



Conwy Local Housing Market Assessment (LHMA) 2013-2018

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Executive Summary

This report provides an update for Conwy on the 2008 North West Wales Local Housing Market Assessment (NWWLHMA). The 2008 NWWLHMA was carried out in partnership with Bangor University, Anglesey Council, Denbighshire Council, Gwynedd Council and Snowdonia National Park.

The Local Housing Market Assessment (LHMA) has been updated for Conwy to provide a robust and up to date evidence base of housing need across the County. The Authority has analysed the Local Authority's social housing waiting list held by Cartrefi Conwy housing association, our stock transfer partner, to quantify the current backlog of social housing need across the County. Only those households with enough points to be classed as in housing need have been included within the calculation, and not the entire waiting list.

In addition the Authority has analysed the First Steps affordable housing register held by Grwp Cynefn housing association. First Steps is a register of households in need of intermediate low cost housing to buy within Conwy. The analysis of both of these registers provides a breakdown of the current backlog of housing need across the County as shown in table 1 below. Some of these needs will be met through the turnover of existing social and intermediate housing stock, as well as the development of new housing through the planning system.

Table 1 Affordable Housing Need

Source: Cartrefi Conwy & First Steps Waiting list

LHMA 1st choice area	Social Need	Intermediate need	Total
LHMA03 Menai	15	4	19
LHMA09 Bala	5	2	7
LHMA10 Dyffryn Conwy	34	28	62
LHMA11 Llandudno	289	106	395
LHMA12 Bay of Colwyn	263	53	316
LHMA13 Rhyl	22	16	38
LHMA15 St Asaph	8	9	17
No 1 st Choice Specified	10	0	10
Grand Total	646	218	864

To calculate an annual additional affordable housing need figure above the current supply of affordable housing (social and intermediate stock turnover + committed affordable housing) we have followed the recommended methodology set out within the Welsh Government's LHMA guide produced in 2006, which has also been used to calculate the affordable housing requirement set out within the Conwy Local Development Plan (LDP). This

methodology uses a similar approach to the Welsh Government ‘Step by Step’ guide (2012) to develop a figure of overall housing need. By making assumptions of future household formation in Conwy based on past formation trends we can predict how many new households will need housing over the next five years. This figure is combined with the current housing need figures from the social and First Steps housing registers to give an overall need for Conwy over the next five years. The supply of new housing (housing units with planning permission) is then subtracted from this figure to determine how many additional new affordable housing units are required annually to meet housing needs. Table 2 shows this figure below.

Table 2 Annual Affordable Housing Need (2013-2018)

Source: CCBC

Annual Social Housing Need	59
Annual Intermediate Housing Need	64
Total annual social and intermediate housing need (2013-2018)	123

In total 123 affordable housing units will be required across Conwy per annum over the next five years in order to meet housing needs. This is a total of 615 over the 5 year LHMA period. Overall this requirement can be satisfied by a split of 48% social and 52% intermediate provision.

Introduction

Purpose of the LHMA

The purpose of the Local Housing Market Assessment (LHMA) is to provide a robust evidence base to inform the Local Housing Strategy (LHS) and the Local Development Plan (LDP) in Conwy. It also informs strategic housing priorities and local service planning such as education and transport. The LHMA can also be used as a tool for negotiating affordable housing provision when determining planning applications and allocating Social Housing Grant (SHG) to deliver affordable housing.

The LHMA assesses current and future housing need within Conwy, looking specifically at 'local housing market areas', which are not determined by administrative boundaries such as wards but are defined by functional housing markets, for example where people live and work, areas of high and low housing demand and patterns of relocation by homeowners and tenants. The LHMA sets out the need for additional affordable housing in Conwy over the next five years (2013-2018) within each local housing market area.

Local Policy Framework

The LHMA informs local housing policy development including the Conwy LDP, Eryri LDP and the Local Housing Strategy. The information below summarises how the LHMA supports these documents.

Conwy's Local Development Plan (2007 – 2022) sets out the framework for the development and use of land within the County Borough excluding Snowdonia National Park which is covered by the Eryri LDP. Conwy's LDP sets out how the local planning authority will deliver the spatial planning strategy for the location of new development until 2022. The LHMA will inform the housing mix on new residential sites in Conwy, including the size and tenure of new market and affordable houses over the next five years.

Conwy's LDP identifies land to meet the projected requirement for the development of up to 6,520 dwellings (with a contingency level of up to 7,170 dwellings) over the remainder of the plan period. A key priority of the LDP is to increase the supply of affordable housing for local need, primarily through the provision of Affordable Housing for Local Need (AHLN) on allocated sites. The Affordable Housing Needs Calculation has identified a need for approximately 1,875 affordable housing units, of which 50% represents intermediate need and 50% for social housing need. The LDP sets a target to deliver approximately 1000 'new-build' units over the plan period from the proposed 6,520 total housing supply. The remaining social housing will be met through turnover of existing housing stock and through other mechanisms identified in the Local Housing Strategy.

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

Building More than Just Houses (2013 - 2018) is the current Local Housing Strategy (LHS) for Conwy. This five year action plan sets out the following vision for Conwy:

“Conwy’s housing market supports the needs and aspirations of its community: a market that enables choice and accessibility by providing quality, affordable and sustainable homes”

The LHS is monitored continually and reviewed annually to keep it up to date and to ensure it is able to respond to changing policy and economic situations which have a direct impact on housing. The LHMA will inform future housing policy decisions and direct the Social Housing Grant (SHG) programme in Conwy, which is funding to enable the development of affordable housing in partnership with Registered Social Landlords (RSLs) within the area.

The Study Area

Conwy County Borough Council (CCBC) is located centrally within North Wales. The County Borough covers an area of 113,000 hectares and has a population of 115,228 according to the 2011 Census. Approximately 38% of the Authorities area forms part of the Snowdonia National Park, where 4% of Conwy’s population live. The narrow coastal belt contains approximately 80% of Conwy’s population, with the remaining population widely dispersed across the rural area.

The principal transport routes connecting Conwy are:

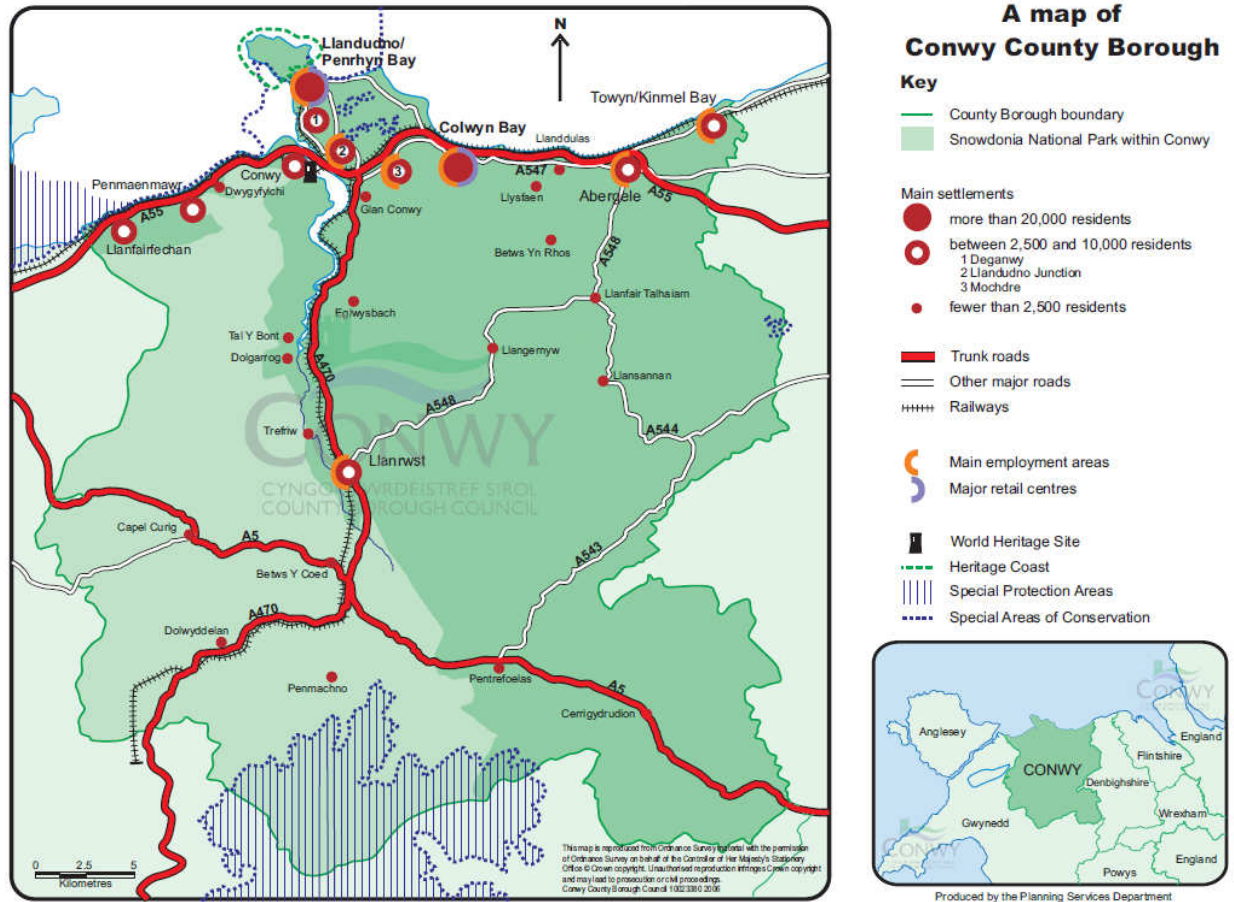
- A55 Coastal Road
- A470 Road
- A5 Road
- Railway line – East to West (Holyhead to Manchester)
- Railway Line – North to South (Llandudno to Blaenau Ffestiniog)

Key strategic towns within Conwy are:

- Llandudno
- Colwyn Bay
- Llandudno Junction
- Llanrwst

Map 1 Conwy County Borough Council

Source: Conwy County Borough Council



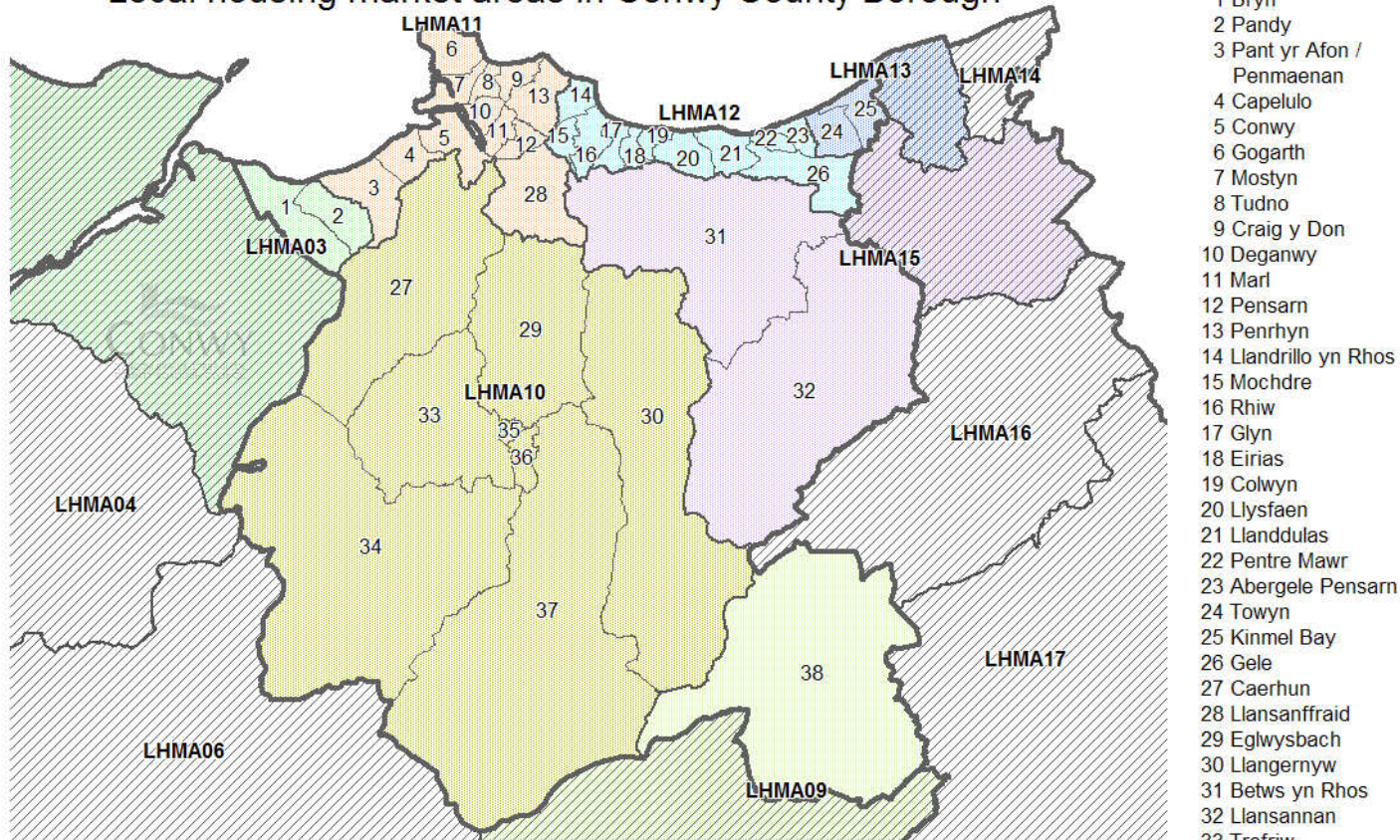
Local Housing Market Areas

The 2008 North West Wales LHMA used the 2001 Census travel to work areas as the building block for the geographical identification of the local housing market areas. There are seven local housing market areas covering Conwy, some of these overlap into neighbouring Local Authorities as they are not restricted by administrative boundaries, but are a geographical assessment of where functional housing markets exist within an area. For the updated Conwy LHMA these areas have not been changed as they still reflect the functional housing market within Conwy today. Map 2 shows the LHMA areas covering Conwy.

Map 2 LHMA Areas

Source: CCBC

Local housing market areas in Conwy County Borough



Ward names

- 1 Bryn
- 2 Pandy
- 3 Pant yr Afon / Penmaenan
- 4 Capelulo
- 5 Conwy
- 6 Gogarth
- 7 Mostyn
- 8 Tudno
- 9 Craig y Don
- 10 Deganwy
- 11 Marl
- 12 Pensarn
- 13 Penrhyn
- 14 Llandrillo yn Rhos
- 15 Mochdre
- 16 Rhiw
- 17 Glyn
- 18 Eirias
- 19 Colwyn
- 20 Llysfaen
- 21 Llanddulas
- 22 Pentre Mawr
- 23 Abergele Pensarn
- 24 Towyn
- 25 Kinnel Bay
- 26 Gele
- 27 Caerhun
- 28 Llansanffraid
- 29 Eglwysbach
- 30 Llangernyw
- 31 Betws yn Rhos
- 32 Llansannan
- 33 Trefriw
- 34 Betws y Coed
- 35 Gower
- 36 Crwth
- 37 Uwch Conwy
- 38 Uwchale

Local Housing Market Area (LHMA) names

- | | |
|----------------------|----------------------|
| LHMA03 Menai | LHMA12 Bay of Colwyn |
| LHMA09 Bala | LHMA13 Rhyl |
| LHMA10 Dyffryn Conwy | LHMA15 St Asaph |
| LHMA11 Llandudno | |



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Methodology

The Authority has followed the recommended methodology set out within the Welsh Government's LHMA guide produced in 2006, which has also been used to calculate the affordable housing requirement set out within the Conwy Local Development Plan (LDP). This methodology uses a similar approach to the Welsh Government 'Step by Step' guide (2012) to develop a figure of overall housing need.

The LHMA aims to assess the housing market in Conwy by analysing housing need and demand within the area. This involves a statistical analysis of data collected through the Census (2011) to build a demographic and housing profile of the area, and understand how the housing market operates. In addition the Local Authority's social housing waiting list managed by Cartrefi Conwy housing association has been analysed to identify current social housing needs.

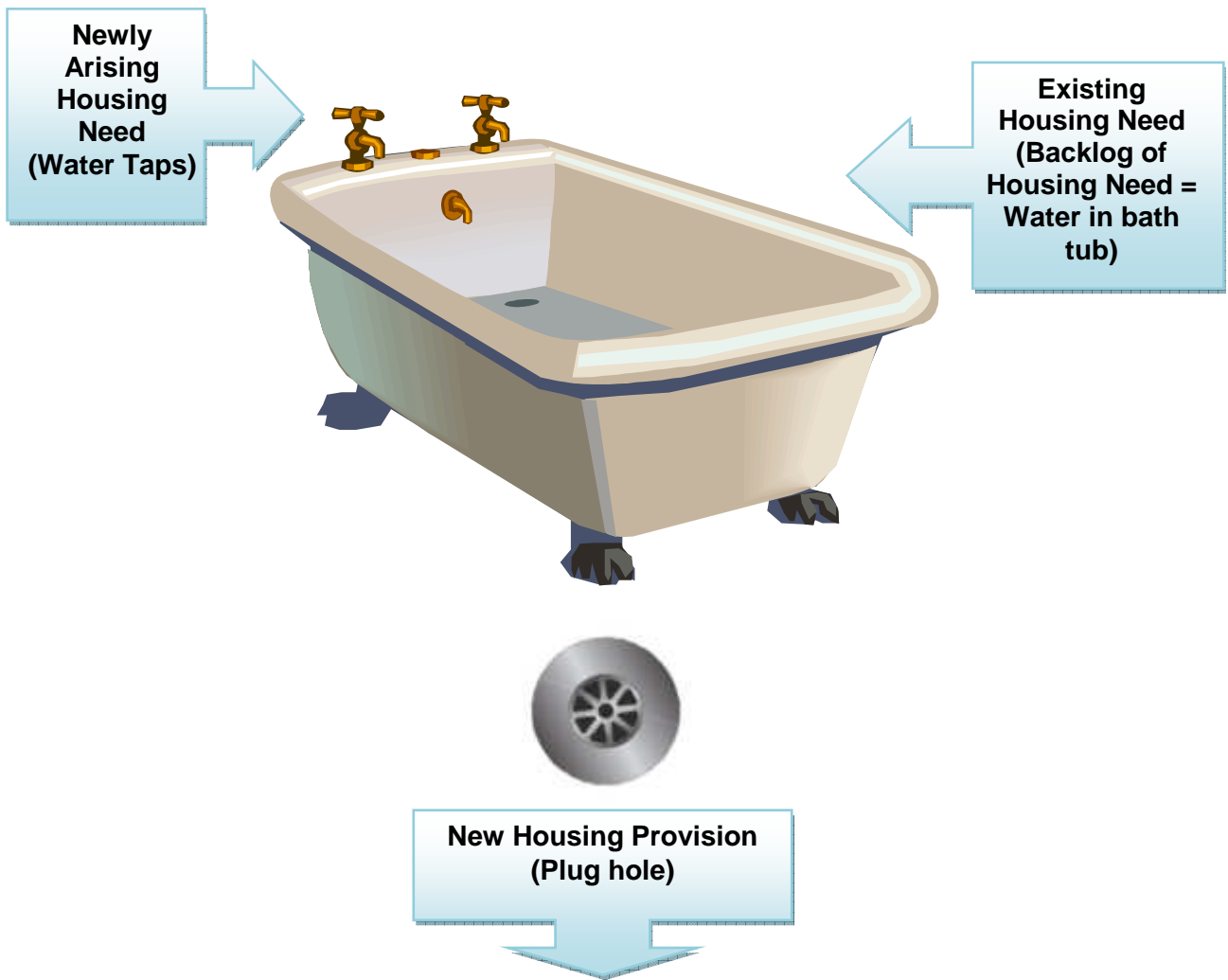
Cartrefi Conwy is a Registered Social Landlord (RSL) that was formed in 2008 when Conwy Council transferred all of its housing stock to the housing association, and therefore no longer has any housing stock of its own. The Authority has only used the Local Authority and Cartrefi Conwy waiting list to inform the LHMA as we don't have a common housing register yet and Cartrefi Conwy are our stock transfer partner and hold the largest register covering the whole of Conwy. The other housing associations operating in the area also have housing registers; however we were unable to remove duplicates from across these waiting lists, as many households are registered with more than one housing association.

To calculate the current need for intermediate low cost housing to buy, the Authority has analysed the First Steps affordable housing register held by Grwp Cynefin housing association. This is the only register of households in need of affordable housing to buy in Conwy.

In order to assess future housing needs it is necessary to estimate the future number of households that will form within Conwy over the next five years. This involves an analysis of the Welsh Government household projections, and assumptions about existing household composition, characteristics and trends which will influence future household formation. This data gives an indication of how many households there will be in Conwy, and how many people they will contain. From this we can calculate how many new houses will be required to meet the needs of these new households.

Figure 1 explains the Glen Bramley bath analogy developed by Bramley et al (1998). This model conceptualises newly arising housing need from the water taps, existing housing need as the backlog of water already in the bath tub, and new housing provision as the water escaping from the plug hole.

Figure 1 Bath Tub Analogy
Source: Bramley et al (1998)



Defining Housing Need

According to Technical Advice Note 2 (TAN2 Planning and Affordable Housing) a household is considered to be in housing need if they are;

“lacking their own housing or living in housing which is judged to be inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some financial assistance.”

The social housing register used for the calculations within this LHMA has been analysed to ensure all applicants are considered to be within housing need. Housing need can be identified by the following criteria:

- households experiencing overcrowding or under-occupation
- medical reasons
- homeless
- property in disrepair
- sharing facilities

It also includes people who are entitled to reasonable preference in line with the Housing Act 1996.

Defining Affordable Housing

According to Technical Advice Note 2 (TAN2 Planning and Affordable Housing);

“The concept of affordability is generally defined as the ability of households or potential households to purchase or rent property that satisfies the needs of the household without subsidy. This could be based on an assessment of the ratio of household income or earnings to the price of property to buy or rent available in the open market in the required local housing market area.”

“The definition of ‘affordable housing’ for the purpose of the land use planning system is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers.”

Affordable housing includes both social housing and intermediate housing. Social rented housing is provided by Registered Social Landlord’s (RSLs) in Conwy and is available to rent at below market level rents (benchmark rent). Intermediate housing is where prices to purchase or rents are above the level charged for social housing but below the cost of market housing prices or rent.

The Housing Market Profile

An essential part of the LHMA is to provide an overview of the housing stock available in Conwy. The housing market profile will look at the current housing types, tenure and supply across the Authority.

Property Types

The following data details the current supply of housing across Conwy by property type. As seen in table 3 the majority of properties are detached and semi-detached dwellings.

Table 3 Household spaces by accommodation type, LHMA Areas (2011)

Source: 2011 Census

	Detached house or bungalow	Semi detached house or bungalow	Terraced house or bungalow	Purpose built flat	Part of a converted or shared house (inc. bedsit)	In a commercial building	Caravan or other mobile or temporary structure
Menai - LHMA 03	37.8%	26.0%	26.0%	5.9%	2.5%	1.2%	0.6%
Bala - LHMA 09	46.5%	20.6%	23.6%	5.1%	2.1%	1.6%	0.5%
Dyffryn Conwy - LHMA 10	46.4%	26.7%	18.5%	4.1%	2.0%	1.7%	0.6%
Llandudno - LHMA 11	27.8%	31.3%	16.5%	14.3%	7.0%	2.0%	1.0%
Bay of Colwyn - LHMA 12	31.9%	31.7%	13.3%	14.0%	7.2%	1.5%	0.5%
Rhyl - LHMA 13	40.5%	32.8%	10.1%	10.5%	4.2%	1.6%	0.2%
St Asaph - LHMA 15	57.7%	25.8%	10.7%	3.2%	1.3%	0.8%	0.4%
Conwy	35.3%	30.6%	14.5%	11.4%	5.8%	1.7%	0.7%
Wales	27.7%	31.0%	27.8%	9.6%	2.4%	1.0%	0.4%

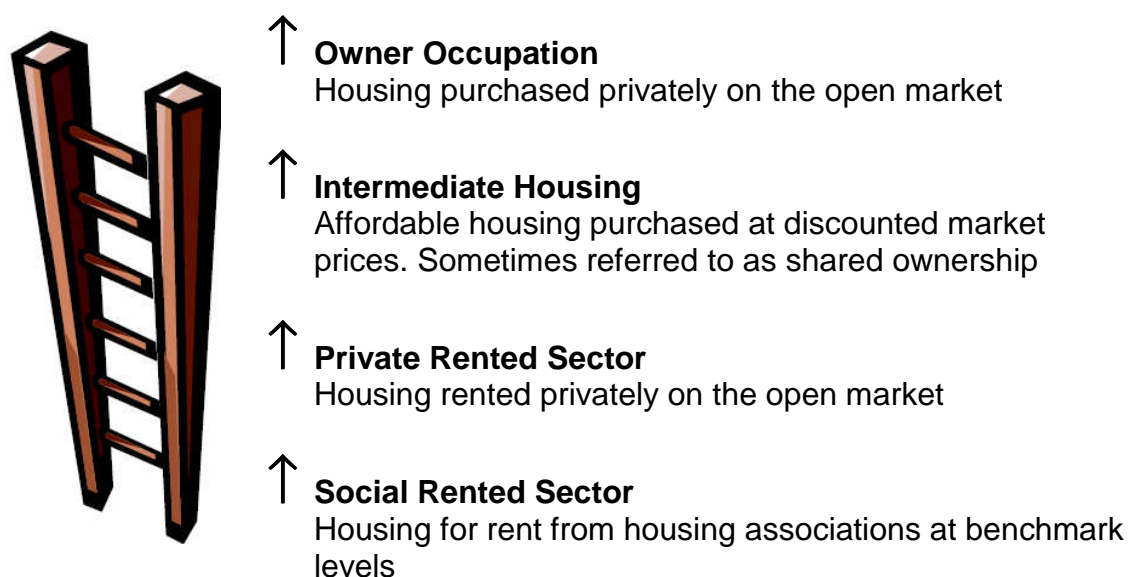
Table 3 shows that overall Conwy's housing stock is dominated by detached and semi-detached properties. This has implications for affordability in the area, as subsequently there is a lack of smaller dwellings such as flats and terraced properties available which would be more affordable for first time buyers.

Tenure

The LHMA assesses the housing market across all tenures in Conwy. Figure 2 provides a visual interpretation of the housing market and the range of

tenure options available. It also symbolises how many households move up through the series of tenures to eventually owning their own home.

Figure 2 The Housing Ladder



The social rented sector is where a household can rent a property from an RSL or housing association at benchmark rents which are set by the Welsh Government. The rents within this sector are substantially lower than market level rents paid within the private rented sector, but are also lower than Local Housing Allowance (LHA) rates. Traditionally the social rented housing sector has been reserved for those households considered to be in housing need, in particular in need of affordable accommodation.

The private rented sector is where a household can rent a property privately from a landlord or agency at market level rents. These rents are dictated by the open market and are typically higher than social rents. **Table 4** indicates how fast this tenure has grown over the past ten years, and if past trends continue as predicted it will continue growing at a faster rate than any other tenure in Conwy. The reason behind this growth is that many households who would normally have become owner occupiers are unable to afford to buy in Conwy, like in many parts of Wales, and have become trapped in the private rented sector.

The intermediate housing sector is often the only option for those households unable to afford to buy their own home without assistance. Intermediate housing are homes for sale or rent provided at a cost above social rent, but below market levels. There are a number of different intermediate products available in Conwy, including shared equity, shared ownership and Homebuy.

Shared equity properties are where a household own part of the property and a housing association own the remaining part. With shared equity the subsidy provided by the housing association is not a loan that needs to be repaid and there is no rent payable on this share. It simply means the Housing

Association owns an equity share (usually 30%) in the property. When the purchaser decides to sell the property on, the Housing Association gets back its equity share and recycles it, to ensure it is available to the next household on the register eligible to buy the home. By purchasing a smaller share in the property (i.e. 70%) it is more affordable for the owner as they are more likely to be able to obtain mortgage finance.

Shared ownership is where a person buys part of the value of a house usually from a housing association and pays rent on the other part. When the household decide to sell the property on they will sell their share of the property which is linked to the value of the property at that time.

In addition there are is also a scheme called Homebuy which provides qualifying buyers with a 30 or 50% equity loan to assist them to buy a qualifying property that they have found themselves. This loan is then secured against the property by way of a second charge that is held by a housing association, this second charge would be repayable if the property is sold. Under the terms of the loan there are no interest or other credit charges so the loan has no annual percentage rate (APR). But the amount you will have to repay when the loan comes to an end is linked to the value of your home at the time you sell it.

Owner occupation is where a household has purchased a property on the open housing market with mortgage finance of their own capital. This is traditionally the tenure many households aspire to, but it is increasingly becoming difficult for many households to reach, especially first time buyers.

Table 4 details the tenure of all properties in Conwy and indicates that the majority are owner occupied, with a significant proportion of these owned outright without a mortgage. The percentage of owner occupied housing in Conwy is slightly higher compared with the rest of Wales; however it has decreased since 2001 both in Conwy and the rest of Wales. In contrast to this the largest growing tenure is the private rented sector, both in Conwy and the rest of Wales. Conwy has a very large private rented housing sector compared to the rest of Wales, which is predicted to continue to grow as home ownership becomes increasingly unaffordable.

Table 4 also shows that Conwy has a small social housing sector (11.6%) compared with Wales (16.4%). This means that many households who are eligible for social housing are unable to access it due to the limited supply within the area, forcing them into the private rented sector where rents are typically a lot higher.

Table 4 Tenure (2011 & 2001)

Source: Census 2011 table KS402EW & Census 2001 table KS018

	Conwy			Wales	
	2011 Census		2001 Census	2011 Census	2001 Census
	Number	%	%	%	%
All households	51,177	-	-	-	-
Owner Occupied Sector	35,501	69.4%	72.2%	67.4%	68.3%
Owned outright	20,409	39.9%	38.1%	35.4%	29.5%
Owned with a mortgage or loan	15,092	29.5%	34.1%	32.0%	38.8%
Shared Ownership* Sector	378	0.7%	1.1%	0.3%	0.6%
Private Rented sector	9,352	18.3%	14.7%	15.8%	11.9%
Private landlord or letting agency	7,729	15.1%	11.4%	12.7%	8.7%
Private rented: other***	1,623	3.2%	3.3%	1.5%	3.2%
Social Rented Sector	5,946	11.6%	11.9%	16.4%	19.1%
Social rented: from the Council**	-	-	7.8%	9.8%	13.2%
Social rented: RSL/Housing Association	5,946	11.6%	4.1%	6.6%	5.9%

*Pays part rent and part mortgage

**Conwy County Borough Council transferred all its housing stock to Cartrefi Conwy in 2008

***Includes employer of a household member and relative or friend of a household member, or living rent free

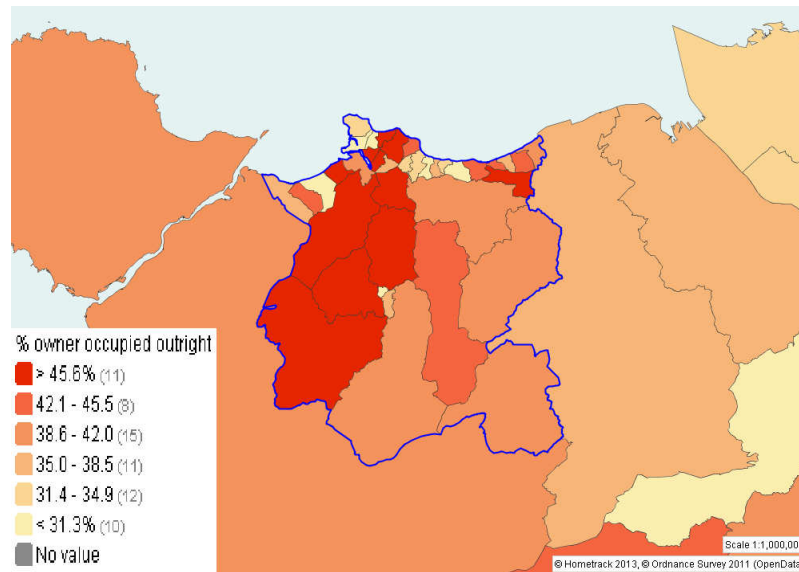
Owner Occupation

Owner occupied housing is purchased privately on the open market, and has become the tenure many households aspire to. However, home ownership is becoming increasingly unaffordable for many households in Conwy, in particular for first time buyers. This has resulted in many households unable to move up the housing ladder.

Map 3 details the percentage of owner occupied properties owned outright across Conwy without a mortgage. Overall there is a high proportion of dwellings owned outright, however there is a particularly high percentage within the Western wards of the County, with over 45% owned outright.

Map 3 % Owner Occupied Outright

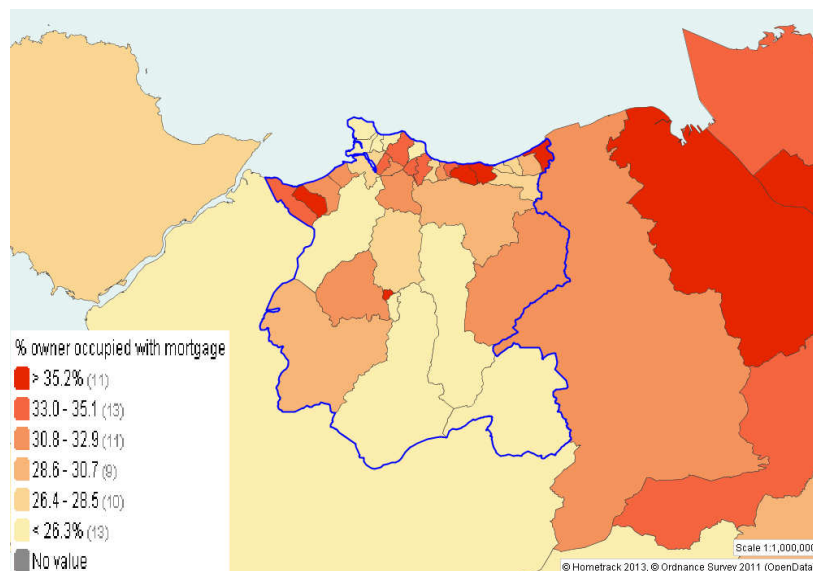
Source: Hometrack (2013)



Map 4 details the percentage of owner occupied properties owned with a mortgage across Conwy. There is a higher proportion of dwellings owned with a mortgage along the coastal belt than within the rural area, except for the Llanrwst area which has the only rural ward with over 35%.

Map 4 % Owner Occupied with Mortgage

Source: Hometrack (2013)



Housing Turnover

Table 5 shows the volume of sales for each LHMA area. This table indicates that there are very few sales within rural parts of Conwy, in particular Dyffryn Conwy LHMA10. With limited properties available for sale within the rural area it intensifies the issues with affordability as supply cannot keep up with demand.

Table 5 Volume of sales (2013)

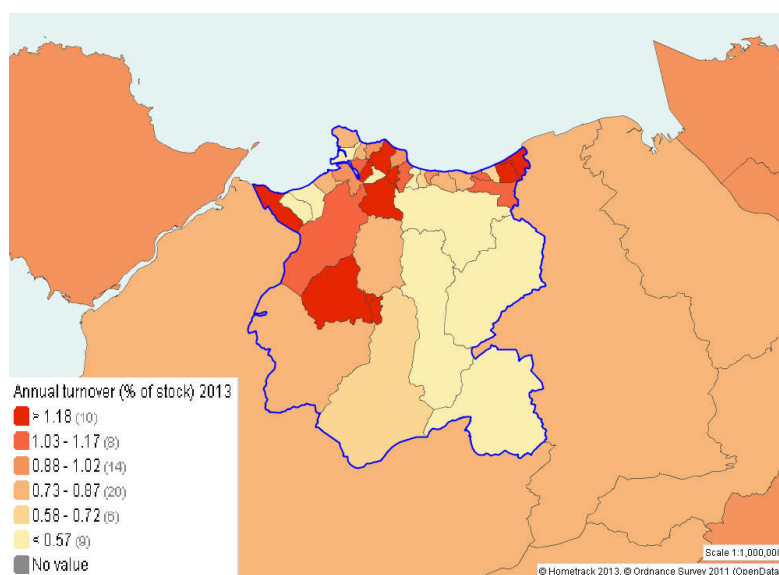
Source: Land Registry

Area	Volume of sales
Menai - LHMA03	742
Bala - LHMA09	94
Dyffryn Conwy - LHMA10	140
Llandudno - LHMA11	713
Bay of Colwyn -LHMA12	579
Rhyl -LHMA13	485
St Asaph- LHMA15	130

Map 5 shows the volume of residential sales as a percentage of stock using data from the Land Registry and the Office for National Statistics. While the number of sales relates to the year selected, the stock figure is constant, being from the census 2011.

Map 5 Annual Turnover % of properties 2013

Source: Hometrack (2013)



The turnover of stock is highest along the coastal belt of Conwy, in particular within the Abergele, Penrhyn Bay and Llandudno Junction areas. Although some rural wards have seen a high percentage turnover, the majority of rural Conwy has seen less than 0.57%. The low volume of residential properties sold within the rural area adds to the pressure for affordable housing within this part of Conwy.

Market House Prices & Affordability

According to Land Registry data for 2013 the average median house price in Conwy was **£144,500**. The lower quartile house price was **£110,000**. The

number of bedrooms is a key determinant of price; table 8 shows the current average prices in Conwy by bedroom count and property type

Table 6 Average price of properties by type in Conwy

Source: Hometrack (November 2013)

Property Type	Average House Price
1 bedroom flat	£79,600
2 bedroom flat	£107,900
2 bedroom house	£130,400
3 bedroom house	£166,400
4 bedroom house	£235,800

Given that Conwy's housing stock is dominated by larger detached properties the supply of smaller housing can be limited in some areas, therefore increasing problems with affordability and choice, particularly for first time buyers.

Table 7 details the average price of new build dwellings compared with the regional average, which are cheaper on average in Conwy.

Table 7 Average price of new build properties in Conwy

Source: Hometrack (November 2013)

Property Type	Average House Price	Regional Average
New build flat	£122,800	£132,900
New build house	£181,000	£193,400

It is important for the LHMA to assess to what extent households are unable to afford to buy housing in Conwy. Table 8 shows the percentage of households priced out of the market. The analysis differentiates between house types and whether or not the purchasers are first time buyers. This is a modelled figure which is derived from house price and income assumptions.

Table 8 Affordability, 3.5 times household income

Source: Hometrack (November 2013)

Dwelling type	% of households priced out of market
FTB households - Flats	43.19%
FTB households - Terraced houses	52.06%
FTB households - Semi-detached houses	59.63%
FTB households - Detached houses	72.39%
Owner occupier - Flats	31.97%
Owner occupier - Terraced houses	43.19%
Owner occupier - Semi-detached houses	52.06%
Owner occupier - Detached houses	66.20%

A significant proportion of first time buyers are priced out of the housing market, in addition over half of all owner occupiers are priced out of the market for semi detached and detached properties meaning that they cannot move up the housing ladder and free up potential properties for first time buyers further down the chain.

Relative to household incomes, Conwy is a slightly more expensive place to buy a house compared with the other North Wales Local Authorities. Even with a 20% deposit housing at the median price is out of the reach of people with average (median) household income.

Though it is more affordable, housing in the lower quartile range is mostly smaller properties, for example one bedroom properties and/or converted flats, or those which need a lot of refurbishment. We cannot assume that these cheaper properties provide suitable accommodation for all first time buyers, or meet the needs of the household.

Table 9 details the median household income and median property prices within each LHMA area. Mortgage lenders typically lend a household three and a half times their household income, this is their mortgage potential which the lender would be prepared to borrow to them. By comparing the median house price with the household's mortgage potential we are able to calculate the households shortfall to be able to buy a property.

The ratio column shows the median house price to median household income ratio to give an indication of how affordable housing is within that area. Typically a ratio of 3 to 4 times the income is needed to be able to afford a mortgage. From table 9 below it is clear that all LHMA areas in Conwy are above this ratio, with households requiring 6.5 times their household income to be able to afford to buy in the Llandudno LHMA area.

Table 9 Median House Prices & Incomes

Source: Land Registry (2013) CACI PayCheck (2013)

LHMA Area	Median house price & Income				
	House price	Mortgage Potential (3.5xhousehold income)	Shortfall	Ratio	Rank
Menai - LHMA03	£146,975	£85,575	£61,400	6.0	4
Bala - LHMA09	£147,500	£79,100	£68,400	6.5	3
Dyffryn Conwy - LHMA10	£154,750	£85,400	£69,350	6.3	2
Llandudno - LHMA11	£155,000	£83,825	£71,175	6.5	1
Bay of Colwyn - LHMA12	£130,000	£81,725	£48,275	5.6	6
Rhyl - LHMA13	£112,500	£74,375	£38,125	5.3	7
St Asaph - LHMA15	£155,000	£98,875	£56,125	5.5	5

The rank column places each area in order of affordability, with 1 being the most unaffordable area to buy and 7 being the most affordable in Conwy. The

Llandudno LHMA area has the highest rank (1) making it the most unaffordable area to buy in the County due to high house prices.

Table 10 details the lower quartile household income and property prices within each LHMA area. Mortgage lenders typically lend a household three and a half times their household income, this is their mortgage potential which the lender would be prepared to borrow to them. By comparing the lower quartile house price with the household's mortgage potential we are able to calculate the households shortfall, which is significantly higher for lower quartile incomes than median incomes in some LHMA areas, even when looking at lower quartile property prices.

The ratio column shows the lower quartile house price to lower quartile household income ratio to give an indication of how affordable housing is within that area. Typically a ratio of 3 to 4 times the income is needed to be able to afford a mortgage. From table 10 below it is clear that all LHMA areas in Conwy are above this ratio, with households requiring 9.1 times their household income to be able to afford to buy in the Llandudno LHMA area.

Table 10 Lower Quartile House Prices & Incomes

Source: CACI PayCheck (2013)

LHMA Area	Lower Quartile house price & Income				
	House price	Mortgage Potential (3.5xhousehold income)	Shortfall	Ratio	Rank
Menai - LHMA03	£115,000	£46,550	-£68,450	8.6	3
Bala - LHMA09	£105,000	£43,750	-£61,250	8.4	4
Dyffryn Conwy - LHMA10	£114,625	£46,375	-£68,250	8.7	2
Llandudno - LHMA11	£120,000	£46,025	-£73,975	9.1	1
Bay of Colwyn - LHMA12	£100,000	£44,625	-£55,375	7.8	6
Rhyl - LHMA13	£90,000	£41,650	-£48,350	7.6	7
St Asaph - LHMA03	£122,500	£52,850	-£69,650	8.1	5

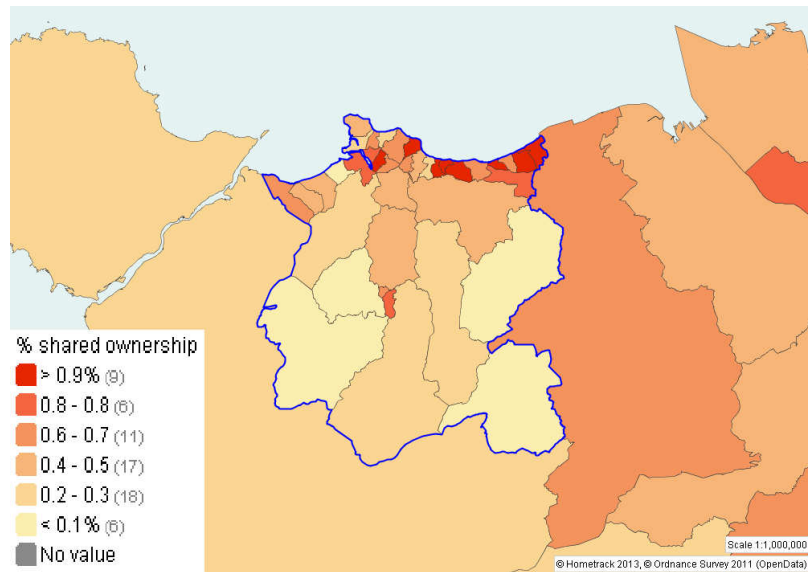
The rank column places each area in order of affordability, with 1 being the most unaffordable area to buy and 7 being the most affordable in Conwy. The Llandudno LHMA area has the highest rank (1) making it the most unaffordable area to buy in the County due to the high house prices within this area.

Intermediate Housing

Intermediate housing are homes for sale and rent provided at a cost above social rent, but below market levels. There are a number of different intermediate products available, including shared equity, shared ownership and Homebuy which are explained at the start of this chapter. Map 6 details the percentage of shared ownership properties across Conwy.

Map 6 % Shared Ownership Properties

Source: Hometrack (2013)



The majority of shared ownership properties are located along the coastal belt area, with a very low proportion within the rural areas, except for the key rural town of Llanrwst. This indicates how few intermediate housing products exist within rural Conwy, further restricting the choice of tenure to residents within these areas.

Private Rented Sector

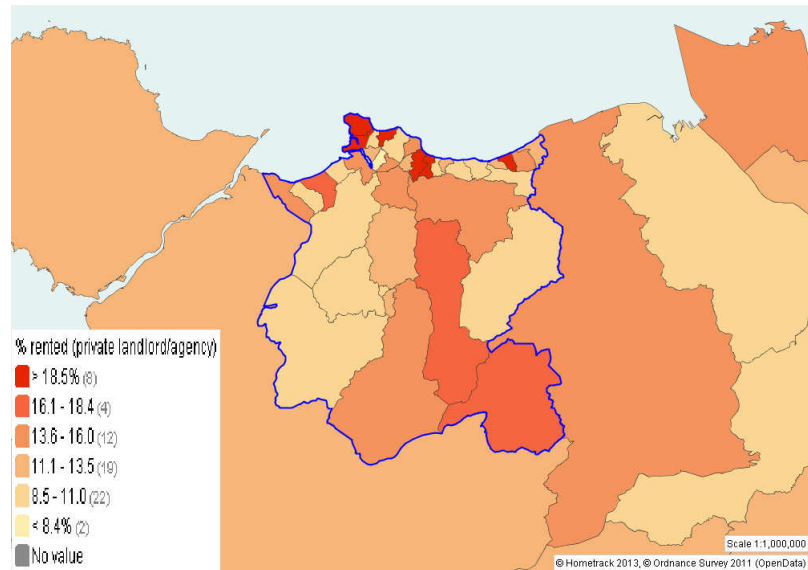
Private rented housing is owned by a private individual, company or organisation, including some charities and is let at market rents. The private rented sector (PRS) plays a crucial part in local housing markets as it provides a variety of housing choice and enables mobility within the housing market for a range of households. The private rented sector is relied upon by many households on lower incomes who are unable to access mortgage finance and afford home ownership.

The private rented sector already has a significant role to play in meeting housing need in Conwy, and this role is likely to increase in the future due to housing affordability issues. Research by the Building and Social Housing Federation suggests that if recent trends in tenure continue in the UK, the PRS could grow larger than both the owner occupation and Registered Social Landlord sectors.

Map 7 details the percentage of privately rented properties. There is a high concentration of privately rented housing in the Llandudno, Colwyn Bay and Pensarn areas. The availability of private rented housing in some rural areas is limited, leaving very few tenure options for residents on lower incomes who cannot afford to buy their own home.

Map 7 % Privately Rented Properties

Source: Hometrack (2013)



House of Multiple Occupation (HMO)

There are 1,203 known HMOs across Conwy, however there is likely to be as many as 1,400 HMOs. HMO properties are typically private rented, and make up a significant proportion of Conwy's stock, particularly along the coastal belt within parts of Colwyn Bay, Llandudno and Pensarn where there is a high concentration of HMOs.

Table 11 HMOs in Conwy (2013)

Source: Conwy County Borough Council

	at 31st March 2013
Known HMOs in Conwy	1203
Estimate of all HMOs in Conwy	1400

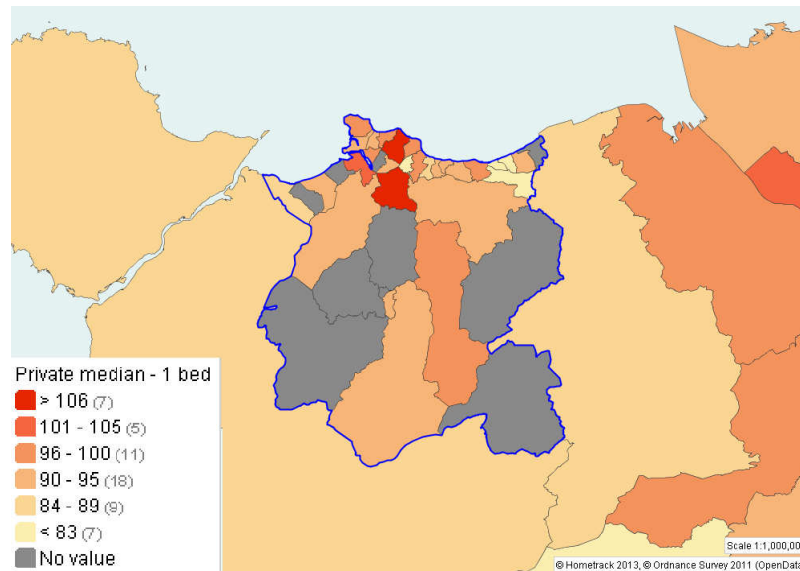
Well managed and maintained HMO properties are an important tenure choice for residents in Conwy, as they provide a low cost housing option for households on low incomes. The Housing Act 2004 introduced two types of licensing for HMOs, the mandatory scheme relates to all HMOs which have three or more storeys and are occupied by five or more persons forming two or more households and share at least one basic facility (bathroom, toilet or kitchen). Additional licensing schemes have also been introduced within areas of high HMO concentration in Conwy to ensure that all HMOs are registered.

Private Rented Sector (PRS) Cost

Map 8 details the weekly cost of privately renting a 1 bedroom property across Conwy. In Penrhyn Bay, Conwy & Glan Conwy the weekly is the highest in the County. The lowest is within Mochdre and Abergele.

Map 8 Weekly cost of PRS 1 Bedroom (2013)

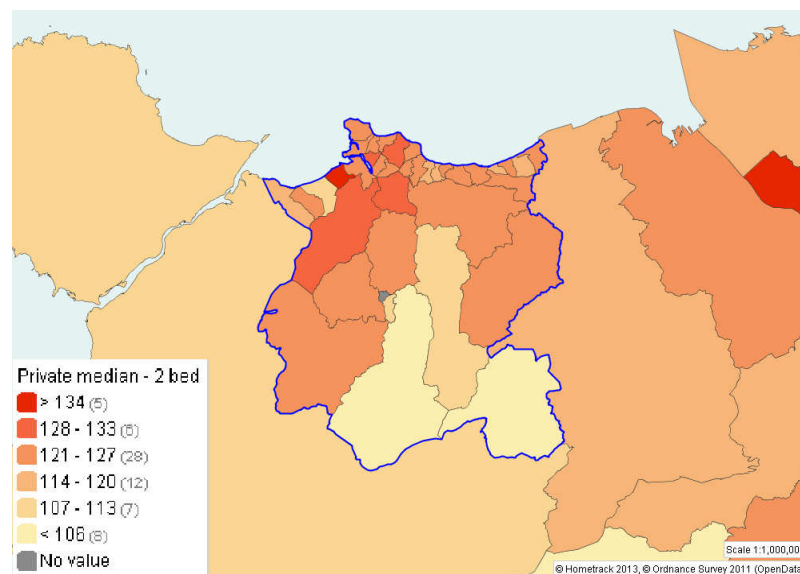
Source: Hometrack



Map 9 details the weekly cost of privately renting a two bedroom property across Conwy. The price is fairly consistent across the County, however is slightly cheaper in the Southern rural parts of Conwy.

Map 9 Weekly cost of PRS 2 Bedroom (2013)

Source: Hometrack



Map 10 details the weekly cost of privately renting a 3 bedroom property across Conwy. The price is highest in Penrhyn Bay, Betws yn Rhos and Eglwysbach, whereas it is lower within the Southern rural parts of the County and in some coastal belt wards such as Colwyn Bay and Pensarn.

Map 10 Weekly cost of PRS 3 Bedroom (2013)

Source: Hometrack

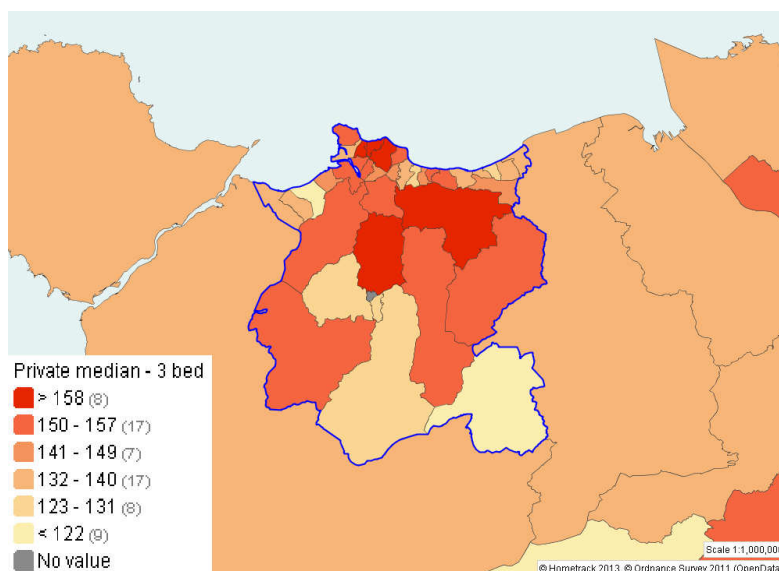


Table 12 details the monthly private rental costs compared with the monthly median income by LHMA area. The 30% of household income column sets out the maximum a household should be spending on their housing each month according to research by Shelter and the Joseph Rowntree Foundation, spending a higher percentage would be unaffordable. Where the household has a median income they are able to afford private rental costs, and in some LHMA areas are able to save a small amount each month towards a deposit to purchase a property of their own.

Table 12 Median Income & Private Rental Cost

Source: Hometrack Private rents data (2013) & CACI PayCheck (2013)

LHMA Area	Median Income & Private Rents						
	Median Monthly Income	Monthly Private Rents	Rent higher than 30% of household income	30% of household income	Shortfall in rent	Monthly Surplus (Potential to save for a deposit to buy)	Rank
Menai - LHMA03	£2,038	£511	No	£611.25	No	£100.25	4
Bala - LHMA09	£1,883	£425	No	£565.00	No	£140.00	6
Dyffryn Conwy - LHMA10	£2,033	£508	No	£610.00	No	£102.00	5
Llandudno -	£1,996	£548	No	£598.75	No	£50.75	2

LHMA11							
Bay of Colwyn - LHMA12	£1,946	£524	No	£583.75	No	£59.75	3
Rhyl - LHMA13	£1,771	£522	No	£531.25	No	£9.25	1
St Asaph - LHMA15	£2,354	£546	No	£706.25	No	£160.25	7

The rank column places each area in order of affordability, with 1 being the most unaffordable area to rent and 7 being the most affordable in Conwy. The Rhyl LHMA area has the highest rank (1) making it the most unaffordable area to rent in the County due to the lower incomes of households living in this area and the relatively high rents.

Table 13 details the monthly private rental costs compared with the monthly lower quartile income by LHMA area. The 30% of household income column sets out the maximum a household should be spending on their housing each month according to research by Shelter and the Joseph Rowntree Foundation, spending a higher percentage would be unaffordable. Where the household has a lower quartile income they are not able to afford private rental costs without spending more than 30% of their income, and are unable to save for a deposit to purchase a property of their own.

Table 13 Lower Quartile Incomes & Private Rental Costs

Source: CACI PayCheck (2013)

LHMA Area	Lower Quartile Income & Private Rents						
	Lower Quartile Monthly Income	Monthly Private Rents	Rent higher than 30% of household income	30% of household income	Shortfall in rent	Monthly Surplus (Potential to save for a deposit to buy)	Rank
Menai - LHMA03	£1,108	£511	Yes	£332.50	£-178.50	Nil	4
Bala - LHMA09	£1,042	£425	Yes	£312.50	£-112.50	Nil	7
Dyffryn Conwy - LHMA10	£1,104	£508	Yes	£331.25	£-176.75	Nil	5
Llandudno - LHMA11	£1,096	£548	Yes	£328.75	£-219.25	Nil	2
Bay of Colwyn - LHMA12	£1,063	£524	Yes	£318.75	£-205.25	Nil	3
Rhyl - LHMA13	£992	£522	Yes	£297.50	£-224.50	Nil	1
St Asaph - LHMA15	£1,258	£546	Yes	£377.50	£-168.50	Nil	6

The rank column places each area in order of affordability, with 1 being the most unaffordable area to rent and 7 being the most affordable in Conwy. The

Rhyl LHMA area has the highest rank (1) making it the most unaffordable area to rent in the County due to the lower incomes of households living in this area and the relatively high rents.

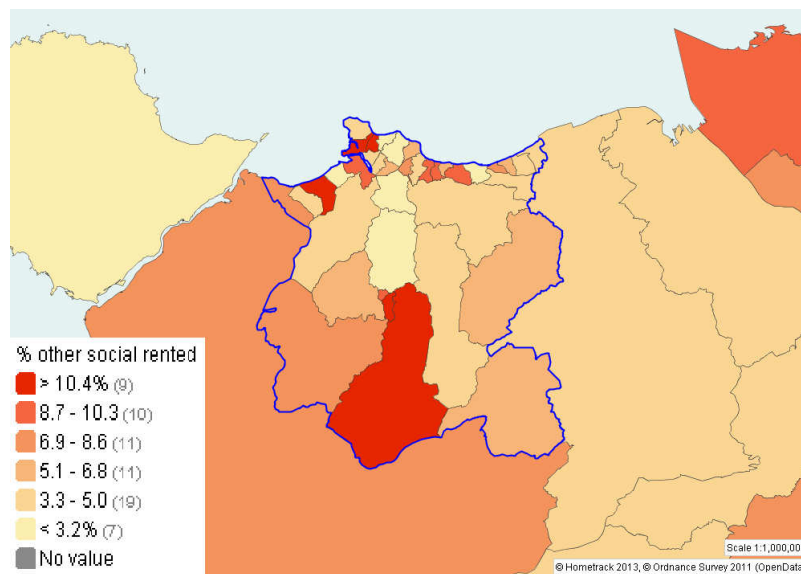
Social Rented Sector

The social rented sector in Conwy is relatively small in comparison to the rest of Wales. Conwy has one of the lowest social housing stocks per head of population in the whole of Wales. This lack of social stock has resulted in many households in need of social housing relying on the private rented sector for accommodation in Conwy.

Map 11 details the percentage of socially rented properties across the County. There is a higher proportion of socially rented properties within the Penmaenmawr, Llandudno and the Southern rural wards compared with pockets along the coastal belt and northern rural wards where there is less than 3.2%.

Map 11 % Social Housing Properties

Source: Hometrack (2013)



The uneven distribution of socially rented stock limits the choice available across Conwy, with some households in social housing need unable to live in parts of the County as there is very limited or no social stock in these areas. Table 14 details the total stock held by all social housing providers in Conwy.

Table 14 Social Housing Stock Providers (March 2012)

Source: social landlord stock and rents data collection, Welsh Government

	Conwy	
	Number	%
Cartrefi Conwy	3,775	57.2%
North Wales Housing Association	1,494	22.6%
Clwyd Alyn Housing Association	673	10.2%
Cymdeithas Tai Clwyd	313	4.7%
Wales and West Housing	232	3.5%
Abbeyfield	64	1.0%
Cymdeithas Tai Eryri	31	0.5%
First Choice Housing Association	9	0.1%
Hafan Cymru	9	0.1%
Bangor Diocesan Housing Association	2	0.0%
Total stock	6,602	

Over half of all social housing in the County is provided by Cartrefi Conwy, which is the Local Authorities stock transfer partner. Table 15 provides a breakdown of the total social housing stock by the number of bedrooms.

Table 15 Social Housing Stock by number of bedrooms (March 2012)

Source: social landlord stock and rents data collection, Welsh Government

	Conwy		Wales
	Number	%	%
One bedroom	602	14.6%	16.9%
Two bedrooms	1,196	29.0%	34.8%
Three bedrooms	2,180	52.9%	45.7%
Four bedrooms	128	3.1%	2.4%
Five bedrooms or more	16	0.4%	0.2%
All general needs dwellings	4,122	-	-

Most of Conwy social housing stock has at least three-bedrooms (55.4%). This is higher than the all-Wales figure (48.3%). Less than 15% of stock is one-bedroom accommodation, which limits the opportunities for tenants to downsize if they are affected by caps on housing benefits due to under occupation in their existing accommodation (the so-called 'bedroom tax' – Welfare Reform). Table 16 provides a detailed breakdown of Cartrefi Conwy's housing stock by bedroom and needs type.

Table 16 Cartrefi Conwy Stock (2012)

Source: Cartrefi Conwy Annual Activities Report

Property Type	General Needs	Sheltered Housing (60+)
1 Bed House/Bungalow	47	288
1 Bed Flat	345	468
2 Bed House/Bungalow	399	176
2 Bed Flat	440	139
3 Bed House/Bungalow	1289	0
3 Bed Flat	61	0
4+ Bed House/Bungalow	69	0
4+ Bed Flat	1	0
Bedsit	6	37
Total	2,657	1,103

Cartrefi Conwy's housing stock is dominated by 3 bedroom houses and bungalows. This has been a particular issue following Welfare Reform which has reduced the amount of housing benefit a household will receive if they are under occupying their property. The short supply of smaller 1 and 2 bedroom units has made it difficult for under occupiers to downsize. Table 17 details all RSL social housing stock throughout Conwy which is under occupied by 1 bedroom and 2 or more bedrooms under Welfare Reform.

Table 17 Number of bedrooms under occupied in Conwy

Source: RSLs

RSL	Total Stock		Under occupied		Total
	General Needs	Sheltered	1 Bedroom	2 or more Bedrooms	
Cartrefi Conwy	2657	1103	374	87	461
North Wales Housing Association	999	86	173	37	210
Clwyd Alyn	279	63	38	11	49
Tai Clwyd	314	0	39	11	50
Wales & West	24	208	2	0	2
Total	4272	1460	626	146	772

The majority of households are under occupying by just one bedroom (626), however there are a number of households under occupying by 2 or more bedrooms (146). This is due to Conwy having such a high proportion of three bedroom stock compared with one and two bedroom properties.

Social Rented Sector Cost

The rents within the social sector are substantially lower than market level rents paid within the private rented sector, but are also lower than Local Housing Allowance (LHA) rates. Traditionally the social rented housing sector has been reserved for those households considered to be in housing need, in particularly in need of affordable accommodation.

Demographic Profile

The following section sets out a demographic profile for Conwy. This helps to build a picture of the population living in the County and what their current and future housing needs may be. Table 18 details the age structure of Conwy's population according to the 2011 Census compared with the rest of Wales.

Table 18 Age Structure

Source: Census 2011

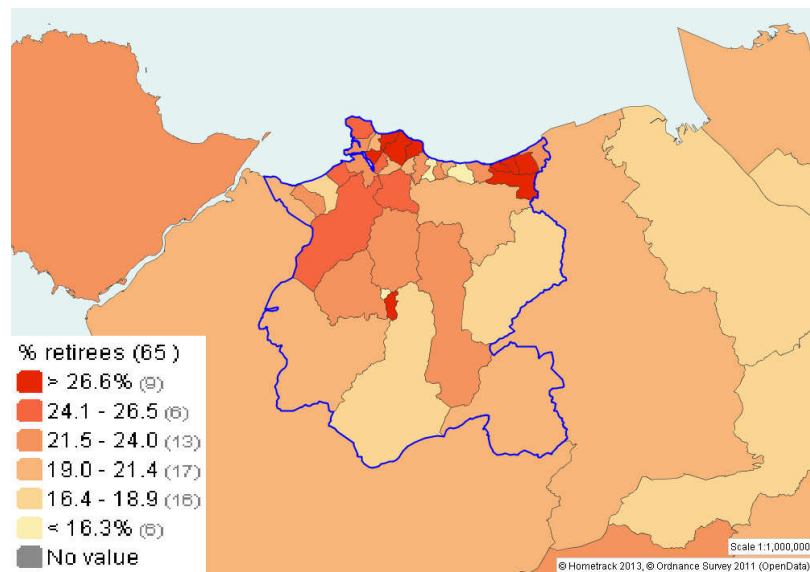
	Conwy		Wales	
	Number	%	Number	%
Age 0 to 4	5,839	5.1	178,301	5.8
Age 5 to 7	3,351	2.9	99,429	3.2
Age 8 to 9	2,155	1.9	63,650	2.1
Age 10 to 14	6,418	5.6	177,748	5.8
Age 15	1,363	1.2	37,168	1.2
Age 16 to 17	2,849	2.5	77,111	2.5
Age 18 to 19	2,390	2.1	84,841	2.8
Age 20 to 24	5,798	5	21,1924	6.9
Age 25 to 29	5,404	4.7	185,728	6.1
Age 30 to 44	19,079	16.6	570,894	18.6
Age 45 to 59	23,576	20.5	609,233	19.9
Age 60 to 64	8,844	7.7	204,885	6.7
Age 65 to 74	13,966	12.1	300,550	9.8
Age 75 to 84	9,921	8.6	187,434	6.1
Age 85 to 89	2,729	2.4	49,360	1.6
Age 90 and Over	1,546	1.3	25,200	0.8
All Usual Residents	115228		3063456	
Mean Age	44.6		40.6	
Median Age	46		41	

Conwy has a lower proportion of children (0-14 age brackets) compared with Wales, and a higher proportion of older people (60+). The result of this is an older mean and median (average) age for the County.

Map 12 details the distribution of the population 65 and over across Conwy. There is a high concentration of older people 65+ living within the Penrhyn Bay, Abergelge and Llanrwst area, with over 26.6%. There are pockets along the coastal belt, in Colwyn Bay and Llysfaen where there is a much smaller older population with less than 16.3%.

Map 12 Population 65+ (2013)

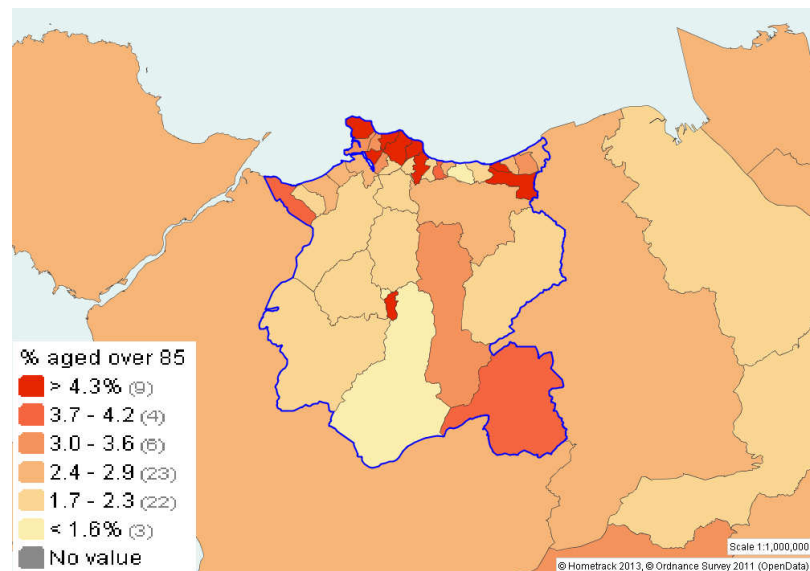
Source: Hometrack



Map 13 details the distribution of the population 85 and over across Conwy, this age group is sometimes referred to as the very elderly. There is a high concentration of older people 85+ living within the Llandudno, Penrhyn Bay, Abergele and Llanrwst area, with over 4.3% of the population. This compares to an average of 2.4% for the whole of Conwy.

Map 13 Population 85+ (2013)

Source: Hometrack



Population Projections

Population projections look at past and current population trends and try to predict what the population might look like in the future if these trends continue. In 2013 the Statistical Directorate of Welsh Government produced a

set of projections based on the characteristic of the population at unitary authority level in 2011. Chart 1 shows how the population of Conwy has grown since 2001, and will continue to grow marginally until mid 2020 after which the population will begin to fall. By 2031 it is predicted that Conwy will have a population of 116,300 – an increase of 800 people (0.7%) from 2012 mid-year estimate levels.

Chart 1 Population estimates and projections for Conwy 1991-2031

Source: mid-year estimates of population, ONS; 2011-based sub national population projections, Welsh Government

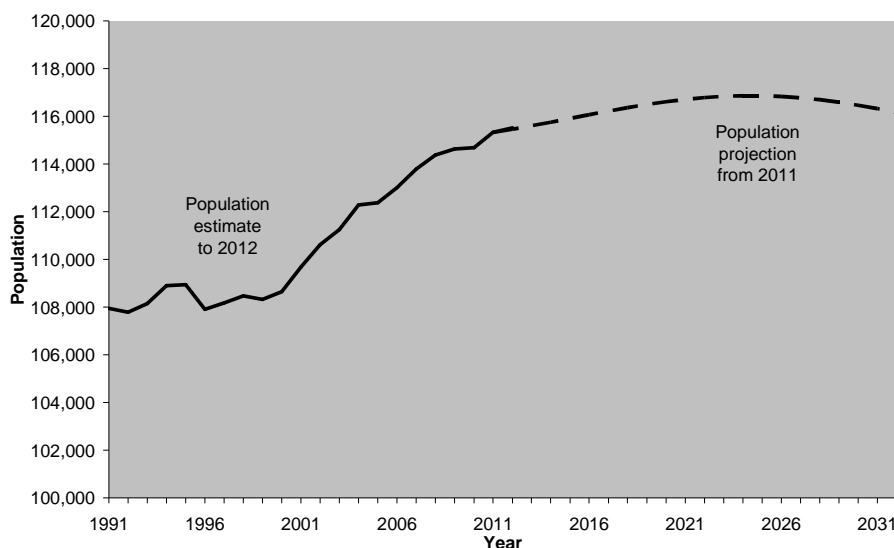


Table 19 details how the population of Conwy and Wales will grow until 2020 when there is a slight decrease. This represents a total population change of 0.7% compared to a population increase of 7.4% for the rest of Wales. Despite the minimal increase in the total population in Conwy, we will still need to provide additional housing to meet the demands of increasing smaller households and the backlog in our supply which has not kept pace with demand for housing.

Table 19 Population projections 2012-2031

Source: mid-year estimates of population, ONS; 2011-based sub national population projections, Welsh Government, interim 2011-based national projections, ONS

Year	Conwy	Wales	England & Wales
2012 (mid year estimate)	115,500	3,074,100	56,567,800
2016	116,100	3,131,200	58,617,800
2021	116,700	3,198,700	60,886,500
2026	116,800	3,256,200	-
2031	116,300	3,300,100	-
Change 2012-2031	0.7%	7.4%	-
Ave. annual change	0.04%	0.39%	-

Table 20 indicates that the number of children living within Conwy is overall going to decline over the next twenty years. This is due to the number of births in any given year being smaller than the number of children turning 16 and leaving this age group. In addition the working age population (16-64) will also decline due to the out-migration of young adults in the 18-24 age group and the move of the large post-Second World War 'baby boomers' cohort out of the working age group as they reach retirement age. Subsequently the older population, 65+ will grow significantly due to increasing improvements in mortality rates and the transition of the 'baby boomers' into older age.

Table 20 Broad age groups for population in Conwy 2002-2032

Source: mid-year estimates of population, ONS; 2011-based sub national population projections, Welsh Government

	2002	2012	2022	2032
Number				
Total population	110,600	115,500	116,800	116,200
Aged 0-15	20,200	19,100	19,600	17,700
Aged 16-64	64,800	67,300	63,700	59,400
Aged 65+	25,600	29,200	33,500	39,100
Aged 85+	3,600	4,400	5,800	8,300
As percentage total population				
Total population	100%	100%	100%	100%
Aged 0-15	18.3%	16.5%	16.8%	15.2%
Aged 16-64	58.6%	58.2%	54.5%	51.1%
Aged 65+	23.2%	25.2%	28.7%	33.7%
Aged 85+	3.2%	3.8%	4.9%	7.2%

In response to the growing older population within Conwy, an Older Persons Housing Strategy has been developed to address the distinct housing needs of this group. This strategy will be monitored and reviewed annually to ensure we are meeting the housing needs of our growing older population.

Household Estimates

A household is one person living alone, or a group of people living at the same address with common housekeeping – that is, sharing either a living room or at least one meal a day. Household numbers and the different types of households within that total give some indication of the type of housing that may be needed in the future. Table 21 details the household estimates for Conwy according to the 2011 census compared with Wales and England.

Table 21 Household Estimates 2011

Source: Census 2011

	Conwy		Wales	England & Wales
	No	%		
Total households	51,200	-	1,302,700	23,366,000
Population in private households	112,500	-	3,011,200	55,071,100
Average household size	2.20	-	2.31	2.36
One person households	17,300	33.8%	30.8%	30.2%
aged 65 and over	8,700	17.1%	13.7%	12.4%
other	8,500	16.7%	17.1%	17.8%
One family only	31,000	60.6%	62.8%	61.8%
no children	14,800	29.0%	26.1%	25.8%
couple households	11,200	21.9%	25.3%	25.4%
with dependent children	8,300	16.2%	18.4%	19.3%
all children non-dependent	3,000	5.8%	6.8%	6.1%
lone parent households	5,000	9.7%	11.4%	10.6%
with dependent children	3,200	6.2%	7.5%	7.2%
all children non-dependent	1,800	3.5%	3.8%	3.5%
Other household types	2,800	5.6%	6.5%	7.9%
with dependent children	1,100	2.1%	2.2%	2.6%
all aged 65 and over	300	0.5%	0.3%	0.3%
other	1,500	3.0%	3.9%	5.0%
All households with dependent children	12,500	24.5%	28.2%	29.1%
Households where all are aged 65+	15,000	29.2%	22.9%	20.9%

The estimates of current household numbers and types show that, due to the relatively high proportion of one person households living in the County Borough, Conwy has a lower average household size than Wales as a whole. In addition the proportion of households with children is over 4.6% lower than the England and Wales figure, and households which contain only residents aged 65 and over make up a much higher proportion in Conwy than they do nationally (29% in Conwy, only 21% across England and Wales), resulting in our overall smaller household size.

Map 14 details the percentage of one person households living across Conwy. There is a high concentration of single person households living in the Llandudno, Colwyn Bay and Penmaenmawr area, accounting for over 35.8% off all households within these areas.

Map 14 % One Person Households

Source: Hometrack (2013)

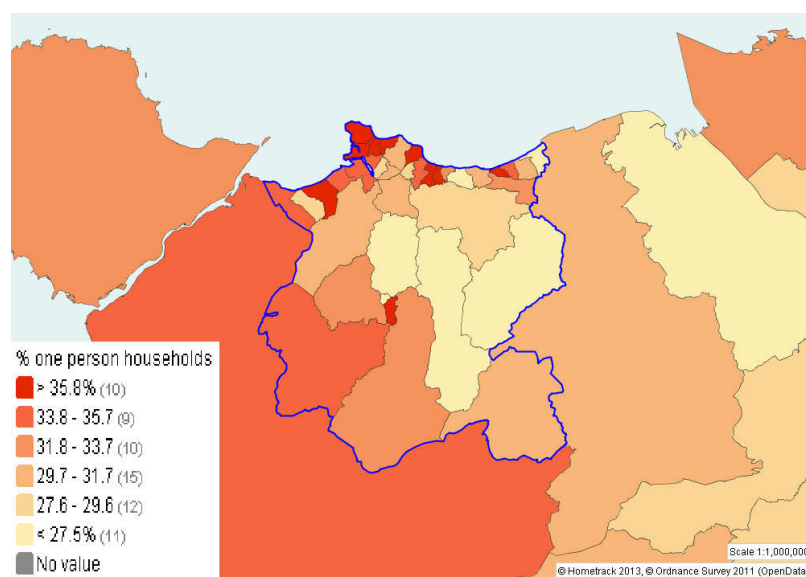


Table 22 details the change in household types over the last ten years. There has been a 6.5% increase in households living in Conwy since 2001, however the average household size has decreased from 2.23 persons to 2.20 persons. Although the average household size has continued on a downward trend, the rate of reduction has slowed markedly in the past 10 years when compared to previous decades.

Table 22 Change in household type between 2001 and 2011

Sources: Census 201

	2011	2001
Total households	51,200	48,100
Population in private households	112,500	107,200
Average household size	2.20	2.23
One person households	33.8%	32.7%
Households with dependent children	24.5%	26.0%
Families - no children	29.0%	29.7%
Families with all children non-dependent	9.3%	8.3%
Other households	3.5%	3.3%

Household growth rates are higher than population growth rates. This is because, as well as increasing due to growth in the population, the number of households within the population is also affected by the long-term trend towards smaller household size.

By far the biggest factor affecting the number of households and average household size in 2011 is the growth in the number of one person households. This is not a trend which is unique to Conwy, but its effect is

more pronounced here because of the relatively high number of older people in the population of the area. Most one person households are pensioners living alone. In 2011 there were an estimated 8,750 lone pensioner households in Conwy; this was 17% of all households, and 51% of all single person households. As life expectancy increases we can expect to see the number of lone pensioner households in Conwy to increase.

Other factors which have led to smaller average household sizes over past decades have been the trends towards smaller family size and the increase in the number of family break-downs, these trends are expected to continue. These figures suggest that new housing developments need to focus primarily on the provision of smaller dwellings to meet need. Consideration also needs to be given to providing housing which is suitable to meet the needs of an ageing population, with particular emphasis on the needs of lone pensioner households.

Household Projections

Table 23 details the household projections for Conwy over the next five years. There will be an additional 1,202 newly formed household over the LHMA period, who will require housing, which equates to 240 new households per year.

Table 23 Projected change in Conwy County Borough’s household numbers, 2013-2018 (newly forming households)

Source: 20-11 based household projections, 10 year migration trend, Welsh Government

Household Projections	Number
Projected number of households 2013	51,750
Projected number of households 2018	52,952
Total change in number of households	1,202
Annual average	240

This figure will feed into the additional annual affordable housing calculation to determine how many units are required in Conwy each year.

Housing Size

Tables 24 to 30 detail the size of the households within each LHMA area compared with the number of bedrooms they have. This gives an indication of the extent of under occupation and overcrowding within all occupied dwellings. We cannot discern relationships from this data so have to assume that all members of the household require a bedroom each. The households under occupying gives an indication of how many households have spare bedrooms and are currently under occupying.

Table 24 Number of bedrooms by household size – LHMA03 Menai

Source: Census 2011

LHMA03 Menai						
Household Size	Total Number of bedrooms	1 bedroom	2 bedroom	3 bedroom	4 or more bedroom	Households under occupying
		%	%	%	%	
1 person	8,423	14.6%	36.8%	38.8%	9.7%	85.4%
2 people	9,026	3.7%	27.1%	48.9%	20.3%	69.2%
3 people	3,846	1.2%	18.0%	55.5%	25.3%	25.3%
4 or more people	5,306	0.5%	6.2%	49.5%	43.8%	-
All	26,601	6.2%	24.7%	46.8%	22.4%	54.2%

Table 25 Number of bedrooms by household size – LHMA09 Bala

Source: Census 2011

LHMA09 Bala						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	1,624	14.5%	36.0%	37.6%	11.9%	85.5%
2 people	1,499	3.1%	25.1%	50.6%	21.2%	71.8%
3 people	580	1.4%	11.6%	57.4%	29.7%	29.7%
4 or more people	743	0.5%	6.5%	54.4%	38.6%	-
All	4,446	6.6%	24.2%	47.4%	21.8%	59.3%

Table 26 Number of bedrooms by household size – LHMA10 Dyffryn Conwy

Source: Census 2011

LHMA10 Dyffryn Conwy						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	1,655	13.1%	36.5%	38.8%	11.6%	86.9%
2 people	1,955	2.6%	28.7%	49.2%	19.5%	68.7%
3 people	741	1.5%	18.1%	56.7%	23.8%	23.8%
4 or more people	957	0.5%	8.6%	55.1%	35.8%	-
All	5,308	5.4%	26.0%	48.1%	20.6%	55.7%

Table 27 Number of bedrooms by household size – LHMA11 Llandudno

Source: Census 2011

LHMA11 Llandudno						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	6,793	23.9%	39.9%	28.0%	8.2%	76.1%
2 people	6,861	6.3%	35.2%	41.7%	16.8%	58.4%
3 people	2,545	1.9%	22.1%	52.9%	23.1%	23.1%
4 or more people	2,858	0.5%	8.3%	52.7%	38.5%	-
All	19,057	11.1%	31.1%	39.9%	17.8%	51.2%

Table 28 Number of bedrooms by household size – LHMA12 Colwyn bay

Source: Census 2011

LHMA12 Colwyn Bay						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	6,750	26.5%	39.3%	25.8%	8.3%	73.5%
2 people	7,039	7.2%	37.6%	37.7%	17.5%	55.2%
3 people	2,530	1.3%	23.8%	47.2%	27.7%	27.7%
4 or more people	3,117	0.7%	8.9%	47.1%	43.3%	-
All	19,436	12.1%	31.8%	36.3%	19.8%	49.1%

Table 29 Number of bedrooms by household size – LHMA13 Rhyl

Source: Census 2011

LHMA13 Rhyl						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	5,311	25.2%	41.2%	28.8%	4.8%	74.8%
2 people	5,761	6.2%	42.2%	41.3%	10.3%	51.6%
3 people	2,281	1.6%	25.5%	56.1%	16.7%	16.7%
4 or more people	2,956	0.6%	9.0%	59.4%	31.0%	-
All	16,309	10.8%	33.5%	42.6%	13.1%	44.9%

Table 30 Number of bedrooms by household size – LHMA15 St Asaph

Source: Census 2011

LHMA15 St Asaph						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	1,501	13.4%	41.5%	34.3%	10.8%	86.6%
2 people	2,081	4.9%	29.9%	43.6%	21.7%	65.3%
3 people	794	0.9%	19.4%	49.9%	29.8%	29.8%
4 or more people	1,075	0.7%	8.0%	45.2%	46.0%	-
All	5,451	5.8%	27.2%	42.3%	24.7%	53.1%

Table 31 Number of bedrooms by household size – Conwy County Borough

Source: Census 2011

Conwy County Borough						
Household Size	Total Number of bedrooms	1 bedroom	2 bedrooms	3 bedrooms	4 or more bedrooms	Households under occupying
		%	%	%	%	
1 person	17,297	22.5%	39.7%	29.2%	8.6%	77.5%
2 people	18,668	5.9%	35.6%	41.5%	16.9%	58.5%
3 people	6,881	1.5%	22.6%	51.4%	24.6%	24.6%
4 or more people	8,331	0.6%	8.2%	51.0%	40.2%	-
All	51,177	10.0%	30.8%	40.2%	18.9%	50.8%

Throughout Conwy 77.5% of one person households are under occupying their current home by one bedroom or more. This is particularly high within the rural LHMA areas, Dyffryn Conwy, St Asaph and Bala, with over 85% under occupying. Just over a third of all households with four or more occupants live in a 4 bedroom property, this is also higher within the rural LHMA areas.

Household Income

Median and Lower Quartile household income levels in Conwy are significantly below those for Great Britain as a whole. The annual average (median) household income fell by about £1,450 between 2011 and 2012 to £23,850. In the same period the households with lowest incomes became worse off – lower quartile household income fell by £2,050 to just £12,500 and the proportion of households with income falling below 60% of the median for Great Britain increased. This mirrors the national picture.

Table 32 Annual household incomes (2013)

Source: CACI PayCheck data 2013

	Conwy	Wales	Great Britain
Median income	£23,850	£24,700	£27,500
Lower quartile income	£13,050	£15,850	£17,000
% households with income below 60% of GB median*	34.3%	27.6%	23.6%

*Measures of household income include wages, welfare support, investments, pensions and other income for all household members.

Half of all households have an income at or below the median (average) point. One quarter (25%) of all households have an annual income at or below the lower quartile point. The most commonly used threshold of relative low income is a household income that is 60% or less of the average (median) British household income in that year.

Employment

Table 33 details the economic activity of residents living in Conwy.

Table 33 Economic Activity – Working age population

Source: ONS Mid year estimates: ONS annual population survey (NOMIS)

	Conwy		Wales
	Number	%	%
All people aged 16-64 (mid 2012)	67,300	58.3	62.8
Economic activity (Jan-Dec 2013)*			
Economically active	50,100	74.9	75.0
In employment	47,900	71.5	68.9
Employees	39,200	59.8	59.1
Self employed	8,000	10.9	9.0
Economically inactive	16,000	25.1	25.0
% inactive wanting a job	3,600	22.6	24.4
% inactive not wanting a job	12,400	77.4	75.6

Almost three quarters (74.9%) of residents in Conwy aged 16-64 are economically active (in work or available for work.), which is similar to the Welsh rate of 75%. However, population estimates show that residents aged 16-64 only account for 58.3% of the population compared with 62.8% for the rest of Wales. This results in a high dependency ratio, as the number of children/elderly persons for each person of working age is higher in Conwy than in Wales. A high dependency ratio can place a strain on the economy and the social structure of the community. The growing older population in Conwy will increase this dependency ratio as the working age population declines following the transition of older people from the workforce into retirement.

Of the 16,000 working age population who are economically inactive in Conwy, only 22% want a job which is slightly lower than the Welsh figure. This is possibly a reflection of the area being a retirement destination.

Housing Need

New Housing Need

Population projections for Conwy indicate that the total population will grow marginally over the next five years, in the longer term it will begin to fall after 2020. Projections also show that the number of children living in Conwy will increase slightly in the short term, but will begin to decrease in the longer term. The working age population will decline over the next ten years, whereas the older population will grow significantly. These slight changes in the population will create new housing need in addition to the backlog of housing need across Conwy which is still unmet. However, the additional housing need in Conwy will mainly come from the formation of new households within the existing population. This new housing need adds to the existing pressure on the housing market from the demand for housing. Table 34 details the household projections for Conwy over the next five years.

Table 34 Projected change in Conwy County Borough’s household numbers, 2013-2018 (newly forming households)

Source: 20-11 based household projections, 10 year migration trend, Welsh Government

Household Projections	Number
Projected number of households 2013	51,750
Projected number of households 2018	52,952
Total change in number of households	1,202
Annual average	240

The annual average figure, 240 will feed into the additional annual affordable housing calculation to determine how many units are required in Conwy each year.

Backlog of Social & Intermediate Housing Need

The social housing need shown below only accounts for current need and does not include future housing needs. This data is the result of the analysis of the Cartrefi Conwy housing waiting list, looking at applicants’ first choice housing area, which is the area where the household want to be housed. Only those households on the register with enough points to be considered to be within housing need have been included in the analysis.

The LHMA has only analysed Cartrefi Conwy’s housing register as we don’t have a common housing register yet and Cartrefi Conwy are the Authority’s stock transfer partner and hold the largest housing register in Conwy. The other housing associations operating in the area also have housing registers; however we were unable to remove duplicates from across these waiting lists, as many households are registered with more than one housing association in Conwy.

The following tables detail a breakdown of housing need by 1st choice area and bedroom requirement. The social housing register includes both general needs and sheltered housing for over 55s, tables 36 and 37 look at these two needs separately.

Social Housing Need

Table 35 details the overall number of households in social housing need by their 1st choice LHMA area. This is where they have requested either general or sheltered accommodation to meet their needs. Where the applicant has not included a 1st choice area, and would consider anywhere in Conwy the 1st choice has been left blank.

Table 35 Number of Households 1st Choice LHMA areas

Source: Cartrefi Conwy Waiting list

LHMA 1st Choice Area	Number of bedrooms required						
	0	1	2	3	4	5	Total
LHMA03 Menai		3	10		2		15
LHMA09 Bala		3	2				5
LHMA10 Dyffryn Conwy		12	16	6			34
LHMA11 Llandudno	1	115	118	36	16	3	289
LHMA12 Bay of Colwyn		112	94	41	16		263
LHMA13 Rhyl		1	8	6	7		22
LHMA15 St Asaph		2	5	1			8
No 1 st Choice Specified		4	5	1			10
Grand Total	1	252	258	91	41	3	646

There are a total of 646 households currently on the Cartrefi Conwy waiting list with enough points to be considered in need of social housing. The greatest need is within the Llandudno and Colwyn Bay LHMA areas. The figures from this table have been used to inform the final additional affordable housing need calculation in the next section.

Sheltered Social Housing Need

Table 36 details the need for sheltered housing by 1st Choice LHMA area and the number of bedrooms required. Sheltered housing is limited to applicants over the age of 60, however younger applicants with a disability may also be considered.

Table 36 Sheltered Housing Need

Source: Cartrefi Conwy Waiting list

1st Choice Area – Sheltered housing	Number of Bedrooms Required			
	0	1	2	Total
LHMA03 Menai		3	1	4
LHMA09 Bala		2		2
LHMA10 Dyffryn Conwy		6	1	7
LHMA11 Llandudno	1	32	8	41
LHMA12 Bay of Colwyn		29	7	36
LHMA13 Rhyl			2	2
LHMA15 St Asaph		2		2
No 1 st Choice Specified				0
Grand Total	1	74	19	94

The majority of sheltered housing need is within the Colwyn Bay and Llandudno LHMA areas.

General Social Housing Need

Table 37 details the need for general housing by 1st choice area and the number of bedrooms required. General need housing is available to all households.

Table 37 General Housing Need

Source: Cartrefi Conwy Waiting list

1st Choice Area – General Needs	Number of bedrooms required					Total
	1	2	3	4	5	
LHMA03 Menai		9		2		11
LHMA09 Bala	1	2				3
LHMA10 Dyffryn Conwy	6	15	5			26
LHMA11 Llandudno	83	110	37	16	3	249
LHMA12 Bay of Colwyn	83	87	41	16		227
LHMA13 Rhyl	1	6	6	7		20
LHMA15 St Asaph		5	1			6
No 1 st Choice Specified	4	5	1			10
Grand Total	174	234	90	41	3	552

The majority of need is within the Colwyn Bay and Llandudno areas.

Intermediate Housing Need

The following calculations only account for the current need for low cost home ownership and do not include future housing needs. Applicants on the First Steps housing register are able to apply for their current need in terms of bedrooms required plus one additional bedroom for family growth as they are purchasing the property as affordable housing. Therefore there is an element of aspiration with this register compared with the social housing register, where applicants can only register for their current need. For this reason the figures for the number of bedrooms required within the two and three bedroom options are much higher compared with the social housing register.

Table 38 Low Cost Ownership - Bedroom Requirements

Source: First Steps Waiting list

1st Choice LHMA	Number of Bedrooms Required				
	1	2	3	4	Grand Total
LHMA03 Menai		4			4
LHMA09 Bala		2			2
LHMA10 Dyffryn Conwy	7	14	7		28
LHMA11 Llandudno	22	57	26	1	106
LHMA12 Bay of Colwyn	10	24	18	1	53
LHMA13 Rhyl	5	5	6		16
LHMA15 St Asaph	3	4	2		9
Grand Total	47	110	59	2	218

The highest need for low cost housing to buy in Conwy is for two bedroom properties, particularly within the Llandudno and Colwyn Bay areas. The next highest level of need is for three bedroom properties. The demand for one bedroom properties is much lower compared with the social housing register as there is the element of aspiration included with the First Steps register. Applicants are able to register for their current need plus one additional bedroom. The figures from this table have been used to inform the additional affordable housing need calculation in the next section.

Summary of Social & Intermediate Housing Need

Table 39 details the overall social and intermediate housing need by LHMA area. The need for social and intermediate housing fluctuates between the LHMA areas, with some areas needing more of one type of housing than another. Overall the Llandudno LHMA area requires the highest number of social and intermediate housing.

Table 39 Total Affordable Housing Need

Source: Cartrefi Conwy & First Steps Waiting list

LHMA 1st choice area	Social Need	Intermediate need	Total
LHMA03 Menai	15	4	19
LHMA09 Bala	5	2	7
LHMA10 Dyffryn Conwy	34	28	62
LHMA11 Llandudno	289	106	395
LHMA12 Bay of Colwyn	263	53	316
LHMA13 Rhyl	22	16	38
LHMA15 St Asaph	8	9	17
No 1 st Choice Specified	10	0	10
Grand Total	646	218	864

Supply of new Housing

Table 40 below details the number of new residential properties developed in Conwy each year. Since the economic downturn (2007-8) the number of housing completions has fallen to less than half in 2012-13. The supply of new housing will need to increase to keep pace with the demand for housing in order to meet needs.

Table 40 Housing Completions

Source: Joint Housing Land Availability Study (2012-13)

Year	Total
2003-4	499
2004-5	419
2005-6	384
2006-7	301
2007-8	421
2008-9	332
2009-10	215
2010-11	232
2011-12	218
2012-13	187

Table 41 details the number of new affordable housing units with planning permission to be built within each LHMA area over the next five years. This can be split into social and intermediate housing types. The figures from this table have been used to inform the final additional affordable housing need calculation in the next section.

Table 41 Committed Affordable Housing 2013-2018

Source: CCBC

LHMA Area	Social	Intermediate	Total
LHMA03 Menai	0	0	0
LHMA09 Bala	0	1	1
LHMA10 Dyffryn Conwy	0	15	15
LHMA11 Llandudno	62	51	113
LHMA12 Bay of Colwyn	119	8	127
LHMA13 Rhyl	0	0	0
LHMA15 St Asaph	0	8	8
Total	181	83	264

Table 41 shows that there are no affordable housing units with planning permission in the Menai, Rhyl and St Asaph LHMA areas, and no social units within any of the rural LHMA areas. The majority of the social housing planned is within the Colwyn Bay LHMA area, however there is very little intermediate committed. The majority of the committed intermediate housing is within the Llandudno LHMA area.

Annual Affordable Housing Requirement

The tables below set out the total annual affordable housing requirement in Conwy over the next five years. This overall figure is the extra social and intermediate housing units we need to provide to meet housing needs across the County.

The affordable housing needs calculation looks at current and potential future housing need, and calculates an annual estimate of how many households will require help to access affordable housing in addition to households who are already being helped.

The results of the affordable housing calculation are shown in the tables below. They are split by social and intermediate housing need. 'Social housing need' includes people who meet very specific criteria of housing need and are eligible for social rented housing assistance. 'Intermediate housing need' covers households who would not necessarily be a priority for social housing but still need help to rent or buy within the open market.

Table 42 Social Housing Need Calculation

Source: CCBC

Element and step in calculation	Notes	Nov 2013
C: current need		
1. Existing households in need of alternative housing.	<p>Step 1 Existing households in need of alternative housing and step 2 Plus current non-households in need of affordable housing It was not possible to split these two stages of the calculation because of the way the data was collected. Includes only those on the housing register who have housing needs points. (Excludes those with 'local connection' points only). Housing needs points are awarded to applicants under the following criteria:</p> <p>Overcrowding; under-occupation; medical reasons; homeless (including due to harassment); house in disrepair; sharing facilities (bath, kitchen, lounge, toilet) The calculation uses both waiting and transfer lists (i.e. those waiting for a house and those with a house, but wishing to move).</p>	646
2. <i>plus</i> current non-households in need of affordable housing		
3. <i>minus</i> cases where they can afford to meet their needs in the market	<p>Step 3 Minus cases where they can afford to meet their needs in the market All households who are able to afford a property outside the social housing system are excluded from the register – so this stage of the calculation is not undertaken.</p>	
4. <i>equals</i> Total current housing need (1 + 2 – 3)	Calculation stage	646
A: available stock to offset need		
5. Current occupiers of affordable housing in need	<p>Step 5 Current occupiers of affordable housing in need Current occupiers of affordable housing in need of re-housing (transfer) should have already been counted on the transfer list at Step 1 above. This step is meant to remove those current occupiers of existing affordable stock (i.e. those in housing need, but already housed within the stock), as they will free up stock for other households. Moving these households will have a nil effect on the overall level of need (as they should have</p>	215

	been counted as being in need at Step 1) – but this step is important to establish the net level of affordable housing needed, by deducting the amount of stock freed by the moving households.	
6. <i>plus</i> surplus stock	Step 6 Plus surplus stock A certain level of empty stock is normal and allows for ‘turn-over’ and some difficult-to-let properties. Welsh Government guidance is that any vacant stock in excess of about 3% of all stock should be counted as surplus stock. If fewer than 3% of the stock is vacant then a ‘nil’ value is applied at this stage of the calculation.	0
7. <i>plus</i> committed supply of new affordable social units	Step 7 Plus committed supply of new affordable units New supply in the social housing sector – including low-cost ownership schemes by Housing Associations. Obtainable from planning monitoring records.	181
8. <i>minus</i> planned units to be taken out of management	Step 8 Minus planned units to be taken out of management Any social housing stock that are planned to be demolished, sold or otherwise taken out of the managed stock.	0
9. equals Total available stock to meet current need (5 + 6 + 7 – 8)	Step 9 Equals total available stock to meet current need and Step 10 : Equals total current need Calculation stage – no data needed.	396
10. equals Total current need (4 – 9)		250
11. times quota progressively to reduce level of current need	Step 11 Times (x) quota progressively to reduce the current level of need From local authority Affordable Housing Delivery Statement – policy judgment	20.0%
12. equals annual need to reduce level of current need (10 x 11)	Step 12 Equals annual need to reduce level of current need Calculation stage – no data needed.	50
N : newly arising need		

13. New household formation - gross p.a.	Step 13 New household formation A prediction about the number of newly forming households is taken from population projections.	240
14. <i>times</i> proportion unable to buy or rent in the market	Step 14 Times (x) proportion unable to buy or rent in the market A proxy measure is used at this stage as the data does not exist. For the 2013 calculation a commonly used measure of households in poverty was used – the percentage of households with income below 60% of the GB median, from CACI PayCheck data.	36.54%
15. <i>plus</i> existing households falling into need	Step 15 Plus existing households falling into need Estimates the number of existing households falling into need each year, based on recent trends (i.e. the number of existing households who entered the housing register within the last year – including any that were housed during the year). Data used is the number who joined the register during the preceding year and is a proxy measure (an estimate) of likely future joiners, based on the trend during the most recent year. Actual joiners within the last year will already have been counted at Stage 1. These existing households have fallen into housing need due to a number of factors such as mortgage repossession, loss of employment or ill health.	198
16. <i>minus</i> potential out-migrants unable to afford market housing	Step 16 Minus potential out-migrants unable to afford market housing Step 17 Plus in-migrants unable to afford market housing There is currently no known source of reliable data to calculate these two steps separately, so they have been left as zero. Further research may reveal useable sources of data, but the actual numbers could not be expected to be very large. The household projections used at step 13 of the calculation will have picked up migration trend data at the individual level.	
17. <i>plus</i> in-migrants unable to afford market housing		
18. <i>equals</i> newly arising need ((13 x 14) + 15 + 16 + 17)	Step 18 Equals newly arising need Calculation stage – no data needed.	285.7
S: supply of affordable units per year		

19. Net supply of social re-lets	Step 19 Net supply of social re-lets Calculated on the basis of past trends – turn-over rates, taken as a 3-years average of vacant and re-lets. This does not include transfers within the social sector.	277
20. <i>plus</i> supply of intermediate housing available for re-let or resale at sub market levels	Step 20 Plus supply of intermediate housing available for re-let or resale at sub-market levels Intermediate housing – affordable housing at a cost substantially below market value. Shared equity schemes, affordable in perpetuity.	
21. <i>equals</i> affordable supply (19 + 20)	Step 21 Equals affordable supply Calculation stage – no data needed.	277
Net shortfall or surplus		
22. Overall shortfall (12 + 18 - 21)	Step 22 Overall shortfall Annual total of households in need of social housing assistance.	59

Table 42 shows a need for 59 additional social housing units per annum over the five year LHMA period.

Table 43 Intermediate Housing Need Calculation

Source: CCBC

Current intermediate housing need		
(a) Existing intermediate need	Total applicants on First Steps register	217
Stock available to offset need		

(b) Committed supply of new affordable intermediate units	LDP/development control	83
(c) equals Total current need (a – b)		134
(d) times quota progressively to reduce level of current need	From local authority Affordable Housing Delivery Statement - policy judgement (cleared over 15 yr period)	20.0%
(e) equals annual need to reduce level of current need (c x d)		26.8
Newly arising intermediate housing need		
(f) HomeTrack "first time buyer households unable to buy terraced housing at 3.5 x income"	Proxy for all new households unable to buy or rent in market	52.06%
(g) CACI PayCheck "% households below 60% of GB median income"	Proxy for those new households likely to be in social need	36.54%
(h) Proxy for intermediate housing need (f-g)	Uses the commercially available Hometrack data to provide a proxy measure of total newly forming households who will be unable to afford to buy or rent within the housing market. The proportion of newly forming households who are likely to be in social need is removed from this total, leaving an estimate of those who are in intermediate housing need.	15.52%
(i) Newly forming households - gross p.a.		240
(j) equals newly arising intermediate need p.a. (h*i)		37.3
Total intermediate		

housing need		
(k) Existing need plus newly arising need (e + j)	Rounded	64

Table 43 shows the need for 64 intermediate housing units over the five year LHMA period.

Table 44 Total Social Housing & Intermediate Housing Need Calculation

Source: CCBC

Annual Social Housing Need		59
Annual Intermediate Housing Need		64
TOTAL ANNUAL SOCIAL AND INTERMEDIATE HOUSING NEED (2013-2018)		123

Table 44 shows the overall need for affordable housing over the five year LHMA period. There is a slightly higher need for intermediate housing even though there are less people waiting on the First Steps register due to the small supply of committed intermediate housing over the next five years, that is housing units with planning permission that will come forward to meet current and future needs. The figures of 59 social and 64 intermediate equate to a 48% (social) and 52% (intermediate) split respectively.

Conclusion

The LHMA has utilised the Welsh Government's approved methodology set out within the LHMA Guide (2006) and the step by step guide (2012), and replaces the North West Wales LHMA produced in 2008. The main findings of the LHMA are summarised below.

Housing Market Trends

The housing market in Conwy has seen a slight decline in the proportion of owner occupiers over the last ten years, and a significant growth in the private rented sector, which is consistent with the rest of Wales. However, Conwy has seen a much larger growth in the private rented sector than the rest of Wales, and this trend is set to continue as owner occupation becomes increasingly unaffordable for many households. This shift in demand towards the private rented sector is also linked to the small proportion of social rented stock available in Conwy compared to the rest of Wales. Conwy has one of the lowest social housing stocks per head of population in the whole of Wales; therefore many households in need of social housing are forced to rely on the private rented sector.

Affordability

The average median house price for the whole of Conwy is £144,500, and the lower quartile is £110,000. However, the median and lower quartile prices fluctuate significantly between each LHMA area. Dyffryn Conwy, St Asaph and Llandudno LHMA areas have the highest median house prices at £154,750 and £155,000 respectively. This gives an affordability ratio of 6.5 for Llandudno and 6.3 for Dyffryn Conwy making them the most expensive areas to buy in Conwy, where as the St Asaph LHMA area has an affordability ratio of 5.5 due to the higher household incomes within this area. The lowest affordability ratio is within the Rhyl LHMA area where the median house price is £112,500.

The lower quartile house prices generate even higher affordability ratios against the lower quartile household incomes. The Llandudno LHMA area has the second highest lower quartile house prices for the whole of Conwy after St Asaph; however the lower quartile household income is significantly lower in Llandudno giving it the highest affordability ratio in Conwy at 9.1. The lowest affordability ratio is within the Rhyl LHMA area where the lower quartile house price is £90,000, giving it an affordability ratio of 7.6.

Rental prices also fluctuate between the LHMA areas, with the highest average monthly rental cost within Llandudno at £548 per calendar month, and the lowest within the Bala LHMA area at £425 per calendar month. Households with a median household income throughout the LHMA areas are able to afford private market rents without a shortfall, although households within some LHMA areas such as Rhyl and Llandudno have very little income left to save towards owner occupation due to the lower incomes and higher

rents within these areas. Households with a lower quartile income have significant shortfalls in their income and the cost of rent, with a deficit of £224.50 per month in Rhyl due to low incomes within this area.

Population & Household Projections

Population and household projections look at current and past trends to predict what the population and household sizes may look like in the future if these trends continue. Analysis of the Welsh Government population projections indicate that Conwy's population is ageing, as the number of older people (65+) living in Conwy is increasing. This is an issue within some LHMA areas such as the Bay of Colwyn and Llandudno LHMA areas where the proportion of older people is particularly high.

Overall the population across Conwy is projected to grow marginally over the next five years. It is the increase in new households from our existing population combined with the backlog of unmet need which adds pressure to the housing market. Household projections indicate the formation of 240 new households per year over the next five years. The turnover of existing housing stock will accommodate some of these housing needs; however additional units will be required to meet all housing needs.

Backlog of Housing Need

The backlog of housing need is calculated by analysing the social housing and First Steps registers. This looks at what the current unmet housing needs are for social and intermediate housing, but does not include future housing needs. This need is broken down by the applicants' first choice housing area, which is the area where they would like to be re-housed and how many bedrooms they require. Table 45 details the overall social and intermediate housing need by LHMA area.

Table 45 Affordable Housing Need

Source: Cartrefi Conwy & First Steps Waiting list

LHMA 1st choice area	Social Need	Intermediate need	Total
LHMA03 Menai	15	4	19
LHMA09 Bala	5	2	7
LHMA10 Dyffryn Conwy	34	28	62
LHMA11 Llandudno	289	106	395
LHMA12 Bay of Colwyn	263	53	316
LHMA13 Rhyl	22	16	38
LHMA15 St Asaph	8	9	17
No 1st Choice Specified	10	0	10
Grand Total	646	218	864

This backlog of housing need combined with newly arising need from new households and existing households falling into housing need has resulted in a requirement for 123 additional affordable housing units per annum over the next five years (2013-2018). This equates to a total of 615 affordable units over the five year LHMA period.

Due to the smaller supply of intermediate than social housing over the next five years, there is a slightly higher need for intermediate housing even though there are less people waiting on the First Steps register than on the social housing register. Therefore the 123 units per annum equates to a requirement for 48% (social) and 52% (intermediate) over the next five years.

Monitoring & Reviewing

The LHMA will be monitored and reviewed on an annual basis to ensure it remains an up to date evidence base to inform strategic housing decisions. It is anticipated that new developments in the data used to inform the LHMA will be available in the next two years. This includes the common housing register currently being developed as part of the SARTH project (Single Access Route to Housing), which will bring together all of the housing registers of RSLs operating in Conwy. Having a single register of households in need of social housing will make the analysis of social housing need a much quicker and simpler process to inform the LHMA.

In addition the Local Authority will be carrying out a number of housing needs surveys across the County which will feed into the next update of the LHMA. This will involve carrying out a survey of all households living within an identified area, with the aim of assessing their current and future housing needs. The results of these survey's can then be applied to the LHMA calculation to give a more robust overall housing need figure over the next five years. Housing needs surveys have not been carried out for this LHMA due to time and resource restrictions.

Glossary

Affordability – the ability of a household or potential household to rent or purchase a property that satisfies the needs of that household without subsidy. This could be based on an assessment of the ratio of household income to the price of available property to rent or buy on the open market.

Affordable Housing – The definition of affordable housing for the purposes of land use planning system is *“housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers.”*

Extra Care Housing – Housing for frail elderly and people with disabilities, where individual care needs are provided for on site.

Housing Needs – refers to households lacking their own housing or living in unsuitable housing, who are unlikely to meet their needs within the open housing market without some assistance.

Intermediate Housing – where prices or rents are above social housing rents but below market housing prices or rents

Local Development Plan (LDP) – This document guides the use and development of land through the planning system within the Conwy area.

Local Housing Allowance (LHA) - Is a way of working out claims for Housing Benefit for tenants renting accommodation from a private landlord. The Local Housing Allowance is based on the number of bedrooms (maximum of 4 bedrooms) your household needs not the number of rooms in the property you rent.

Local Housing Market Assessment (LHMA) – an analysis of the local housing market that enables the authority to develop an understanding of the nature and extent of housing needs within Conwy.

Local Housing Market Area - Local housing market areas are not dictated by administrative boundaries but are a geographical assessment of where functional housing markets exist within an area.

Market housing – private housing for rent or sale where the price is set in the open market and their occupation is not subject to control by the local planning authority.

Mortgage – a loan taken out, either from a bank, building society or specialist mortgage lending company to buy a property.

Priority Need – A legal term used to define whether a homeless person is vulnerable under Homelessness legislation and therefore entitled to consideration for housing assistance by the local authority. Contains several definitions of what constitutes priority need, e.g. having dependent children, pregnancy.

Registered Social Landlord (RSL) – A non-profit making organisation providing housing for rent or shared-ownership for those in housing need.

Section 106 Agreements – Planning obligations made under section 106 of the Town and Country Planning Act 1990 (as amended by section 12 of the Planning and Compensation Act 1991) to enhance the quality of development and enable proposals to go ahead which otherwise might be refused.

Shared Ownership – Where a person buys part of the value of a house usually from a housing association and pays rent on the other part. That is, the housing association retains part ownership of the house.

Social Housing – A general term for rented and shared ownership housing not provided for profit by, for example, local authorities, housing associations, development corporations and almshouses.

Social Housing Need - is identified by the following criteria: households experiencing overcrowding; under-occupation; medical reasons; homeless; house in disrepair; sharing facilities. It includes people who are entitled to reasonable preference in line with the Housing Act 1996.

Social Housing Grant (SHG) – Grant from the Welsh Assembly Government to a local authority for the purpose of funding social housing development.

Special Needs – The term describing housing for a particular client group. For example: older people, people with a disability or suffering from mental illness.

Supported Housing – Housing for people with special needs. Varying levels of support may be provided.