or more bedrooms	79	133	54	26.7%
Total	525	729	203	100.0%

Table 5.25 Size of new Social Rent required in the non-National Park part of Pembrokeshire over the next 13 years				
<i>Size of home</i>	<i>Base size profile (2020)</i>	<i>Size profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
One bedroom	1,522	1,700	178	27.0%
Two bedroom	3,074	3,169	95	14.5%
Three bedroom	2,316	2,436	120	18.3%
Four or more bedrooms	130	395	265	40.3%
Total	7,042	7,700	658	100.0%

5.32 The table below summarises the results for presented for each tenure individually above and shows the profile the new housing required in the non-National Park part of Pembrokeshire over the next 13 years.

Table 5.26 Profile of new accommodation required in the non-National Park part of Pembrokeshire					
<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HwR</i>	<i>Shared Ownership/HtB</i>	<i>Social Rented</i>
1 bedroom	256	40	30	29	178
2 bedroom	648	41	37	57	95
3 bedroom	843	52	40	64	120
4+ bedrooms	427	85	30	54	265
Total	2,174	218	138	203	658
<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	7.6%	1.2%	0.9%	0.9%	5.2%
2 bedroom	19.1%	1.2%	1.1%	1.7%	2.8%
3 bedroom	24.9%	1.5%	1.2%	1.9%	3.5%
4+ bedrooms	12.6%	2.5%	0.9%	1.6%	7.8%
Total	64.1%	6.4%	4.1%	6.0%	19.4%

5.33 A summary of these outputs is presented for each of the 77 community areas of Pembrokeshire in Appendix 1 of this report. Appendix A2 shows the housing requirements within this model over the 2020 to 2025 period, whilst Appendix 3 shows equivalent results for the full 2020 to 2033 period, if the household projections were based on the higher variant.



6. Requirements of specific groups of the population

Introduction

- 6.1 Paragraph 4.2.5 Planning Policy Wales edition 11 seeks that councils should ‘*specifically consider the differing needs of their communities; this should include the housing requirements of older people and people with disabilities.*’ This chapter considers the profiles of the specific groups of the population. For each group, the analysis will present the relative prevalence of the population, the current accommodation situation and information on their future requirements. Whilst the LTBHM model (set out in Chapter 5 above) considers all household groups within the model, the results can be broken down to show the accommodation requirements of certain household groups of interest.
- 6.2 This chapter looks at the following groups of the population which all have an appreciable impact on the housing market in Pembrokeshire:
- Older persons
 - People with disabilities
 - Family households
 - Key workers
- 6.3 This chapter will also examine the private rented sector in more detail.

Housing Needs of Older People

Projected growth

- 6.4 The disaggregated local housing need projections (set out in Chapter 5) indicate that the population aged 65 or over is going to increase dramatically in Pembrokeshire over the plan period; from 33,236 in 2020, to 41,630 in 2033, a rise of 25.3% (some 8,394 people). The projections also suggest that there will be an increase in the number of households headed by someone over 65 in Pembrokeshire from 21,560 in 2020, to 27,197 in 2033, an increase of 26.1%. The projections indicate that the proportion of older persons living alone in Pembrokeshire will increase from 43.4% in 2020, to 43.7% in 2033.

Future requirement

- 6.5 The results of the LTBHM model can be disaggregated into different household groups within the whole population. The table below shows the projected accommodation profile for older person households in Pembrokeshire in 2033 arising from that model.

Table 6.1 Type of accommodation projected for ‘older person only’ households in Pembrokeshire in 2033

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	994	144	3	31	1,671
2 bedroom	6,708	496	1	11	1,732
3 bedroom	11,490	257	0	2	339
4+ bedrooms	3,230	58	0	0	29
Total	22,422	956	4	44	3,770

Specialist accommodation

- 6.6 Given the dramatic growth in the older population, and the higher levels of disability and health problems amongst older people, there is likely to be an increased requirement for specialist housing options. We have assessed the future need for specialist accommodation for older people broken down by tenure and type. To assess this need we have built on the approach used in the Regional Housing Market Assessment for South West and Mid Wales report⁴⁹ which used the Housing Learning and Improvement Network’s (Housing LIN) Strategic Housing for Older People (SHOP) prevalence rate model. Whilst the outputs presented in the regional housing market assessment report used the benchmark SHOP figures, we have adjusted these so that they also account for the current situation in Pembrokeshire, in terms of what accommodation already exists. This means that that the future prevalence rates used mirror the expectations and usage patterns of local residents.
- 6.7 The SHOP model helps authorities to plan to deliver more of this type of accommodation in response to the growth of the population that utilizes it (principally those aged 75 or over). The SHOP model uses these prevalence rates as the key variant when modelling future demand. It should be noted that this method is only driven by demographic changes and does not consider people’s choices or aspirations as to what form of accommodation they would prefer.
- 6.8 To establish the potential demand for these accommodation types in Pembrokeshire at the end of the plan period, these localised prevalence rates are applied to the total number of people aged 75 or over in Pembrokeshire in 2033 according to the disaggregated housing need projections (set out in Chapter 5). The demand that is derived is then compared to the current stock. This process is summarised in the table below. The future tenure profile of this specialist stock takes account of the modelling that indicates that over 85% of all older person households will live in market accommodation in 2033, as evidenced in Table 6.1.

⁴⁹ See footnote 1.

- 6.9 According to the latest data⁵⁰, there are 2,034 units of Sheltered Housing for older people⁵¹ in Pembrokeshire currently, alongside 224 Enhanced Sheltered/ Extracare units⁵². It is worth noting that some 57.8% of the Sheltered Housing for older people is in the affordable sector as is 57.1% of the Enhanced Sheltered/ Extracare units, despite the overwhelming propensity of older persons only households to be owner-occupiers.
- 6.10 To meet local demand rates in 2033, the model identifies a requirement for 409 additional units of Sheltered housing for older people and 121 additional Enhanced Sheltered/ Extracare units in Pembrokeshire over the plan period. Of the 409 new units of Sheltered housing for older people, over two-thirds should be market accommodation, with the remainder affordable. Of the 121 new Enhanced Sheltered/ Extracare housing, 50% should be market and 50% affordable. These are Class C3 dwellings.

Table 6.2 Projected requirement for specialist accommodation for older person households in Pembrokeshire over the plan period				
<i>Type of specialist accommodation</i>	<i>Tenure</i>	<i>Base profile (2020)</i>	<i>Profile 2033</i>	<i>Additional units required</i>
Sheltered Housing for older people	Market	859	1,141	282
	Affordable	1,175	1,302	127
	Total	2,034	2,443	409
Enhanced Sheltered/ Extra care housing	Market	96	157	61
	Affordable	128	188	60
	Total	224	345	121
All specialist accommodation for older person households	Market	955	1,298	343
	Affordable	1,303	1,490	187
	Total	2,258	2,788	529

- 6.11 The requirement for 529 additional specialist units for older person households represents 13.0% of the total household growth in Pembrokeshire for the period 2020 to 2033. The actual numbers and type of specialist accommodation needed may depend on changes in patterns of demand and expectations. It is therefore appropriate to consider this level of need with the acknowledgement that the form of accommodation delivered should not be too prescriptive.

⁵⁰ This is based on an extract of the SHOP tool alongside data from the Welsh Government.

⁵¹ A collection of self-contained units of accommodation (usual bedsits within a communal block), which have on-site warden support (usually daytime only with on call service at night) and communal social areas and activities.

⁵² Enhanced Sheltered is similar to sheltered accommodation, but with enhanced provision for personal care of frailer older people. On-site support is usually provided on a 24 hour rather than day-time only basis. Extracare housing is an Enhanced Sheltered housing setting with a focus on the extra care needs of people often focused on addressing the needs of people with dementia.

6.12 As well as the need for specialist housing for older people, there will also be an additional requirement for Registered Care⁵³. According to the latest household population estimates and dwelling stock figures, there are around 1,102 spaces in nursing and residential care homes in Pembrokeshire currently, of which it is estimated that just over a third of these are in the affordable sector, with the remaining being a market tenure.

6.13 As part of the process of projecting the future household typology within the disaggregation of the housing need figure as described in Chapter 5, the population that will reside in communal establishments is calculated. The model identifies that in 2033 there will be 1,626 people aged 65 and over in Pembrokeshire that will be resident in Registered Care. This implies that there will be a requirement for 524 additional Registered Care spaces between 2020 and 2033, of which 55.4% should be in the affordable sector and 44.6% within a market tenure. The table below details these calculations.

Table 6.3 Projected requirement for Registered Care for older persons in Pembrokeshire over the plan period			
<i>Tenure</i>	<i>Base profile (2020)</i>	<i>Profile 2039</i>	<i>Additional units required</i>
Market	713	947	234
Affordable	389	679	290
Total	1,102	1,626	524

6.14 It should be noted that the modelling, presented above, is based on occupation patterns in this sector recorded prior to the coronavirus pandemic. Whilst the full impact of the coronavirus pandemic on society may not be known for some time, it appears that those living in residential care have been more adversely affected than the wider population. This may change the perception of the sector amongst potential residents and lead to a reduction in the demand for such accommodation. The Council should therefore closely monitor the take-up of Registered Care in Pembrokeshire to identify whether the demand pattern identified will be fulfilled.

6.15 The table below brings together the analysis presented in the previous three tables, to show the full profile of accommodation required by older persons in Pembrokeshire in 2033.

⁵³ Residential care homes and nursing homes: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Table 6.4 Type of accommodation required for older persons in Pembrokeshire in 2033

Size of home	Market			Affordable		
	General housing	Sheltered housing	Enhanced Sheltered/ Extra care housing	General housing	Sheltered housing	Enhanced Sheltered/ Extra care housing
1 bedroom	713	341	84	1,031	549	124
2 bedrooms	6,331	800	72	927	753	64
3 bedrooms	11,748	-	-	341	-	-
4+ bedrooms	3,289	-	-	29	-	-
Total in households	22,080	1,141	157	2,329	1,302	188
Residential care	947			679		

- 6.16 The majority of older person households in Pembrokeshire are likely to remain in general housing, especially if the home is suitable, such as a bungalow or home with some accessibility features built in. The next section looks at the role of adaptations to help to meet a change in their needs households remain in their home.

People with disabilities

- 6.17 Appropriate housing for people with disabilities is crucial in ensuring that they live safe and independent lives. The Census shows that, in 2011, some 22.5% of the resident population in Pembrokeshire had a long-term health problem or disability, compared to 22.7% in Wales. Further analysis shows some 49.3% of all residents with a long-term health problem or disability in Pembrokeshire had a condition that limited day-to-day activities a lot (11.1% of total), with 50.7% having a condition that limited activities a little. In Wales, 43.8% of all residents with a long-term health problem or disability had a condition that limited day-to-day activities a lot and 52.4% had a condition that limited activities a little.

Number of people in receipt of relevant benefits

- 6.18 A more up-to-date estimate of the number of people with a disability can be acquired by looking at the number of people in an area that are in receipt of Personal Independence Payment⁵⁴ or Attendance Allowance. Personal Independence Payment (PIP) helps with some of the extra costs caused by long-term disability, ill-health or terminal ill-health. Data from the Department of Work & Pensions indicates that as at October 2020, there were 6,812 people in Pembrokeshire in receipt of PIP, which equated to 5.4% of the population in the county. In comparison some 6.0% of the population of Wales were in receipt of PIP.

⁵⁴ This has replaced Disability Living Allowance.

- 6.19 Attendance Allowance is a benefit for people over the age of 65 who are so severely disabled, physically or mentally, that they need a great deal of help with personal care or supervision. The Department of Work & Pensions data shows that as at May 2020, there were 4,178 people in Pembrokeshire in receipt of Attendance Allowance, which equated to 3.3% of the population in the county. In comparison, some 3.2% nationally were in receipt of Attendance Allowance. It should be noted that whilst these data sources provide a useful indication of the number of disabled people, not all will require adaptations in the home.

Projected health of the future population

- 6.20 The Projecting Older People Information System (POPPI) website⁵⁵ and the parallel Projecting Adult Needs and Service Information (PANSI) website⁵⁶ model the current and likely future incidence of a range of health issues for each authority in England. They use the prevalence rates for specific health conditions disaggregated by age and gender as reported in national surveys⁵⁷ and apply this to the projected population profile in each authority. Whilst these prevalence rates are usually taken from English national surveys, (some are sourced more locally from the Census), the same approach can be used to provide equivalent detail for Pembrokeshire.
- 6.21 The table below sets out the number of people estimated to have one of four health conditions currently alongside the number of people projected to have these conditions in 2033 derived by applying the prevalence rates used by the POPPI and PANSI modelling to the disaggregated population for Pembrokeshire in 2020 and 2033. The table then goes on to report the current and future population in Pembrokeshire that require assistance with activities. These figures are derived using the same approach as described for the health condition modelling. The data from PANSI and POPPI is based on current and recent prevalence rates and, whilst these may vary in the future, the figures provide a useful baseline estimate.
- 6.22 The table shows that the number of those aged 65 or over with a limiting long-term illness that limits them a lot is expected to increase by 30.6% between 2020 and 2033 in Pembrokeshire. This compares to an increase of 2.3% in the number of people aged 18-64 in Pembrokeshire with impaired mobility, a fall of 4.8% in the number of people aged 18-64 in Pembrokeshire with a common mental health disorder, an increase of 36.6% in the number of people aged 65 or over with dementia⁵⁸ and an increase of 8.2% in the number of people in Pembrokeshire with a moderate or severe learning disability.

⁵⁵ <https://www.poppi.org.uk/>

⁵⁶ <https://www.pansi.org.uk/>

⁵⁷ For example the Survey of Mental Health and Wellbeing and the Life Opportunities Survey.

⁵⁸ *has shown that good quality housing and sensitively planned environments can have a substantial impact on the quality of life of someone living with dementia. People with dementia need to have access to care and support to*

6.23 The table also shows that the number of those aged 65 or over that are unable to manage at least one mobility activity on their own is expected to increase by 32.3% between 2020 and 2033, compared to an increase of 65.6% in the number of people aged 65 and over who need help with at least one domestic task, an increase of 29.2% in the number of people aged 65 and over who need help with at least one self-care activity and a decrease of 6.4% in the number of people aged 18-64 with a serious personal care disability. It should be noted that these changes better reflect the projected change in the demographics of the population (an ageing population) rather than a notable change in the overall health of people.

Table 6.5 Number of people with particular health issues projected over the Local Plan period in Pembrokeshire				
Condition	2020	2033	Total change	% change
Health condition				
People aged 65 and over with an illness*	9,086	11,870	2,784	30.6%
People aged 18-64 with impaired mobility	6,798	6,956	158	2.3%
People aged 18-64 with a common mental health problem	13,048	12,427	-621	-4.8%
People aged 65 and over with dementia	2,361	3,225	864	36.6%
People all ages with a learning disability	2,377	2,572	195	8.2%
People requiring assistance with activities				
People aged 65 and over that are unable to manage at least one mobility activity on their own**	6,036	7,987	1,951	32.3%
People aged 65 and over who need help with at least one domestic task***	7,392	12,242	4,850	65.6%
People aged 65 and over who need help with at least one self-care activity****	9,386	12,126	2,739	29.2%
People aged 18-64 with a serious personal care disability*****	659	617	-42	-6.4%
All people	126,121	128,953	2,832	2.2%

*A limiting long-term illness that limits them a lot. **Activities include going out of doors and walking down the road; getting up and down stairs; getting around the house on the level; getting to the toilet; getting in and out of bed. ***These are activities which, while not fundamental to functioning, are important aspects of living independently such as doing routine housework or laundry, shopping for food, doing paperwork or paying bills. ****These are activities relating to personal care and mobility about the home that are basic to daily living. *****Their physical disability means that they require someone else to help from getting in and out of bed, or getting in and out of a chair, dressing, washing, feeding, and use of the toilet. Source: The Projecting Older People Information System and Projecting Adult Needs and Service Information, 2020, disaggregated local housing need figures, 2020.

enable them to live independently and homes need to be designed with their needs in mind. Paragraph 019 of the Planning Practice Guidance (Reference ID: 63-019-20190626)



6.24 The figures set out in the table above are provided for contextual purposes - not all of these incidences will result in a requirement for a different form of accommodation to be provided. It is therefore necessary to use different data sources to model the demand for adapted housing as set out in the section below.

Accessible and adaptable housing

6.25 Paragraph 4.2.12 of Planning Policy Wales indicates that *'planning authorities should promote sustainable residential mixed tenure communities with 'barrier free' housing, for example built to Lifetime Homes standards to enable people to live independently and safely in their own homes for longer'*. This section will help provide data on the likely requirement for Lifetime Homes in Pembrokeshire alongside the number of wheelchair accessible homes.

6.26 The requirement for adaptable housing can be estimated utilising a number of data sources. The most important is the anonymized data provided by the Council on households that have been housed into affordable accommodation in Pembrokeshire from the Housing Register over the last three years. This provides details about those that have moved into affordable accommodation, both general needs and specialist homes, and whether they had an accessibility requirement. The other data sources used in the model include the age profile of people in receipt of Disability Living Allowance in Pembrokeshire, the county-wide LTBHM modelling outputs on the current and future tenure profile of different household groups, and the POPPI and PANSI projections (set out above).

6.27 The steps followed in the model, to derive the future requirement for adaptable and accessible housing, are set out below:

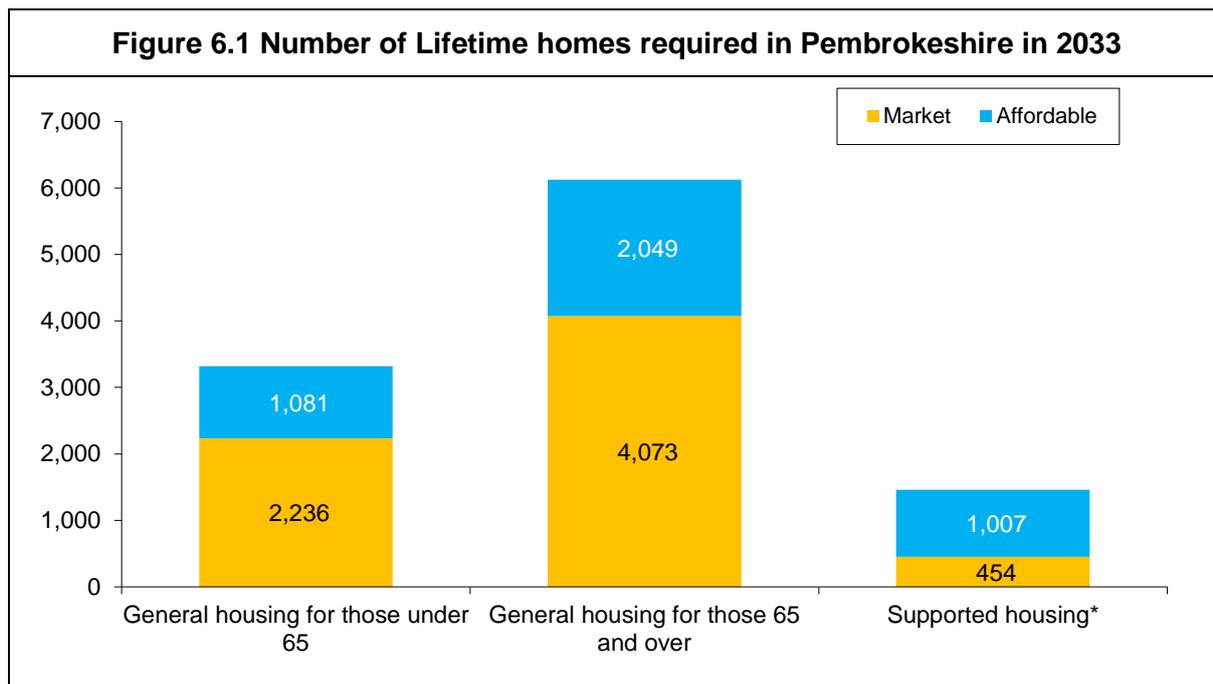
- The affordable lettings over the last three years were examined and the total number of lettings that required a home to meet a mobility need was totalled alongside the total number of lettings (of all types). This was done within the general housing stock and separately within the supported housing⁵⁹ stock.
- It is presumed that all of the requirement for adapted housing in the supported housing stock is from older person households. To determine the requirement for adapted housing within the general stock that arises from households over 65, the proportion of people in receipt of the higher rate of the disability living allowance that are aged 65 or over in Pembrokeshire as at May 2020 is calculated using the data published by the Department for Work and Pensions⁶⁰. In Pembrokeshire this figure is 90.2%. It is therefore presumed that this proportion of the demand for adapted housing within the general stock arises from households over 65, with the remainder arising from younger households.

⁵⁹ Supported housing in this context refers to specialist housing for households (mainly older person households), such as that listed in table 6.2.

⁶⁰ <https://stat-xplore.dwp.gov.uk>

- The totals of the number of lettings of adapted housing over the last three years to these three groups; (those in sheltered accommodation, older persons households in general housing and households under 65 in the general stock) are then compared to the total number of lettings to each of these groups over the last three years, to generate a requirement rate for adapted housing for these three household groups in the affordable sector.
- To produce an equivalent requirement rate for adapted housing amongst the same groups of households resident in the market sector, the rate identified for each of these three groups in the affordable sector is adjusted by the difference between the proportion of affordable homes with adaptations nationally and the proportion of market homes with adaptations nationally as recorded by the Welsh Housing Condition Survey.
- The requirement rate for these three groups across the two broad tenures are then applied to the total number of households in these groups in 2020 as indicated by the LTBHM model. This provides us with an estimate of the current requirement for accessible and adaptable housing in each area, differentiated both by the three household groups and the two broad tenures.
- To profile the future requirement, the total number of households under 65 in the general stock that require an adapted home currently is multiplied by the projected change in the number of people aged 18-64 with an impaired mobility in Pembrokeshire as modelled using the PANSI data set out in Table 6.5 above. The total number of households aged 65 and over in the general stock that require an adapted home currently is multiplied by the projected change in the number of people aged 65 and over that are unable to manage at least one mobility activity on their own in each authority as modelled using the POPPI data set out in Table 6.5 above. The total number of households in sheltered accommodation that require an adapted home currently is also multiplied by this figure derived from the POPPI modelling.
- This provides a total requirement for accessible and adaptable housing in 2033 in Pembrokeshire for the three different household groups. These are then divided by tenure, based on the tenure profile of these groups recorded in 2020, but also taking account of the changes in the tenure profile for each group that are projected to happen by 2033 according to the LTBHM model.

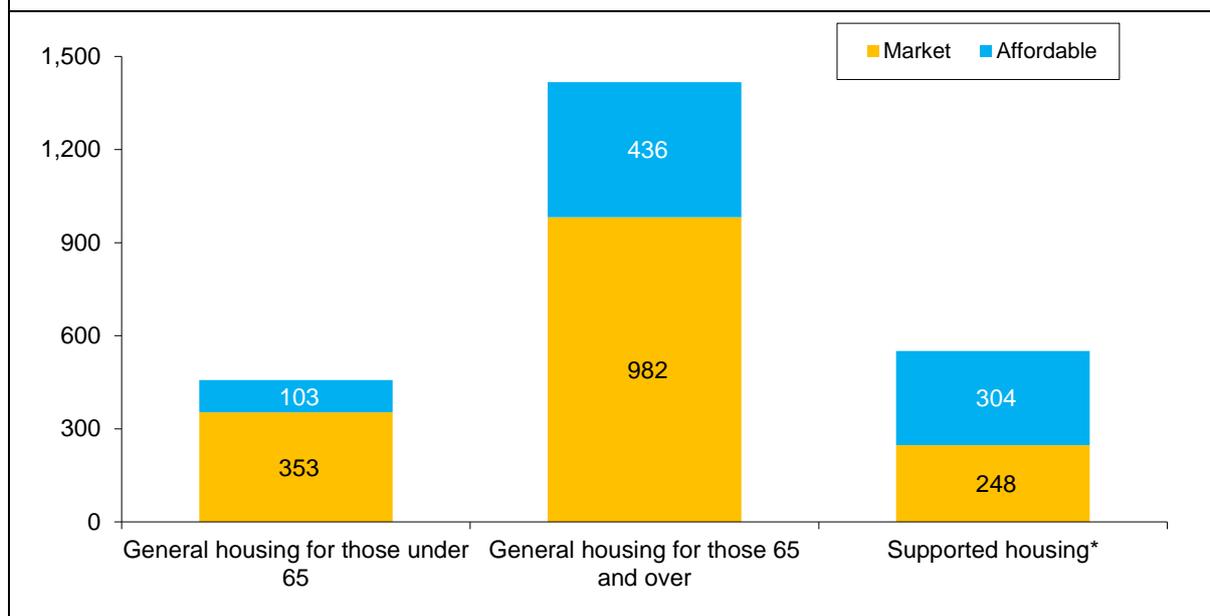
6.28 The figure below shows the final results of this model.



*Supported housing is specialist housing for older person households, such as those listed in Table 6.2.

- 6.29 The figure indicates the requirement, for accessible and adaptable homes in Pembrokeshire in 2033, differentiated by setting, age group and tenure. In total 10,901 adaptable homes are required in 2033 in Pembrokeshire, of which 6,763 should be in the market sector and 4,138 in affordable accommodation. Of the 10,901 adaptable homes required, 9,439 should be in the general housing stock and 1,461 in supported accommodation.
- 6.30 The outputs of the LTBHM model and the older person accommodation modelling have compared the future requirement with the current stock to identify the net change required to be delivered over the plan period. Whilst the future requirement for Lifetime Homes has been identified, there is limited information on the number of dwellings that fulfill this criterion in Pembrokeshire and therefore there is not a detailed profile of the current stock from which to derive a net requirement. However, the Regional Housing Market Assessment for South West and Mid Wales report estimates that there are currently around 7,000 such homes that fulfill this criterion.
- 6.31 Overall, the requirement for 10,901 adaptable homes implies that a notable uplift will be required to the number of homes that meet this standard currently, and that by the end of the plan period around about 18.0% of the total stock should be available that meet this criterion.
- 6.32 There is also a requirement for wheelchair user dwellings. Using the same data sources but focusing specifically on those that require fully wheelchair accessible housing within the letting figures, it is possible to follow the same method to produce equivalent results that identify the future requirement for a wheelchair accessible home in Pembrokeshire in 2033. The results produced from this process are set out in the figure below.

Figure 6.2 Number of wheelchair user dwellings required in Pembrokeshire in 2033



*Supported housing is specialist housing for older person households, such as those listed in Table 6.2.

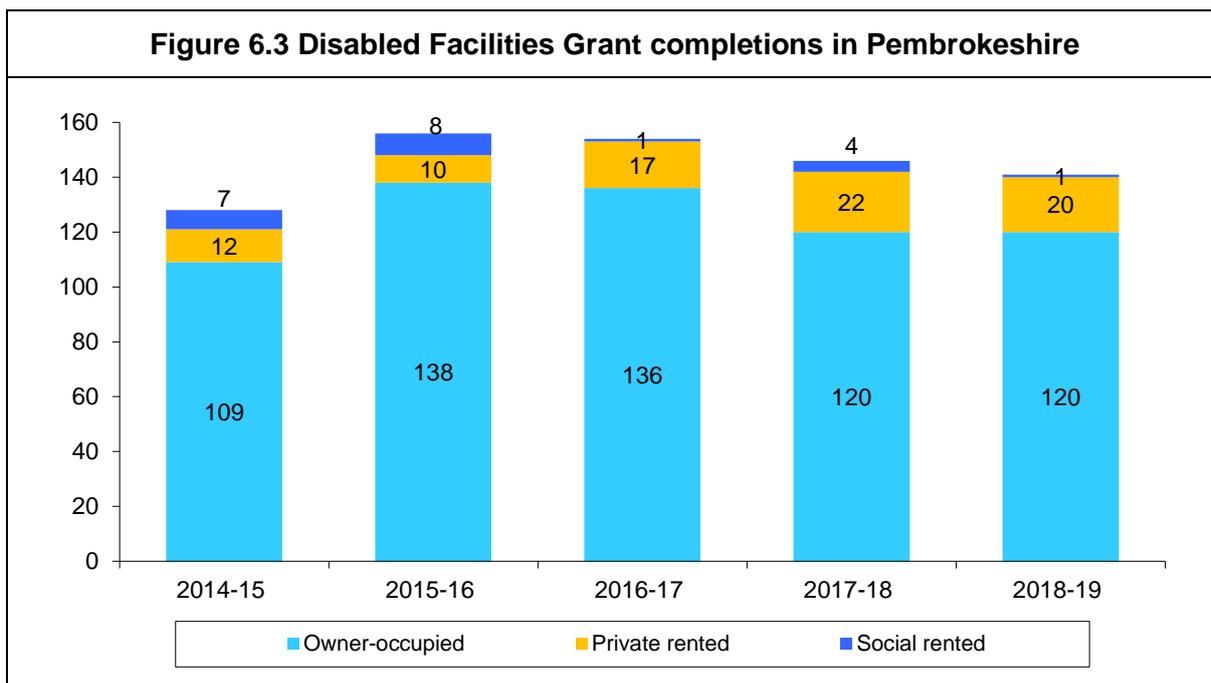
- 6.33 The figure indicates the requirement, for wheelchair user dwellings in Pembrokeshire in 2033, differentiated by setting, age group and tenure. In total 2,425 wheelchair user dwellings are required in 2033 in Pembrokeshire of which 1,582 should be in the market sector and 843 in affordable accommodation. Of the 2,425 wheelchair user dwellings required, 1,874 should be in the general housing stock and 551 in supported accommodation. The Regional Housing Market Assessment for South West and Mid Wales report estimates that there are currently around 1,440 wheelchair accessible homes in the market sector with 710 in the affordable sector. This implies that the net requirement between 2020 and 2033 is for 142 new wheelchair homes in Pembrokeshire in market accommodation and 133 in affordable housing.
- 6.34 Overall, the requirement for 2,425 wheelchair user dwellings will mean that by the end of the plan period, around about 4.0% of the total stock should be available to meet this criterion.

Adaptations and support

- 6.35 In addition to specialist accommodation, the Council helps people to remain in their current home by providing support and assistance. Any adaptations to dwellings provided through this mechanism could reduce the requirement for new homes meeting the M4(2) standard, depending on the nature of the adaptation work completed, however the provision of homes meeting the M4(2) standard would reduce the requirement for these adaptations.
- 6.36 Data assembled by the Welsh Government records that in the five-year period between 2014-15 and 2018-19, there were 739 valid applications for Disabled Facilities Grant in Pembrokeshire, of which 714 (96.6%) were approved. The figure below shows the number of home adaptations that have been completed within the Disabled Facilities Grant programme in Pembrokeshire, disaggregated by tenure. The figure shows that the level of completions has remained broadly consistent in the last five years (although a slight fall was recorded since

the high of 156 dwellings in 2015-16). The data also shows that the vast majority of Disabled Facilities Grant completions occur in the owner-occupied accommodation, with very few in the Social Rented tenure.

- 6.37 Although, there may be additional households who would want or need an adaptation, but would not have applied to the Disabled Facilities Grant, these figures provide an indication of levels of expressed need. The provision of M4(2) homes would reduce the need for these adaptations to be applied to existing dwellings reactively and make the housing stock more responsive to the evolving needs of the local population.



Source: Disabled facilities grant data collection, Welsh Government, 2020

Families with children

- 6.38 As set out in Table 5.2, there are 13,829 family households in Pembrokeshire in 2020, which constitutes 27.8% of all households in the housing market area. The modelling of the housing market undertaken for the LTBHM, indicates that some 5.5% of family households in Pembrokeshire are currently living in overcrowded accommodation and the level of overcrowding amongst family households has increased from 4.8% as recorded in the 2011 Census. The affordability analysis, summarised in Figure 3.9, indicates that some 29.6% of family households across Pembrokeshire would not be able to move to a suitably sized home in the market, however just 19.4% of family households reside in affordable accommodation currently. This suggests that intermediate housing options are likely to be particularly useful for this group of the population.

Future requirement

- 6.39 The disaggregated housing need projections indicate that the total population of families with children is going to slightly fall from 13,829 in 2020 to 13,493 by 2033, a reduction of 2.1%. It

is estimated that the proportion of lone parent families within this group will grow from 27.8% in 2020 to 31.1% in 2033. The table below shows the projected accommodation profile for family households in Pembrokeshire in 2033 derived from the LTBHM model, presuming that households do not have to reside in overcrowded accommodation. This identifies that intermediate housing will be particularly useful for family households; it is estimated that by 2039, 56.1% of Shared Ownership or Help to Buy dwellings and 78.4% of Homebuy or Homes Within Reach will be occupied by family households.

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	0	0	0	0	0
2 bedroom	892	171	57	177	877
3 bedroom	4,419	395	125	205	1,616
4+ bedrooms	3,816	278	61	117	287
Total	9,126	844	243	499	2,781

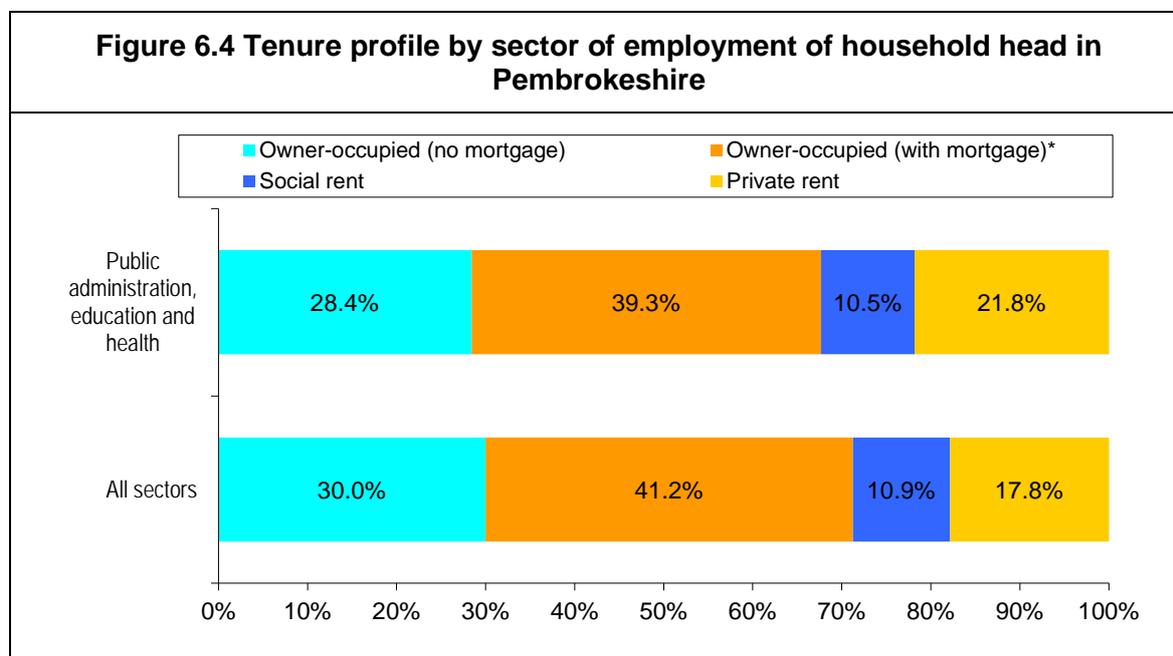
Key workers

- 6.40 Pembrokeshire is an area in which the cost of market housing is not in line with local incomes. The Council is therefore keen to understand the housing needs of local key workers and ensure that they are able to remain in the local housing market. Paragraph 3.32 of the LHMA Guide notes that ‘*key workers need to be interpreted and defined in the local context*’.
- 6.41 The Council has a Local Worker Scheme to help people in employment who are in private rented accommodation or live with a family. People can seek assistance if they have a permanent employment contract, do not own a home, earn less than £60,000 per year and are working and resident in the county. This scheme now includes those on zero hour contracts and those that are self-employed. In addition, within this scheme there is an element for those that are a ‘*Priority Local Worker*’. A Priority Local Worker is a healthcare worker or medical professional working at a local hospital or health facility (excluding those that work only to fill gaps and do not have a permanent contract) and members of the emergency services that need to be housed within 5 miles of their unit/station, which includes the police, the fire service, the ambulance service and the lifeboat service. For the purpose of this study the Priority Local Workers will be the focus of the analysis.

Current situation

- 6.42 The ONS Business Register and Employment Survey classifies all employees into one of eighteen industry categories. This indicated that there were 7,000 individual employee jobs in Pembrokeshire in 2019 in the categories of ‘*Human Health and Social Work Activities*’. This represents 15.9% of all employees jobs in the county, which is a figure marginally higher than the national equivalent (15.8%).

6.43 The figure below compares the tenure profile of households headed by someone in employed in the sectors of ‘Public administration, education and health’ with all households headed by someone in employment in Pembrokeshire in 2011. This indicates that households in Pembrokeshire headed by someone employed in public administration, education and health were more likely to be resident in the private rented sector than average.



Source: 2011 Census

Ability to afford local housing

6.44 The LTBHM model does not specifically identify the population that are employed in these sectors so we are not able to profile a housing requirement for this group. However, we can test the ability of an average person working in the police and health sectors to afford housing in Pembrokeshire. Research of online vacancies in these sectors suggests that, in Pembrokeshire, the average starting salary for a police officer is around £21,500 with the average starting salary for a nurse in the county being around £24,000 and the starting salary for a firefighter around £23,000. It should be noted that these figures are useful examples and that there are a variety of roles with a range of salaries in these professions in the county depending on level of expertise and experience.

6.45 A comparison of these incomes with the cost of housing set out in Chapter 3, indicates that, on any of these incomes, a person would be able to afford a one bedroom private rented home in Pembrokeshire, which requires an income of £16,200, however a one bedroom home to own requires an income of £31,500 in the National Park part of the county, and £20,200 in the remainder of Pembrokeshire. Whilst the figure for the non-National Park part of Pembrokeshire is below the identified salary levels for the Priority Local Workers listed above, it should be noted that the supply of one bedroom accommodation is quite limited in parts of the county and some people are likely to have to buy a two bedroom home, which is notably more expensive. However, a one, two and three bedroom Shared Ownership home with a

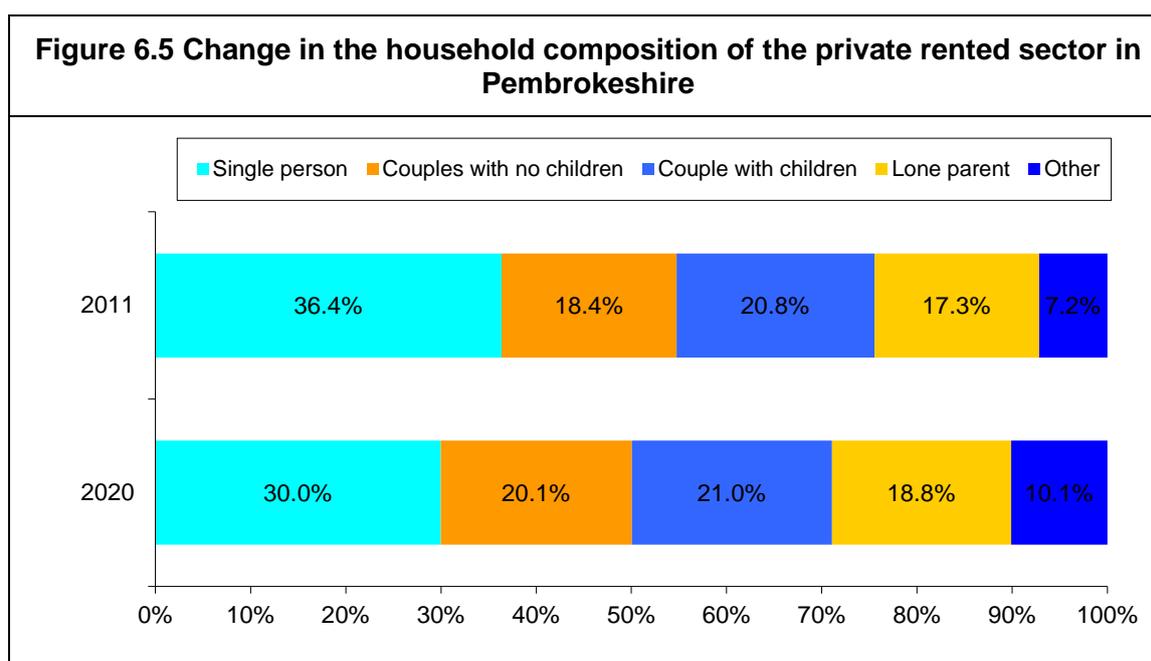
25% equity would however be affordable to people on these salaries, if these products are priced in the way suggested in Chapter 3.

The Private Rented Sector (PRS)

Growth

6.46 The current tenure profile in the county was modelled as part of the LTBHM model. This estimated that there are 7,030 private rented households in Pembrokeshire in 2020, which represents 12.4% of households in the county. The private rented sector (PRS) is becoming increasingly important in Pembrokeshire; as shown in Figure 2.12, the data indicates that it increased by 8.3% in Pembrokeshire between 2015 and 2020 – at a greater rate than was recorded nationally.

6.47 The figure below compares the household composition of the private rented sector in Pembrokeshire in 2011, with the profile of households resident in this tenure in Pembrokeshire in 2020. The data shows that, not only has the private rented sector expanded, but the households in it have diversified.

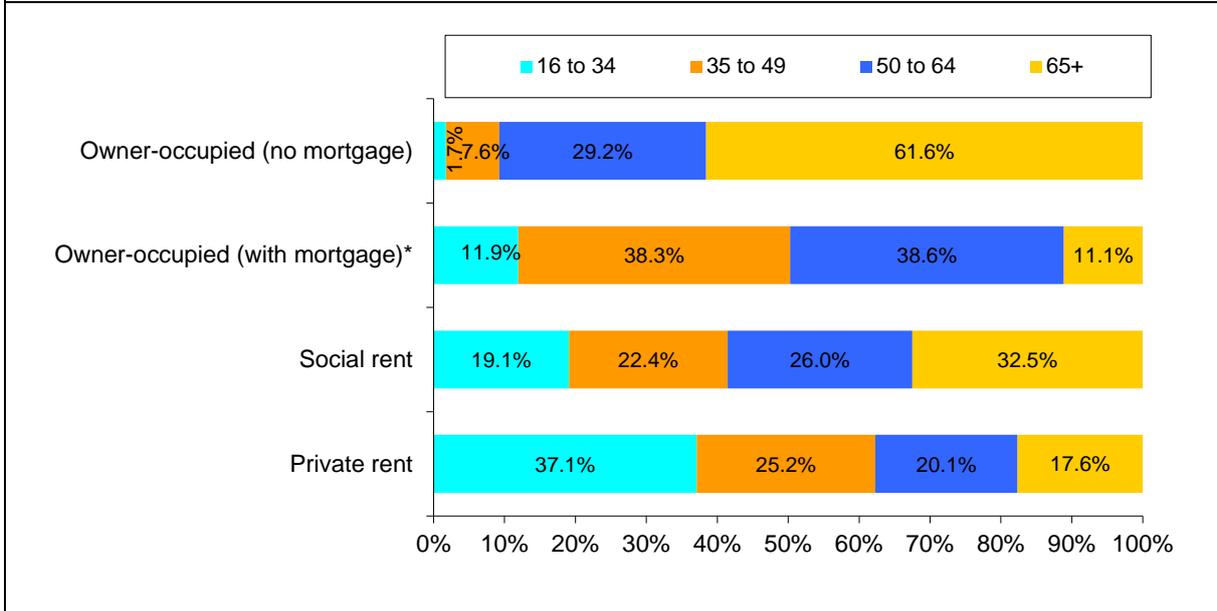


Source: 2011 Census and LTBHM modelling

Those resident in the tenure

6.48 The figure below shows that, whilst the private rented sector has diversified, it is still notably more likely to be occupied by younger households, with over a third of household reference persons aged 34 or under compared to less than a fifth of household reference persons in all other tenures.

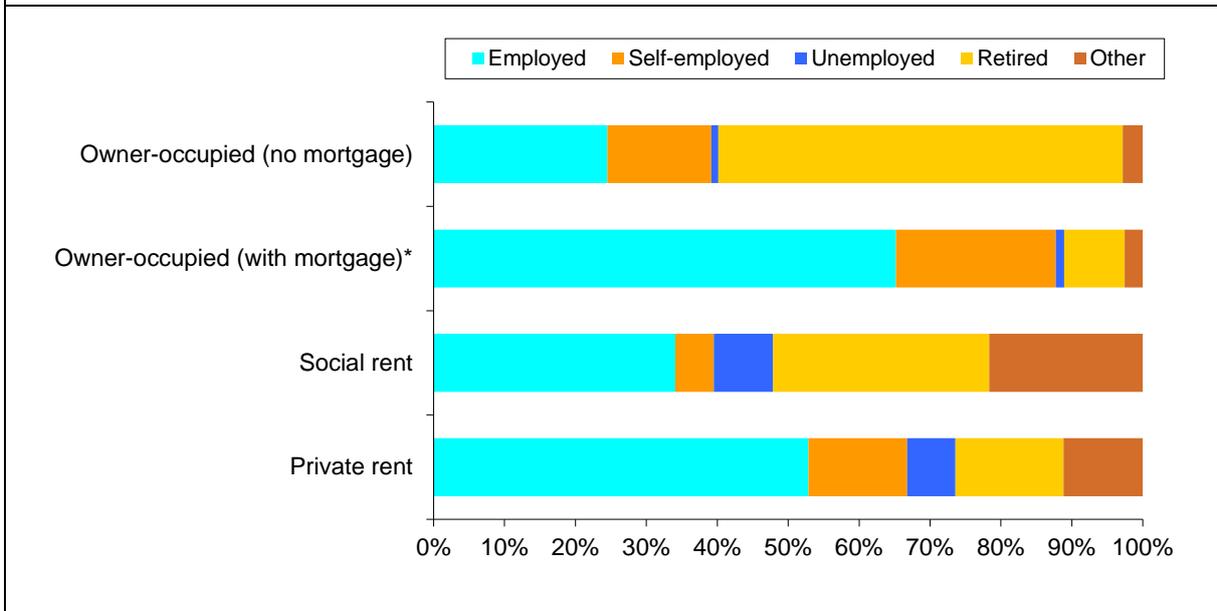
Figure 6.6 Age of household reference person within each tenure in Pembrokeshire, 2020



*Includes Shared Ownership Source: LTBHM modelling

6.49 The figure below shows that, whilst the majority of household heads in the private rented sector in Pembrokeshire are in work, there are a number where the household head is unemployed or retired.

Figure 6.7 Economic activity of household reference person within each tenure in Pembrokeshire, 2020



Source: LTBHM modelling

6.50 The LTBHM model set out in Chapter 4 has been used to model the future housing market. This indicates that the private rented sector is likely to grow further in Pembrokeshire over the

plan period with the number of homes in the tenure projected to increase to 7,313 households by 2033, a growth of 4.0%. This is the growth projected if it is assumed that low cost home ownership will expand in the housing market, and a notable number of households that would otherwise be resident in the private rented sector are able to access discounted home ownership instead.

Market signals

- 6.51 To assess the stability of the sector currently it is useful to consider how the private rent levels charged vary over time. The table below shows the change in private rents over the last five years at both the median and lower quartile level. This data is disaggregated by accommodation size and location. The table shows, for example, that between 2014 and 2019, two bedroom lower quartile rents increased by 6.3% in Pembrokeshire.
- 6.52 Overall, the data suggests that the private rented sector is not under particular pressure in Pembrokeshire, as rent levels have risen at a slower rate than recorded nationally in all instances other than for the lower quartile rents of two bedroom homes. The data does suggest that one and four bedroom rents are the least pressurized in Pembrokeshire, as the change in rent levels recorded is notably lower than for two and three bedroom homes at both price points.

Table 6.7 Change in private rents charged in Pembrokeshire and Wales between 2014 and 2019				
Lower quartile prices				
Area	One bedroom	Two bedrooms	Three bedrooms	Four+ bedroom
Pembrokeshire	-0.5%	6.3%	5.0%	0.0%
Wales	7.1%	5.9%	4.2%	4.0%
Median prices				
Area	One bedroom	Two bedrooms	Three bedrooms	Four+ bedroom
Pembrokeshire	-3.8%	2.1%	2.7%	-0.7%
Wales	12.5%	6.1%	4.5%	6.0%

Source: Rent Officers Wales, 2014, 2019

The benefit-supported private rented sector

- 6.53 Data available from the Department of Work & Pensions⁶¹ indicates that there were 3,843 households in the private rented sector in Pembrokeshire who were either in receipt of Housing Benefit or were receiving the Housing Element of Universal Credit in August 2020. This represents 54.7% of all households in the tenure and is higher than the equivalent

⁶¹ <https://stat-xplore.dwp.gov.uk>

proportion of households in the sector nationally (some 50.1% of private rented households in Wales were in receipt of one of these benefits). The table below provides detail on households in the private rented sector in receipt of support towards their housing costs in Pembrokeshire and Wales.

Table 6.8 Detail of the benefit-supported private rented sector in the Pembrokeshire and Wales					
Area	Number of PRS households in receipt of support* August 2020	Proportion of all PRS households in receipt of support August 2020	Change in number of PRS households in receipt of support since August 2015	Proportion of PRS households in receipt of support in August 2020 that contain children	Change since August 2015 in the proportion of PRS households in receipt of support that contain children
Pembrokeshire	3,845	54.7%	25.0%	34.0%	-0.8%
Wales	98,382	50.1%	18.9%	28.5%	-15.9%

* This refers to support toward their housing costs. Source, Housing Benefit and Universal Credit data as presented by <https://stat-xplore.dwp.gov.uk> January 2021 Welsh Government Dwelling Stock Estimates, 2020

- 6.54 The table shows that the number of private rented tenants in receipt of assistance with their housing costs in Pembrokeshire has increased by 25.0% between 2015 and 2020, in comparison to a national growth of 18.3% over the same period. Just over a third of all households (34.0%) in the private rented sector in receipt of support towards their housing costs in Pembrokeshire in August 2020 contained children, a figure higher than the national average (28.5%). The proportion of households in the private rented sector in receipt of support towards their housing costs that contain children has decreased by 0.8% since August 2015. This change is not as great as recorded nationally however.
- 6.55 It is important to recognise the role that the benefit-supported private rented sector plays, in alleviating the pressure on the affordable housing stock, by housing some households that would otherwise be resident within the sector. However, it is not an official form of affordable housing as defined by TAN2. In addition, a comparison of the entry-level private rents with the LHA caps, as set out in Chapter 3, showed there is a notable gap between the two Pembrokeshire areas and the housing costs of households in need would not be fully met if they were to reside in this sector as noted in Chapter 3.

Appendix 1. LTBHM outputs for the community areas within Pembrokeshire

This appendix presents summary results of the LTBHM model outputs, set out in Chapter 5, for the 77 community areas in Pembrokeshire. The first table details the current (2020) profile and future (2033) requirement for the three main tenures of market housing (owner-occupied and private rented), intermediate housing (Homebuy/LCHO and Shared Ownership) and social rented accommodation. This table also details the change required in each tenure over the period. The second table sets out the size of new homes required between 2020 and 2033 in each community area for the two broad tenure types of market and affordable (intermediate and social rented) housing.

Community area	Market			Intermediate			Social rented			All tenures		
	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required
Ambleston	139	149	10	0	4	4	9	12	3	148	165	17
Amroth	553	589	36	16	20	4	21	39	18	591	648	58
Angle	124	136	12	0	3	3	19	22	3	142	161	19
Boncath	327	345	17	29	32	3	9	18	9	366	395	29
Brawdy	225	240	15	0	4	4	44	51	6	269	294	25
Burton	528	558	29	0	8	8	15	25	10	543	590	47
Camrose	754	835	81	12	18	7	46	68	22	812	921	110
Carew	610	646	36	11	23	11	38	48	10	659	716	57
Cilgerran	664	681	17	12	17	5	44	50	6	720	748	28
Clydau	318	344	26	6	10	4	4	16	12	327	370	43
Clynderwen	359	377	17	12	14	2	45	53	9	416	444	28
Cosheston	348	373	25	5	11	6	12	24	12	365	408	42
Crymych	716	753	37	23	26	3	56	65	9	795	844	49
Cwm Gwaun	110	122	13	0	2	2	12	18	6	122	143	22
Dale	81	93	11	0	3	3	11	13	2	92	108	17
Dinas Cross	354	383	29	13	15	3	26	31	5	393	430	37
East Williamston	789	853	64	24	29	5	57	91	34	869	972	103
Eglwysrwr	289	319	30	0	6	6	20	30	10	309	355	46
Fishguard and Goodwick	2,349	2,444	94	29	40	11	355	381	26	2,734	2,865	132
Freystrop	253	276	23	12	14	3	29	33	5	293	324	31
Haverfordwest	4,722	4,834	112	94	111	17	1,058	1,095	37	5,875	6,040	165
Hayscastle	191	207	16	12	13	2	8	15	7	211	235	24
Herbrandston	151	158	7	0	1	1	12	14	2	163	174	11
Hook	316	345	29	6	8	3	42	48	6	364	402	38
Hundleton	369	386	16	0	5	5	15	19	4	384	409	25
Jeffreyston	225	246	21	11	15	3	10	18	9	246	279	33
Johnston	709	739	31	6	12	6	136	147	11	850	898	47
Kilgetty/Begelly	940	1,023	84	29	35	5	93	110	17	1,062	1,168	106
Lampeter Velfrey	505	532	27	6	14	8	13	22	9	524	569	45
Lamphey	380	427	47	5	9	4	37	44	7	423	481	58
Letterston	471	487	16	12	14	2	105	111	7	588	613	25

Table A1 Tenure of new accommodation required in each Community Area over the next 13 years cont												
Community area	Market			Intermediate			Social rented			All tenures		
	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required
Llanddewi Velfrey	166	176	9	0	3	3	6	10	4	172	188	16
Llandissilio West	198	208	11	6	8	2	24	28	4	227	244	17
Llangwm	373	398	25	0	9	9	30	39	9	402	446	43
Llanrhian	370	399	28	15	19	4	43	48	5	428	465	37
Llanstadwell	387	425	39	6	10	5	28	34	6	421	469	49
Llawhaden	257	276	18	0	4	4	10	17	7	267	297	29
Maenclochog	344	355	11	6	7	2	5	11	6	355	373	19
Manorbier	466	503	37	13	15	2	94	100	5	574	618	45
Manordeifi	245	266	21	0	5	5	8	15	7	253	285	32
Marloes and St. Brides	118	128	10	0	2	2	16	20	4	134	150	16
Martletwy	222	235	12	5	6	1	6	13	7	233	253	20
Mathry	246	265	19	11	17	5	15	22	7	273	303	31
Merlin's Bridge	664	724	60	12	19	7	280	285	5	955	1,028	73
Milford Haven	4,845	5,154	310	59	105	46	1,719	1,773	54	6,622	7,032	410
Mynachlog-Ddu	219	236	17	0	5	5	4	10	6	223	252	29
Narberth	1,059	1,101	42	12	22	10	151	168	17	1,221	1,291	69
Nevern	319	342	23	0	3	3	13	21	8	333	366	33
New Moat	178	196	18	6	7	2	3	9	6	187	213	25
Newport	469	483	14	13	15	2	86	91	5	568	589	21
Neyland	1,313	1,401	88	18	32	15	344	362	17	1,675	1,795	120
Nolton & Roch	365	375	10	16	17	1	10	14	4	391	406	16
Pembroke	2,702	2,907	205	24	46	23	882	910	28	3,607	3,863	255
Pembroke Dock	3,589	3,750	161	53	77	24	897	977	80	4,538	4,804	265
Penally	387	428	41	0	8	8	29	42	14	415	479	63
Pencaer	199	208	9	0	3	3	11	14	3	209	224	15
Puncheston	237	261	24	0	7	7	11	20	9	248	288	39
Rosemarket	240	262	22	0	4	4	29	37	8	269	303	34
Rudbaxton	362	396	34	0	9	9	7	16	9	369	422	53
Saundersfoot	1,059	1,133	74	0	6	6	77	97	20	1,136	1,236	99
Scleddau	376	401	25	6	12	6	68	76	8	450	489	39
Solva	298	326	28	9	11	2	71	77	6	377	414	37
Spittal	198	217	20	0	5	5	7	13	6	205	236	31
St. David's & Cathedral Clse	704	712	8	17	18	1	104	106	2	826	836	11
St. Dogmaels	657	677	20	23	25	2	47	52	5	727	754	27
St. Florence	289	320	30	6	9	3	34	41	7	329	369	40
St. Ishmael's	183	197	15	0	3	3	22	28	5	205	228	23
St. Mary Out Liberty	310	336	26	5	7	2	58	67	9	373	410	38
Stackpole and Castlemartin	210	231	21	4	6	2	43	49	5	258	286	29
Templeton	416	448	31	0	4	4	19	27	8	435	478	43
Tenby	1,687	1,736	49	26	31	5	327	345	18	2,040	2,112	72
The Havens	455	478	24	4	8	4	31	43	11	490	529	39
Tiers Cross	208	235	27	12	14	3	14	25	11	233	274	41

Community area	Market			Intermediate			Social rented			All tenures		
	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required	Base (2020)	Need 2033	Change required
Uzmaston, Boulston and Slebech	317	349	32	0	5	5	4	10	6	321	364	43
Walwyn's Castle	113	122	9	0	2	2	12	15	3	125	139	14
Wiston	429	456	27	0	5	5	44	52	8	472	513	40
Wolfscastle	255	278	23	6	7	2	26	30	4	286	315	29

Community area	New market housing				New affordable housing			
	1/2 bedrooms	3 bedrooms	4 bedrooms	All	1 bedroom	2 bedrooms	3/4 bedrooms	All
Ambleston	2	5	3	10	1	3	2	6
Amroth	11	17	8	36	5	5	11	21
Angle	2	4	6	12	3	2	2	6
Boncath	6	9	2	17	2	4	6	12
Brawdy	2	11	3	15	3	6	2	11
Burton	10	13	7	30	3	7	7	18
Camrose	36	37	8	80	8	5	17	30
Carew	16	14	5	35	7	5	9	21
Cilgerran	8	7	1	17	3	3	6	12
Clydau	11	12	3	26	3	6	7	16
Clynderwen	9	6	3	18	4	2	4	10
Cosheston	8	11	6	24	4	6	8	18
Crymych	18	18	2	37	5	1	6	12
Cwm Gwaun	5	7	2	13	2	3	4	9
Dale	6	2	3	12	2	2	1	5
Dinas Cross	13	14	2	29	1	3	4	8
East Williamston	20	36	8	64	11	5	22	39
Eglwysrwr	15	11	4	30	3	5	9	16
Fishguard and Goodwick	28	29	38	95	1	8	28	37
Freystrop	12	8	4	24	4	0	3	7
Haverfordwest	25	59	28	112	7	13	35	55
Hayscastle	8	5	2	16	2	3	3	8
Herbrandston	3	2	2	7	1	2	1	4
Hook	13	10	6	29	3	1	4	9
Hundleton	10	4	2	16	2	3	3	8
Jeffreyston	8	10	3	21	3	4	5	12
Johnston	12	11	7	31	4	5	7	16
Kilgetty/Begelly	20	33	30	84	8	2	12	22
Lampeter Velfrey	12	11	5	27	4	4	10	18
Lamphey	20	17	10	47	2	2	8	11
Letterston	5	3	8	16	5	1	3	9
Llanddewi Velfrey	5	2	2	9	1	2	3	6
Llandissilio West	7	3	1	11	2	1	3	5
Llangwm	2	17	6	25	5	3	10	18

Community area	New market housing				New affordable housing			
	1/2 bedrooms	3 bedrooms	4 bedrooms	All	1 bedroom	2 bedrooms	3/4 bedrooms	All
Llanrhian	10	16	2	28	2	1	5	8
Llanstadwell	26	12	1	39	4	2	3	10
Llawhaden	10	7	1	18	2	2	6	10
Maenclochog	4	6	1	11	2	2	4	8
Manorbier	14	13	10	37	2	1	5	8
Manordeifi	10	9	2	21	2	3	7	11
Marloes and St. Brides	2	5	3	10	1	3	2	6
Martletwy	3	8	1	12	1	2	5	8
Mathry	9	9	2	19	3	2	6	12
Merlin's Bridge	34	13	12	60	4	4	4	12
Milford Haven	187	60	63	310	11	15	75	102
Mynachlog-Ddu	1	12	4	17	2	3	7	11
Narberth	8	24	11	43	1	1	25	27
Nevern	4	17	2	23	2	3	6	11
New Moat	6	9	3	18	2	2	4	8
Newport	7	3	4	14	2	2	3	7
Neyland	40	19	28	88	11	7	15	33
Nolton and Roch	2	6	2	10	1	2	2	5
Pembroke	105	55	45	205	14	7	31	52
Pembroke Dock	51	71	39	161	16	17	72	105
Penally	7	28	6	41	5	5	13	22
Pencaer	3	4	1	9	1	2	2	6
Puncheston	12	10	2	24	3	4	8	16
Rosemarket	8	11	2	22	4	2	5	12
Rudbaxton	13	19	2	35	3	4	11	18
Saundersfoot	12	35	27	74	2	9	14	25
Scleddau	14	10	2	26	8	2	4	13
Solva	8	14	6	28	3	1	5	9
Spittal	10	8	2	20	2	3	7	11
St. David's and the Cathedral Close	1	4	3	8	0	0	2	2
St. Dogmaels	5	9	6	20	1	1	5	7
St. Florence	14	12	4	30	3	2	3	9
St. Ishmael's	4	5	5	15	2	2	5	8
St. Mary Out Liberty	14	9	2	26	3	2	6	11
Stackpole and Castlemartin	6	11	4	21	1	1	6	7
Templeton	13	12	7	32	3	2	7	12
Tenby	14	19	15	49	2	7	13	23
The Havens	12	10	2	24	2	5	8	15
Tiers Cross	11	12	4	27	5	3	5	13
Uzmaston, Boulston and Slebech	11	16	6	32	1	3	6	11
Walwyn's Castle	4	4	2	9	1	2	2	4
Wiston	17	6	4	27	6	2	6	14
Wolfscastle	8	10	5	23	2	2	1	6

Appendix 2. LTBHM outputs from 2020 to 2025

This appendix presents summary results of the LTBHM model outputs set out in Chapter 5 for the first five years of the model, from 2020 to 2025. During this period, all the existing unmet need is planned to be met in addition the growth in households projected within the Welsh Government principal variant scenario.

The first table shows the preferred tenure profile in 2025 compared to the current (2020) distribution to identify the change required over the five-year period. The second table shows the size of new homes required between 2020 and 2025 in each tenure. These results have been also disaggregated into the National Park and non-National Park parts of Pembrokeshire. The two tables described above are subsequently repeated for these two separate parts of the county.

<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2025</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	40,541	41,947	1,406	55.3%
Private rent	7,030	7,231	201	7.9%
Homebuy/ HWR	133	214	81	3.2%
Shared Ownership/HTB	642	792	150	5.9%
Social Rent/Affordable Rent	8,169	8,875	706	27.8%
Total	56,515	59,060	2,545	100.0%

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	125	32	20	25	154
2 bedroom	391	41	23	46	124
3 bedroom	589	59	23	45	166
4+ bedrooms	301	69	15	34	262
Total	1,406	201	81	150	706

Table A2.3 Tenure of new accommodation required in the National Park part of Pembrokeshire over the next 5 years

<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2025</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	7,948	8,148	200	49.2%
Private rent	843	878	35	8.7%
Homebuy/ HWR	15	33	18	4.4%
Shared Ownership/HTB	117	144	27	6.7%
Social Rent/Affordable Rent	1,127	1,253	126	31.0%
Total	10,050	10,455	405	100.0%

Table A2.4 Profile of new accommodation required in the National Park part of Pembrokeshire between 2020 and 2025

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	11	6	3	2	19
2 bedroom	61	9	6	9	46
3 bedroom	94	18	6	12	49
4+ bedrooms	33	2	3	4	11
Total	200	35	18	27	126

Table A2.5 Tenure of new accommodation required in the non-National Park part of Pembrokeshire over the next 5 years

<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2025</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	32,593	33,799	1,207	56.4%
Private rent	6,187	6,353	166	7.7%
Homebuy/ HWR	118	181	63	2.9%
Shared Ownership/HTB	525	649	123	5.8%
Social Rent/Affordable Rent	7,042	7,623	581	27.1%
Total	46,465	48,604	2,139	100.0%

Table A2.6 Profile of new accommodation required in the non-National Park part of Pembrokeshire between 2020 and 2025

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	113	25	16	24	135
2 bedroom	330	32	17	37	78
3 bedroom	495	41	18	33	117
4+ bedrooms	268	68	12	30	251
Total	1,207	166	63	123	581



Appendix 3. LTBHM outputs based on the higher variant scenario

This appendix presents summary results of the LTBHM model outputs, where the model is based on the household growth projected in the Welsh Government's higher variant scenario. As with the base scenario presented in Chapter 5, it is assumed all the existing unmet need is met in the first five year period.

The first table shows the preferred tenure profile in 2033 compared to the current (2020) distribution to identify the change required over the plan period. The second table shows the size of new homes required between 2020 and 2033 in each tenure. These results have been also disaggregated into the National Park and non-National Park parts of Pembrokeshire. The two tables described above are subsequently repeated for these two separate parts of the county.

Table A3.1 Tenure of new accommodation required in Pembrokeshire over the next 13 years – higher variant scenario				
<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	40,541	43,643	3,102	63.4%
Private rent	7,030	7,354	323	6.6%
Homebuy/ HWR	133	342	209	4.3%
Shared Ownership/HTB	642	945	303	6.2%
Social Rent/Affordable Rent	8,169	9,122	953	19.5%
Total	56,515	61,406	4,891	100.0%

Table A3.2 Profile of new accommodation required in Pembrokeshire – higher variant scenario					
<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	311	60	40	35	237
2 bedroom	846	76	51	86	205
3 bedroom	1,275	94	68	109	209
4+ bedrooms	670	94	50	73	302
Total	3,102	323	209	303	953

Table A3.3 Tenure of new accommodation required in the National Park part of Pembrokeshire over the next 13 years – higher variant scenario

<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	7,948	8,408	460	57.8%
Private rent	843	914	71	9.0%
Homebuy/ HWR	15	56	41	5.1%
Shared Ownership/HTB	117	165	48	6.0%
Social Rent/Affordable Rent	1,127	1,303	176	22.1%
Total	10,050	10,846	796	100.0%

Table A3.4 Profile of new accommodation required in the National Park part of Pembrokeshire – higher variant scenario

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	24	13	4	3	33
2 bedroom	114	25	9	15	69
3 bedroom	225	29	19	22	60
4+ bedrooms	96	4	9	9	14
Total	460	71	41	48	176

Table A3.5 Tenure of new accommodation required in the non-National Park part of Pembrokeshire over the next 13 years – higher variant scenario

<i>Tenure</i>	<i>Current tenure profile (2020)</i>	<i>Tenure profile 2033</i>	<i>Change required</i>	<i>% of change required</i>
Owner-occupied	32,593	35,235	2,642	64.5%
Private rent	6,187	6,439	252	6.2%
Homebuy/ HWR	118	286	168	4.1%
Shared Ownership/HTB	525	780	255	6.2%
Social Rent/Affordable Rent	7,042	7,819	778	19.0%
Total	46,465	50,560	4,095	100.0%

Table A3.6 Profile of new accommodation required in the non-National Park part of Pembrokeshire – higher variant scenario

<i>Size of home</i>	<i>Owner occupied</i>	<i>Private rented</i>	<i>Homebuy/ HWR</i>	<i>Shared Ownership/HTB</i>	<i>Social Rented</i>
1 bedroom	287	46	36	32	204
2 bedroom	732	51	42	72	136
3 bedroom	1,049	64	49	87	149
4+ bedrooms	574	90	41	64	289
Total	2,642	252	168	255	778

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