

Flintshire County Council 2014/15

Local Housing Market Assessment

Flintshire County Council

Final Report
August 2015

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Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

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1. Introduction

- 1.1 The 2015 Flintshire County Local Housing Market Assessment (LHMA) provides the latest available evidence to help to shape the future planning and housing policies of the area. This study will help inform the production of the Council's Local Plan and Housing Strategy. This research provides an up-to-date analysis of the social, economic, housing and demographic situation across the area. In particular, the LHMA considers the housing market area of Wrexham and Flintshire, the functionality of the current housing market, the potential future demand for housing as well as assessing housing need.
- 1.2 The Flintshire County LHMA has been overseen by a Housing Market Partnership comprising Council housing and planning officers from both Wrexham and Flintshire Councils. There has been engagement with a range of stakeholders throughout the research process including developers/builders, Housing Association representatives, Estate Agents and Private Lettings Agents as well as through public engagement through the household survey.
- 1.3 To inform both individual local authority emerging plans and strategies as well as providing a compliant and robust mechanism to report combined data and evidence, this joint LHMA has been produced several thorough reports including:
- LHMA report for Flintshire County Council
 - LHMA report for Wrexham County Borough Council
 - An overarching report for both Wrexham and Flintshire Council areas.
- 1.4 This report sets out the detailed findings from the Local Housing Market Assessment for the Flintshire County Council area only. Details about the aims and objectives, the methodology used, and the overall policy context for the study are set out in the overarching report for the Wrexham and Flintshire Local Housing Market Assessment, which is published alongside this report.
- 1.5 To deliver the 2015 LHMA, a multi-method approach was adopted, which comprised:
- A sample survey of households across the Flintshire County Council area. A total of 15,198 households were contacted and 2,437 questionnaires were returned and used in data analysis. This represents a 16.0% response rate overall and total number of questionnaires returned was well in excess of the 1,500 recommended in Government guidance;
 - Interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Social Landlords (RSLs), Estate Agents, Lettings Agents, Developers, Supporting People representatives;
 - A review of relevant secondary data including the 2001 and 2011 census, house price trends, lettings data and Welsh Government Statistics.
- 1.6 Further information on the research methodology is presented within Technical Appendix A.

- 1.7 The findings from the study and its methodological approach of utilising primary, secondary, and stakeholder information means that a comprehensive, up-to-date, robust and defensible evidence base for policy development has been completed which conforms to the Welsh Government's Planning Policy Wales advice and guidance.
- 1.8 As well as providing information and results for the Flintshire County Council area as a whole, this report provides information for 6 internal sub-areas. These sub-areas have been defined by the Flintshire County Council Local Housing Strategy (2012 – 2017 '*A Quality Home for Everyone*') and are consistent with the previous Housing Market sub-areas produced for the Authority in 2012. Evidence collated for this report suggests that these boundaries still form the most appropriate internal Housing Market sub-areas (shown on Plan 3.1).
- 1.9 This assessment does not therefore provide information on housing demand or need at either administrative ward or Town and Community Council level, but is intended to form the strategic basis for determining the appropriate type and level of future housing for Flintshire County Council or across a combined Wrexham and Flintshire area.
- 1.10 Whilst this housing assessment provides an informed up-to-date position statement for housing need and demand, it is important to remember that figures calculated under this model should not be used as a definitive measure of housing need or as an absolute target figure. Instead the model and its output is representative and reflective of any current level of imbalance within the local housing market and so provides an indication of the scale, type, and tenure of housing required in order to seek to redress such imbalance.
- 1.11 The Flintshire 2015 LHMA report is structured as follows:
- Chapter 2 reviews the local policy background to this study and establishes the context within which this research needs to be positioned;
 - Chapter 3 establishes the functional Local Housing Market Area;
 - Chapter 4 assesses the current housing position;
 - Chapter 5 assesses future housing demand and position;
 - Chapter 6 uses primary and secondary data to assess local housing needs; and
 - Chapter 7 concludes the report with a summary of findings, comments, and strategic recommendations.

Research methodology

- 1.12 The report includes a technical appendix, which provides detailed material that underpins the needs assessment of the LHMA. The technical appendix material includes:
- Research methodology (Appendix A);
 - Housing need calculations (Appendix B); and
 - Monitoring and updating (Appendix C).

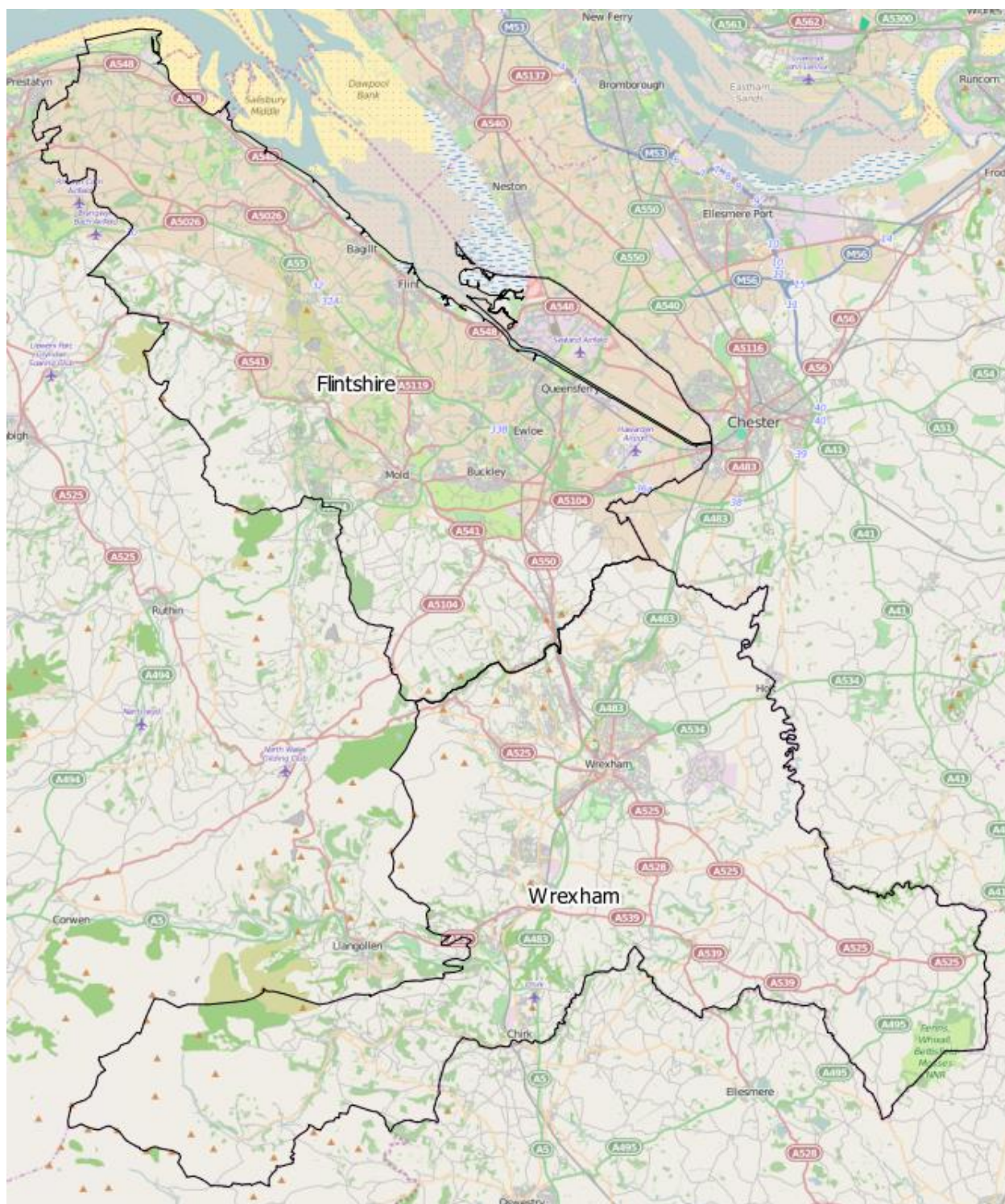
2. Local context

Introduction

- 2.1 This section of the report provides a brief overview of the local context as it relates to Flintshire County Council area; it should be read in conjunction with the strategic policy context chapter of the overarching Wrexham and Flintshire LHMA Contextual Report. This sets out the wider national and regional strategic context. This chapter briefly summarises the local policy context, thus providing the background within which these findings need to be interpreted.
- 2.2 Flintshire occupies a unique border location in the North East corner of Wales, serving as the gateway to North Wales. The County has a central role in the operation of the sub-region and is characterised by diversity. *'Flintshire boasts a significant and prosperous industrial heartland, a thriving pattern of settlements supporting a growing population, an effective transport network, and a broad range of landscapes, environments, habitats and species, some of internationally recognised importance'*.¹

¹ Flintshire County Council Unitary Development Plan 2000 to 2015 para 1.2

Map 2.1 **Flintshire context**



- 2.3 This chapter looks at, in brief, the local strategic context in Flintshire in respect of:
- Corporate policy;
 - Housing; and
 - Planning.

Corporate policy context

- 2.4 The Flintshire Community Strategy 2009-2019 sets out the vision for Flintshire as a place where:
- There is economic prosperity;
 - There is health improvement;
 - There are learning and skills for life;
 - People live sustainably; and
 - Communities are safe and supportive.
- 2.5 The Strategy goal is for Flintshire to be a place 'built on fairness and respect where people feel confident in all aspects of their diversity regardless of age, disability, gender, language, race, religion or belief, and sexual orientation.' The Strategy also promotes the Welsh Government's national action plan to create a bilingual nation.
- 2.6 The County has a dedicated Regeneration Strategy (2009-2020), which aims to deliver a 'sustainable, world class, modern economy, based on business enterprise and a highly motivated, well-trained workforce, supported by cutting-edge technology which maximises the area's physical and human assets.'
- 2.7 Housing is seen as pivotal to delivering the objectives of the Regeneration Strategy. Alongside investment in improving both existing homes and their physical environment, delivering an adequate supply of quality new homes is identified as being essential to the economic success of the County.
- 2.8 Flintshire's Wellbeing Plan, A Single Integrated Plan for Flintshire 2013-2017, has been developed by the Local Service Board (LSB), which is a multi-agency partnership. The Plan identifies four primary priorities:
- Lead by example as employers and Community Leaders;
 - People are safe;
 - People enjoy good health, wellbeing and independence; and
 - Organisational environmental practice.
- 2.9 The Council is also developing a comprehensive, long-term Welfare Reform Strategy to help mitigate the impact of welfare reform locally. This Strategy is being developed in response to local evidence that the following may increase as a result of welfare reform:
- Homelessness;
 - Demand for housing related support, welfare benefit and budgeting advice;

- Evictions in both the private and social housing sectors;
- Demand for smaller homes;
- The number of Houses in Multiple Occupation; and
- Pressure on both private and social rented housing.

Strategic housing context

- 2.10 The Flintshire Local Housing Strategy 2012-2017 '*A Quality Home for Everyone*', has three objectives, which are to deliver:
- More housing choice;
 - Improve homes and communities; and
 - Better services to improve people's lives.
- 2.11 The Strategy is seen as a key policy driver locally to deliver a range of housing programmes, including the Welsh Housing Quality Standard, regeneration and renewal commitments, the Homelessness Strategy, Supporting People, and work across the private rented sector.

More housing choice

- 2.12 Flintshire's ambition is to increase the supply and variety of affordable homes, by at least 740 new properties, over the lifetime of the Strategy by:
- Offering innovative affordable options designed to overcome financial barriers to accessing the housing market; and
 - Investing with partners in regeneration schemes such as the Flint Town Centre Regeneration Project and the Deeside Growth Zone.

Improving homes and communities

- 2.13 The Council estimates that £166 million is needed to bring Council housing in line with the Welsh Housing Quality Standard by March 2018. 32% of homes in the private sector failed to meet the Decent Homes Standard. The Strategy consequently prioritises:
- £49 million investment in Council housing;
 - Offering a wide range of advice and loans and grants to owner occupiers and landlords to eliminate Category 1 Hazards, bring empty homes back into use, and increase energy efficiency; and
 - Regenerate existing homes through the Connah's Quay, Shotton and Queensferry Renewal Area and the Townscape Heritage Initiative.

Better services to improve lives

- 2.14 The Council's ambition is to collaborate and innovate to:

- Improve access to suitable housing;
 - Offer the best advice and support to sustain people living in their own homes, irrespective of tenure;
 - Promote independent living, especially for older people by investing in Extra Care Schemes; and
 - Ensure community safety.
- 2.15 The Council's Local Housing Strategy sits within the wider local strategic context and links to the Flintshire Community Strategy, the Regeneration Strategy, and the Wellbeing Plan. It also sits alongside, and links with, the Unitary Development Plan.
- 2.16 The Council's 2010 Supporting People Strategy identified a series of overarching key commissioning priorities, which are applied to all services commissioned by Flintshire Supporting People. The commissioning priorities are:
- To provide a range of support and accommodation models across all vulnerable groups;
 - To ensure that existing services are high quality and deliver positive outcomes;
 - To link with the Social Housing Grant (SHG) programme to facilitate new development;
 - To improve access to services, to ensure that services are flexible and able to respond to a wider range of needs, are tenure neutral, and cross-authority where appropriate;;
 - To provide a mix of generic and more targeted services; and
 - To develop an 'outcomes framework' for all services.
- 2.17 The subsequent Flintshire County Council Supporting People Local Commissioning Plan 2013/14 provides a framework for the commissioning and procurement of housing-related support based on the Supporting People commissioning priorities identified in the 2010 Strategy. Actions set out within the Plan were developed in conjunction with Flintshire's Homeless Prevention Strategy 2013.
- 2.18 The priorities of the Supporting People Strategy and Commissioning Plan contribute to the Housing Strategy's priority of delivering better services to improve people's lives.

Planning policy

- 2.19 The Council's Unitary Development Plan (UDP) aims to 'help shape Flintshire's future in a physical and environmental sense, as well as influencing it in economic and social terms.' The Plan runs from 2000 to 2015 and was adopted in October 2011.
- 2.20 The Council is currently working on a new Local Development Plan (LDP) for the County. The LDP will focus on delivering sustainable development in the County for a 15-year period 2015 to 2030 and will include:

- Policies that will guide decisions on planning applications;
 - Proposals for the development of housing, retail, employment and other land uses; and
 - Policies that seek to protect and enhance the natural and built environment.
- 2.21 The Council's Delivery Agreement, which sets out the proposed timetable for delivering the LDP, was approved by the Welsh Government on 12th February 2014. The Council proposes to adopt the LDP in February 2018.

Concluding comments

- 2.22 The main purpose of this chapter has been to consider the general local policy and strategic context within which this research needs to be positioned. The policy framework for housing and planning continues to change, meaning that local flexibility and the ability to adapt to change is important. The National context of austerity will continue to mean reduced capital expenditure on housing, fundamental changes to the benefit system, a changing role for social rented housing, and a need for future housing investment to support economic growth. Economic uncertainty, lack of job security, and restricted mortgage lending exacerbate the challenges faced.
- 2.23 The importance of having robust and up-to-date information to help inform decision making at local authority level is more essential than ever. In a challenging economic climate, this LHMA provides an excellent range of material to inform policy debate, contribute to the delivery of a range of housing interventions, help inform and influence strategic responses, and shape local and regional strategic housing priorities to inform future investment plans within the overarching priority of growing Flintshire's economy.

3. Defining the Housing Market Area

Introduction

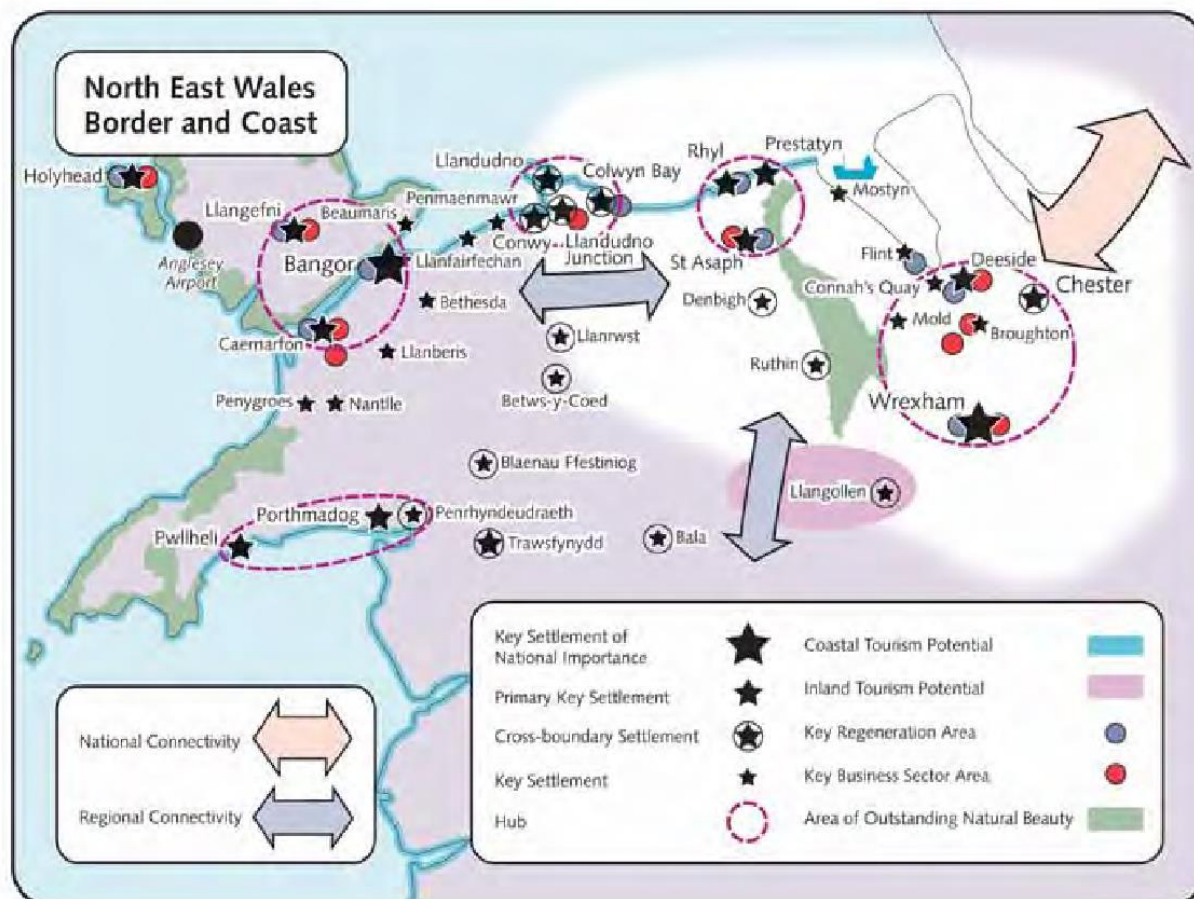
- 3.1 The Local Housing Market Assessment Guidance (Welsh Government, March 2006) accepts that whilst previous housing-based assessments have been based upon administrative or local authority boundaries, such boundaries are not necessarily reflective of true functional housing market areas. Subsequently, Local Housing Market Assessments should be based around an understanding of *'the area where the majority of households living or seeking to move in the private housing sector are willing to search for alternative accommodation'*.²
- 3.2 More simply, a Housing Market Area can be defined and recognised as *'the geographical area within which there are clear links between where people live and work'*.³ The implications of such a broad definition include the understanding that housing markets may operate across settlement, local authority and in this case potentially national, boundaries.
- 3.3 The LHMA Guide (2006) recommended through the work of Bramley et al (2000) that it may therefore be appropriate for two or three local neighbouring authorities to work together as an approximation for the functional local Housing Market Area.
- 3.4 Separate to this recommendation of approach there have been numerous studies, commissions, and ongoing areas of work which recognise the functional Housing Market Area within which Flintshire is located: the approach within the Wales Spatial Plan 2008; the ongoing work (and basis for such) of the Mersey Dee Alliance; the 2011 Simpson review; the more recent proposals to reform the planning system in Wales as well as the Commission on Public Service Governance and Delivery 2014 all directly inform and contribute towards the justification for a joint Local Housing Market Assessment for the authorities of Wrexham and Flintshire.
- 3.5 The Wales Spatial Plan 2008 update recognises and reflects the Welsh Government's understanding of the local housing markets, economic characteristics and functional market boundaries nationally. It then describes six functional areas, one of which covers the North East Wales Border and Coast spatial area. Each spatial sub-area has been defined as a reflection of the real operational linkages informing the daily activities for people living and working within an area.
- 3.6 This Plan continues to recognise the very significant contribution to both the Welsh and UK economy the Wrexham / Chester / Deeside economic hub makes, with the prosperity of this area also closely linked with that of North West England, in particular West Cheshire. These cross-border links are stated as remaining crucial to the ongoing economic success of the sub-area with future opportunities and development targeted at harnessing, enhancing, and

² LHMA Guide 2006 – Para 1.5

³ LHMA Guide 2006 – Para 2.3

maximising the special characteristics (including good quality travel and communication networks, and the quality of environment) of the sub-area.

Figure 3.1 Wales Spatial Plan 2008



Source: Wales Spatial Plan

- 3.7 Taken from The Wales Spatial Plan, Figure 3.1 (above) recognises and reflects the cross-border relationship for both Flintshire and Wrexham with Conwy and Denbighshire. However, it also identifies these as being less influenced in relation to travel to work. Accordingly the Spatial Plan suggests that these areas (Conwy and Denbighshire) align more closely with each other and westwards towards the North West Wales and Central Wales Spatial Plan Areas. Reference to the Wales Spatial Plan is therefore useful as this in part shapes both an understanding and basis for a combined approach to research and policy between the Wrexham and Flintshire authority areas.
- 3.8 Other references which help to understand and define a Housing Market Area include an understanding of the level or proportion of self-containment an area experiences. In this regard the LHMA 2006 Guide (para 2.11) says that the authorities '*should consider household movement and the factors that impact upon such flows. Functional housing market areas are partly defined by their degree of self-containment: i.e. the extent to which people move house within an*

area. These patterns of movement reflect a variety of economic and social factors including proximity to family and employment’.

- 3.9 This definition and reference is useful as it suggests several different sources of information which can be used to further identify a Housing Market Area. These include:
- House prices and rates of change in house prices;
 - Household migration and search patterns;
 - Contextual data (for example: travel to work area boundaries, retail and school catchment areas).
- 3.10 The LHMA 2006 Guide recognises that the use of these types of data sources can help to establish the level of relative self-containment of a housing market. The more moves (migration and travel to work) which take place within an area, the greater the level of self-containment and the greater the level of understanding in defining a Housing Market Area.
- 3.11 However, there is caution in all approaches and definitions in that:
- HMAs are inherently difficult to define. They are a geographic representation of people’s choices and preferences on the location of their home, accounting for living and work patterns. They can be defined at varying geographical scales from the national to sub-regional scales all the way down to specific local and settlement scales; and
 - HMAs are not definitive. As well as a spatial hierarchy of different markets and sub-markets, they will inevitably overlap.
- 3.12 Flintshire County Borough is located within North East Wales and is home to a resident population of 153,240.⁴ The Borough is bounded by the neighbouring Welsh authorities of Wrexham and Denbighshire as well by Cheshire West and Chester in England. The main population centres are in the towns of Flint, Buckley, Deeside and Mold. The remainder of the population are located in either a westward linear pattern extending along the Flintshire coast, within more rural and dispersed communities to the central and western areas of the County or in more commuter-based villages to the south and east.
- 3.13 In establishing the extent to which Flintshire County is a Housing Market Area, house price, migration, travel to work, and contextual data have been assembled.

House prices and rates of change in house prices

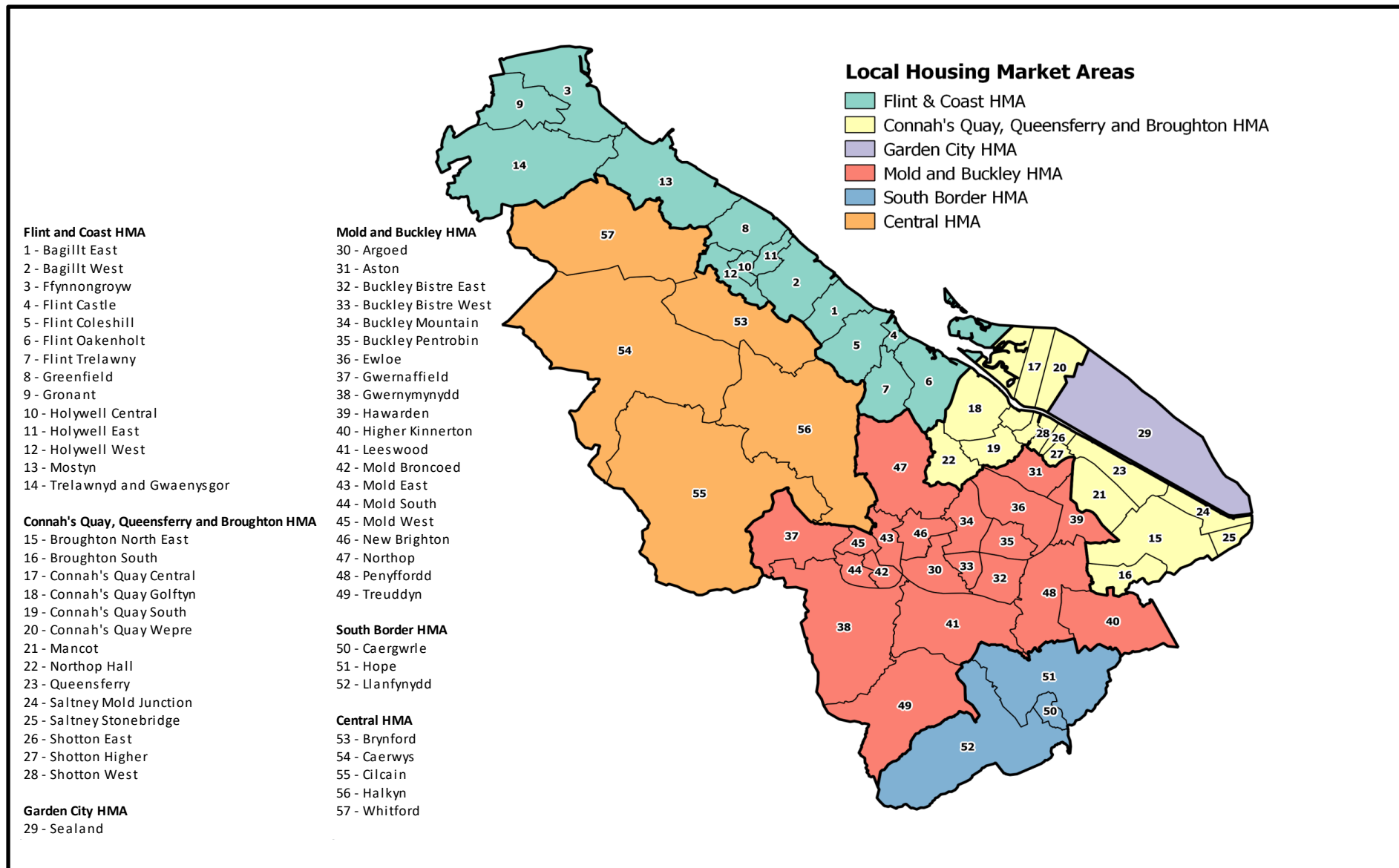
- 3.14 Figure 3.2 shows how house prices across the area have changed over the period 2000 to 2014.
- 3.15 Median prices in Flintshire County have generally been slightly higher than the median prices for Wales. Overall, prices have increased from £59,950 in 2000 to £137,000 in 2014, an increase of 128.5%. Prices peaked at £141,375 in 2007

⁴ 2013 Mid Year Estimate StatsWales

but dipped slightly in 2008 and have remained relatively stable since at between £133,000 and £138,000.

- 3.16 For the purpose of this assessment the Housing Market Areas (HMAs) have been defined by the Flintshire County Council Local Housing Strategy (2012 – 2017) and taken from previous HMA's undertaken for the Authority. Evidence collated for this report suggests that these boundaries still form the most appropriate sub-areas within the County.

Map 3.1 Flintshire Local Housing Market Areas



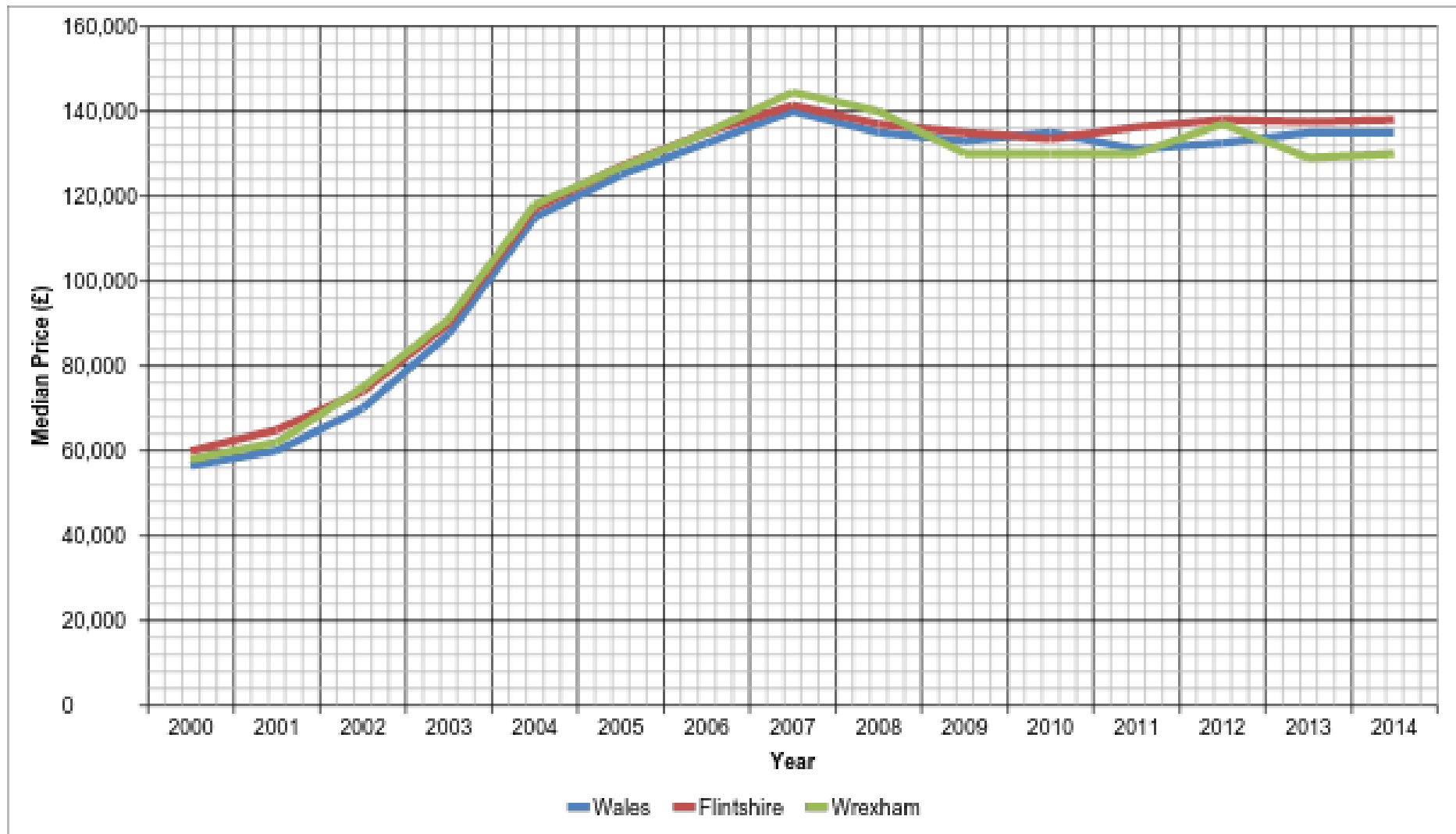
- 3.17 During the period 2013, median prices across Flintshire County were £137,000 and lower quartile prices were £108,500.
- 3.18 Table 3.1 summarises lower quartile, median, and upper quartile prices by sub-area during the period January 2013 to December 2013 based on Land Registry address-level data.

Table 3.1 House prices in Flintshire CB by sub-area			
Sub-area	Price (£)		
	Lower Quartile (25%)	Median (5)	Upper Quartile (£)
Central	£120,000	£171,000	£249,950
Connahs Quay, Queensferry & Broughton	£102,500	£125,000	£157,500
Flint & Coast	£85,000	£110,000	£140,000
Garden City	£85,750	£102,500	£131,250
Mold & Buckley	£124,995	£155,000	£199,950
South Border	£135,000	£190,000	£255,000
Flintshire County	£108,500	£137,000	£185,125

Source: Land Registry Price Paid Data 1 Jan 2013 to 31 December 2013

- 3.19 Figure 3.2 shows the median house prices for Wales and compares them over time (14 years) with those for both Flintshire and Wrexham. This shows consistently high levels of house price inflation through the early and mid 2000's up to a peak in 2007. Median house prices then suffered a period of devaluation reflective of the economic downturn and tighter lending restrictions / access to finance. Whilst there has been a slight general upturn in the housing market from 2009 onwards, in Wrexham, Flintshire and Wales there has been a continued period of relative stagnation in the housing market according to prices.

Figure 3.2 Median house price trends 2000 to 2014: Wrexham, Flintshire & Wales



Source: Land Registry

Relative affordability

- 3.20 The relative affordability of open market dwellings in Flintshire County is compared with the other Local Authorities in Wales in Tables 3.2 and 3.3.
- 3.21 Table 3.2 presents lower quartile house prices, lower quartile gross earnings of full-time workers, and a ratio of lower quartile earnings to house prices. In terms of relative affordability, Flintshire is described as “moderately affordable”. This description is based upon comparison with other Welsh Local Authorities but does not imply that affordability is not an issue for Flintshire. Lower quartile house price to income ratio is 5.7: i.e. lower quartile house prices are 5.7 times quartile gross earnings. This compares with a Welsh average lower quartile house price to income ratio of 5.3.

Table 3.2 Relative affordability of lower quartile (LQ) prices by District (residence based)

District	Lower Quartile House Price	LQ Gross Earnings per week	Annual Gross Earnings	LQ Income to House Price ratio
Monmouthshire	£139,000	£367	£19,058	7.3
Ceredigion	£125,000	£342	£17,779	7.0
Powys	£120,000	£338	£17,571	6.8
The Vale of Glamorgan	£125,000	£359	£18,668	6.7
Pembrokeshire	£115,000	£331	£17,186	6.7
Cardiff	£125,000	£360	£18,694	6.7
Gwynedd	£100,000	£303	£15,730	6.4
Denbighshire	£100,000	£308	£16,037	6.2
Conwy	£110,000	£357	£18,548	5.9
Anglesey	£104,000	£338	£17,597	5.9
Wrexham	£99,950	£332	£17,274	5.8
Flintshire	£110,000	£370	£19,250	5.7
Newport	£95,000	£347	£18,018	5.3
Wales	£95,000	£347	£18,060	5.3
Torfaen	£90,000	£338	£17,586	5.1
Bridgend	£91,000	£356	£18,528	4.9
Swansea	£90,000	£364	£18,944	4.8
Carmarthenshire	£85,000	£359	£18,668	4.6
Caerphilly	£81,000	£352	£18,288	4.4
Neath Port Talbot	£72,000	£340	£17,680	4.1
Merthyr Tydfil	£63,000	£320	£16,624	3.8
Rhondda, Cynon, Taff	£62,000	£343	£17,841	3.5
Blaenau Gwent	£52,000	£317	£16,494	3.2

Sources: Land Registry Price Paid 2013; Annual Survey of Hours and Earnings 2013

- 3.22 In terms of relative affordability based on median prices, Flintshire County is moderately affordable, with a median income to house price ratio of 5.2, compared to a Welsh average of 5.4. This is set out in Table 3.3.

Table 3.3 Relative affordability of median prices by District (residence based)

District	Median House Price	Median Gross Earnings per week	Annual Gross Earnings	Median Income to House Price ratio
Ceredigion	£162,250	£435	£22,636	7.2
Powys	£160,000	£425	£22,105	7.2
Pembrokeshire	£150,000	£433	£22,490	6.7
Cardiff	£165,000	£491	£25,527	6.5
The Vale of Glamorgan	£175,000	£535	£27,799	6.3
Anglesey	£142,500	£445	£23,130	6.2
Monmouthshire	£185,000	£578	£30,035	6.2
Denbighshire	£125,000	£417	£21,705	5.8
Gwynedd	£136,000	£449	£23,327	5.8
Conwy	£144,000	£516	£26,811	5.4
Wales	£134,950	£479	£24,929	5.4
Newport	£128,500	£462	£24,045	5.3
Flintshire	£137,500	£510	£26,494	5.2
Wrexham	£129,000	£480	£24,970	5.2
Bridgend	£125,000	£481	£25,017	5.0
Torfaen	£120,000	£468	£24,326	4.9
Swansea	£125,000	£505	£26,250	4.8
Caerphilly	£114,000	£471	£24,482	4.7
Carmarthenshire	£120,000	£504	£26,203	4.6
Neath Port Talbot	£99,000	£470	£24,419	4.1
Merthyr Tydfil	£87,250	£435	£22,594	3.9
Rhondda, Cynon, Taff	£92,000	£480	£24,955	3.7
Blaenau Gwent	£71,750	£398	£20,712	3.5

Sources: Land Registry Price Paid 2013; Annual Survey of Hours and Earnings 2013

Household migration and search behaviour

- 3.23 Data reported in the 2011 Census suggests that 67.3% of households who moved in the year preceding the Census originated from within Flintshire County.
- 3.24 Table 3.4 summarises the origins of households based on 2011 Census data. Of the 11,894 households moving into Flintshire, 8,470 (71.2%) originated from Flintshire and Wrexham; 9,064 (76.2%) originated from Flintshire and Cheshire West and Chester; and a total of 9,515 (80.0%) originated from Flintshire, Wrexham and Cheshire West and Chester.

Table 3.4 Origin of moving households		
Origin of moving household	Number	%
Flintshire	8006	67.3
Cheshire West and Chester	1045	8.8
Wrexham	464	3.9
Denbighshire	430	3.6
Wirral	169	1.4
Liverpool	118	1.0
Conwy	112	0.9
Elsewhere	1150	13.0
Total	11,494	100

Source: 2011 Census

- 3.25 Data from the household survey indicated that around 14,338 households living in Flintshire County had moved home in the preceding five years. Of these households, 9,745 (68.0%) originated within Flintshire, 676 (4.7%) originated within Wrexham and 3,917 (27.3%) originated from outside the area. This is detailed by sub-area in Table 3.5.

Table 3.5 Summary of household moves in preceding 5 years

Origin	Current sub-area of residence						Total
	Central	Connahs Quay	Flint & Coast	Garden City	Mold & Buckley	South Border	
Within Flintshire							
Central	31.3	1.2	5.0	0.0	0.0	1.2	3.2
Connahs Quay Queensferry Broughton	3.0	56.7	1.6	31.0	7.1	0.0	22.7
Flint and Coastal	10.6	3.6	59.4	0.0	3.4	1.2	14.5
Garden City	0.0	1.2	0.0	21.7	0.0	1.2	0.9
Mold & Buckley	8.3	10.2	2.4	11.1	54.4	20.1	24.7
South Border	0.7	0.0	0.0	0.0	2.1	31.9	2.1
Within Wrexham							
North East	0.0	0.0	0.0	0.0	0.0	2.6	0.1
South East	0.0	0.0	0.0	0.0	0.5	0.0	0.2
South West	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Western Border	0.0	1.2	0.0	2.2	1.0	15.0	1.4
Wrexham	0.0	1.2	0.0	0.0	6.4	8.2	3.0
Elsewhere							
Denbighshire	21.0	0.5	7.6	3.4	2.6	0.0	3.8
Conwy	0.0	1.2	0.0	0.0	1.0	0.0	0.8
Elsewhere in Wales	2.5	3.6	0.0	0.0	0.0	0.7	1.4
Cheshire West and Chester	9.3	9.2	0.8	24.8	11.9	3.8	8.7
Shropshire	2.5	0.5	2.1	0.0	0.0	0.0	0.7
Merseyside including Wirral	1.4	2.4	1.7	1.2	2.0	0.0	2.0
Elsewhere in North West England	4.8	0.0	9.5	4.6	1.6	6.8	3.0
Elsewhere UK	3.3	5.6	9.1	0.0	5.5	2.6	5.9
Outside UK	1.2	1.5	0.9	0.0	0.5	4.5	1.1
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Summary: Flintshire	54.0	72.9	68.3	63.8	67.0	55.7	68.0

Source: 2014 Household Survey

- 3.26 Table 3.5 indicates that in five sub-areas at least 60% of households moved from within Flintshire. The exceptions were Central (54.0%) and South Border (55.7%). It is worth noting Flint & Coast has the highest proportion of people moving from elsewhere in the North West of England and elsewhere in the UK. Flint & Coast and Mold & Buckley had the highest retention levels, with over 50% of households moving from within the same sub-area. By comparison, only 21.7% of households moving in Garden City originated from Garden City.

Characteristics of in-migrant households

- 3.27 The household survey identified around 4,600 households who had moved into Flintshire County in the preceding five years. Information relating to in-migrant households includes:
- A majority (71.1%) moved into a house, particularly detached (29.7%) and semi-detached (32.5%), but few moving into terraced houses (8.9%); a further 17.8% moved into a bungalow; 9.1% to a flat/apartment and 2.0% to other property types;
 - 34.5% moved into smaller properties with one or two bedrooms; 42.9% moved into properties with three bedrooms and 22.7% into properties with four or more bedrooms;
 - 60.6% moved into owner occupied properties; 35.5% into private renting and 4.0% moved into affordable (social rented/intermediate tenure) dwellings;
 - Overall, 36.5% of migrant households moved to Mold and Buckley, 28.3% into Connahs Quay, Queensferry and Broughton, 19.0% into Flint and Coast, 8.1% into Central, 5.5% into South Border and 2.5% into Garden City sub-areas;
 - 38.1% of in-migrant Household Reference People (Heads of Household) were aged 16-39, a further 34.2% were aged 40-59 and 27.8% were aged 60 or over;
 - The majority of Heads of Household of in-migrant households were in employment (64.9%) with a further 21.5% retired, 7.1% permanently sick/disabled and 2.3% looking after the home;
 - 34.3% of households had a weekly income of less than £300, 21.1% had an income of between £300 and £500 each week and 44.6% had an income of at least £500 each week; and
 - The main reasons for moving were to be closer to work/new job (19.7%), to be closer to family/friends to give/receive support (11.7%), and wanting to buy a larger property (11.5%).
- 3.28 In summary, 32.0% of households moving in the past five years originated from outside Flintshire County. Of this number, 4.7% originated from Wrexham County Borough and 27.3% from outside of the study area. Most moved into the private housing sector, with around 60.6% moving into owner occupation and 35.5% into private renting. Moving to be closer to work/new job and closer to family/friends were key migration drivers. 72.3% of in-migrant households had a Household Reference Person aged under 60 and 27.8% were aged 60 and over; overall 64.9% were in employment and 55.4% had an income (of Household Reference Person and partner) of less than £500 each week.

Residential mobility within Flintshire County

- 3.29 The household survey identified that the vast majority (68.0%) of households moving within the preceding five years had moved within Flintshire County (around 9,700 households).

- 3.30 Households moving within Flintshire County were doing so for a variety of reasons. Those most frequently reported were wanting a larger property (21.5%), being forced to move (8.8%) and to move to a better neighbourhood (5.5%).
- 3.31 Table 3.6 reviews the tenure choices of households moving within Flintshire County. Owner-occupiers are most likely to remain in the same tenure (69.8%), while only 21.0% of private renters and 4.4% of affordable housing tenants remained in the same tenure. 51.5% of private renters moved into affordable (mainly Social Rented) accommodation and 95.6% of affordable housing tenants moved into private rented accommodation. Respondents who had previously lived with family and friends (i.e. newly forming households) moved into all major tenures, but especially affordable accommodation (43.0%).

Table 3.6 Residential mobility – movement between different tenures						
Current Tenure	Previous Tenure					Total
	Owned	Social/Affordable Rented	Private Rented	Previously living with family/friends	Other	
Owned	69.8	0.0	27.4	28.7	0.0	41.5
Social/Affordable	17.6	4.4	51.5	43.0	0.0	29.6
Private Rented	12.6	95.6	21.0	28.2	0.0	28.9
Total	100.0	100.0	100.0	100.0	100.0	100.0
<i>Base</i>	4039	1328	3029	1208		9628

Source: 2014 Household Survey

- 3.32 Table 3.7 considers the profile of dwellings being moved into by households moving within Flintshire County. Households are moving into a variety of dwelling types and sizes, most notably to: one (29.1%) and two (28.9%) bedroom dwellings; and semi-detached (26.0%) houses.

Table 3.7 Residential mobility – profile of properties moved into by type and size						
No. Bedrooms	Property type (%)					Total
	Detached house	Semi-detached house\ town house	Terraced house	Bungalow	Flat/ Apartment	
One	0.1	7.0	7.5	9.0	5.4	29
Two	3.6	15.4	6.7	3.1	0.0	28.8
Three	9.0	0.5	0.6	0.2	0.1	10.4
Four	7.0	0.0	0.0	0.1	0.0	7.1
Five or more	1.4	0.0	0.0	0.2	0.0	1.6
Total	21.1	22.9	14.8	12.6	5.5	100.0
<i>Base (valid responses)</i>		9,742				

Households planning to move

- 3.33 Around 10,400 households plan to move in the next five years. Table 3.8 summarises the moving intentions of households based on the first preference they stated. Overall, 76.1% of households intend on remaining in Flintshire County and 23.9% intend to move out. This would suggest a strengthening of Flintshire as a broadly self contained housing market.
- 3.34 Of the 23.9% of households planning to move out, only 0.4% were planning to move to Wrexham County Borough. 5.2% were planning to move to Cheshire West and Chester, 2.6% to Denbighshire and 4.9% to elsewhere in the UK.
- 3.35 The main reasons why households plan to move out of the Flintshire County area were wanting a larger or better property (21.7%), needing a smaller property (16.8%) and needing housing suitable for older/disabled person(s) (11.9%).

Table 3.8 First choice destination of households planning to move in next five years

Destination location	% stating as first preference
Flintshire	
Flint, Holywell & Coast	15.7
Chester Hinterland	5.6
Rural West Flintshire	11.9
Mold	14.3
Eastern Settlements	9.0
Ewloe	8.0
Queensferry & Connah's Quay	11.7
Wrexham	
Wrexham Town	0.0
North East Wrexham	0.2
South East Wrexham	0.0
Ceiriog Valley	0.0
West Wrexham	0.2
Elsewhere	
Denbighshire	2.6
Conwy	1.9
Gwynedd	0.8
Isle of Anglesey	1.8
Elsewhere in Wales	1.5
Cheshire West and Chester	5.2
Shropshire	1.0
Merseyside (includes Wirral)	0.6
Elsewhere in North West England	1.8
Elsewhere UK	4.9
Outside UK	1.4
Total	100.0
Base	10,171

Source: 2014 Household Survey

Travel to work trends

- 3.36 The 2011 Census provides an analysis of travel to work patterns and the extent to which residents in Flintshire County travel to other areas together with details of how many people commute into the area. The 2011 Census identified the travel to work patterns of 69,276 individuals (using actual specified workplaces) and of these:
- 43,733 lived and worked in Flintshire (including 6,697 who work at home);
 - 23,817 commuted into Flintshire for work but lived outside the area; and
 - 25,543 lived in Flintshire but commuted out of the area for work.
- 3.37 In addition, the 2011 Census also reports 132 residents working on offshore installations, 4,891 with no fixed place of work and 122 working outside the UK.
- 3.38 Overall, 63.1% of Flintshire County residents worked in Flintshire, 15.4% in Cheshire West and Chester, 6.6% in Wrexham and 0.4% in Shropshire.

Concluding comments

- 3.39 The purpose of this chapter has been to consider the general housing market context of Flintshire County and its interrelationships with other areas. By reviewing migration and travel to work patterns, a picture of the market dynamics of Flintshire County emerges.
- 3.40 Analysis of 2011 Census migration data suggests that 63.7% of households move within the Flintshire area and 63.1% of household reference people work within the Flintshire area. Whilst recognising that both of these measures fall just short of the typical 70% threshold level, Flintshire County can be described as a broadly self-contained housing market. This description reflects the assessed and defined housing market areas within both neighbouring local authority areas of Cheshire West and Wrexham and the relationship between these two areas. Flintshire is therefore part of the wider functional economic areas including Wrexham and Cheshire West and Chester but experiences a high and consistent level of self containment.
- 3.41 In keeping with good practice requirements (Planning Policy Wales Para 9.2.2), the Wrexham and Flintshire LHMA has been produced in collaboration between the two local authorities in order to better understand the dynamics of the wider housing market in this part of North East Wales.
- 3.42 Whilst there are obvious interactions with Cheshire West and Chester, the level of self-containment by household moves and travel to work, alongside national guidance and regional economic evidence further strengthen the rationale for undertaking this LHMA on a combined basis with the Wrexham County Borough area.

4. Understanding the Current Housing Position

Introduction

- 4.1 The purpose of this chapter is to explore the housing market dynamics of Flintshire County focusing on: current stock profile and condition; tenure characteristics; overcrowding and under-occupancy; and understanding the key market drivers. The analysis within this chapter will help to understand the past and current underlying market trends and conditions and will help inform the understanding of current and future housing market drivers (covered in detail in Chapter 5).

Estimates of current dwellings in terms of size, type, condition, tenure

- 4.2 According to the 2011 Census, there were 65,795 dwellings and 63,781 households in Flintshire. The latest data from the Council would suggest a total of 66,460 dwellings, with 64,108 occupied and an additional 2,352 vacant.
- 4.3 This study assumes a total of 64,108 occupied dwellings in Flintshire County (Table 4.1).

Table 4.1 Occupied Stock by sub-area	
Sub-area	Total Households
Central	4476
Connahs Quay, Queensferry & Broughton	18576
Flint & Coast	14001
Garden City	1250
Mold & Buckley	23309
South Border	2496
Total	64108

Source: 2014 Council Tax

Property size and type

- 4.4 Table 4.2 reviews the profile of occupied dwelling stock by size and type across Flintshire. Overall, the vast majority (73.3%) of properties are houses, 17.5% are bungalows, 8.2% are flats/apartments and 0.9% are other types of property including park homes/caravans. Of all occupied properties, 7.3% have one bedroom/studio, 23.9% have two bedrooms, 48.0% have three bedrooms and 20.8% have four or more bedrooms.

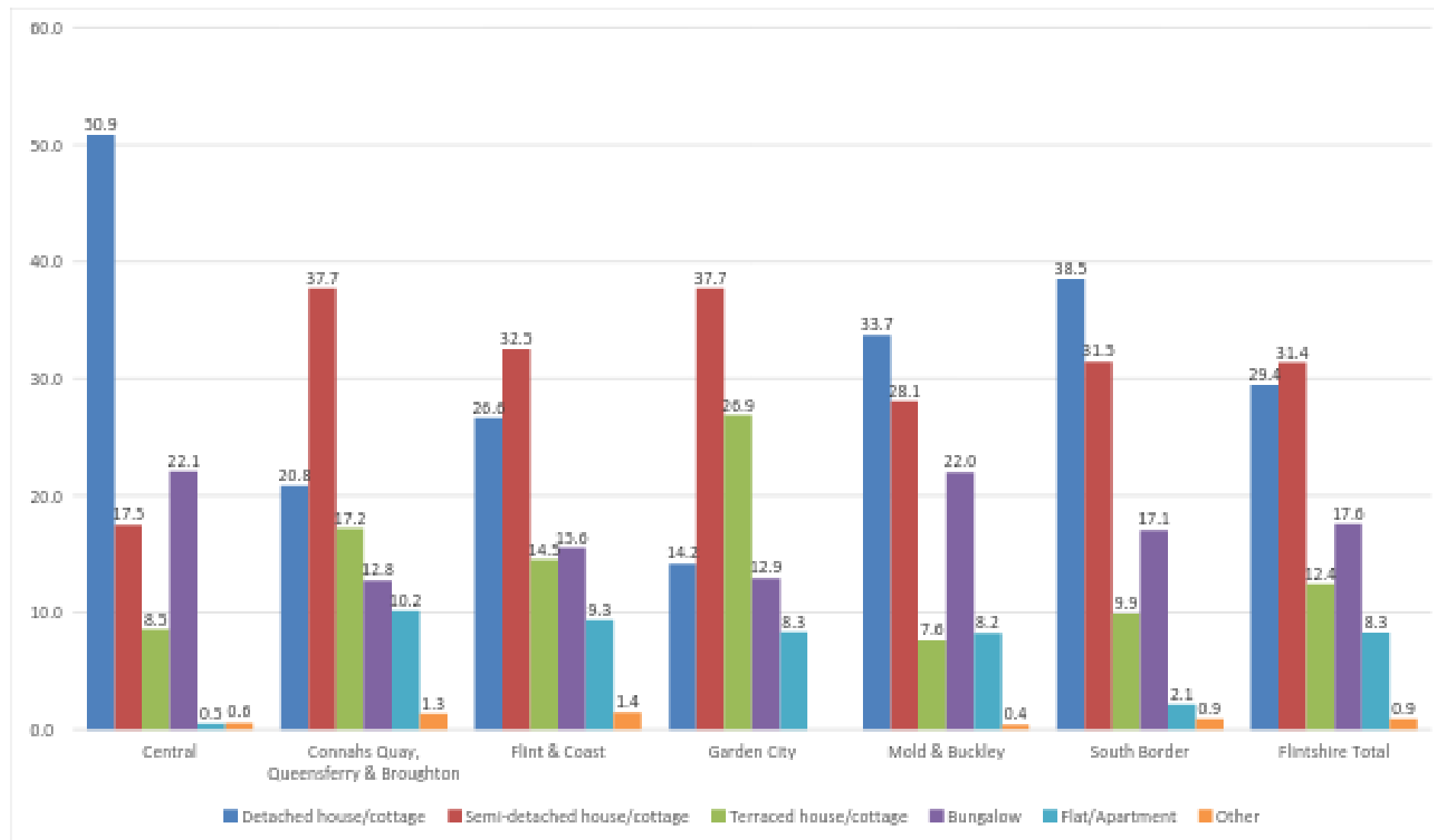
Table 4.2 Property type and size of occupied dwellings across Flintshire

Property Type	No. Bedrooms (Table %)					Total	Base (Valid response)
	One	Two	Three	Four	Five or more		
Detached house	0.1	1.7	11.1	13.4	3.1	29.4	18782
Semi-detached house	0.1	5.0	24.2	2.0	0.2	31.4	20038
Terraced house / town house	0.7	5.6	5.6	0.5	0.0	12.4	7929
Bungalow	1.7	7.6	6.7	1.4	0.1	17.6	11207
Flat / apartment	4.4	3.6	0.2	0.1	0.0	8.3	5267
Caravan / park home	0.1	0.3	0.0	0.0	0.0	0.3	199
Other	0.2	0.2	0.1	0.1	0.0	0.6	377
Total	7.2	23.9	48.0	17.5	3.4	100.0	63799
<i>Base (Valid response)</i>	4607	15273	30639	11133	2147	63799	

Source: 2014 Household Survey

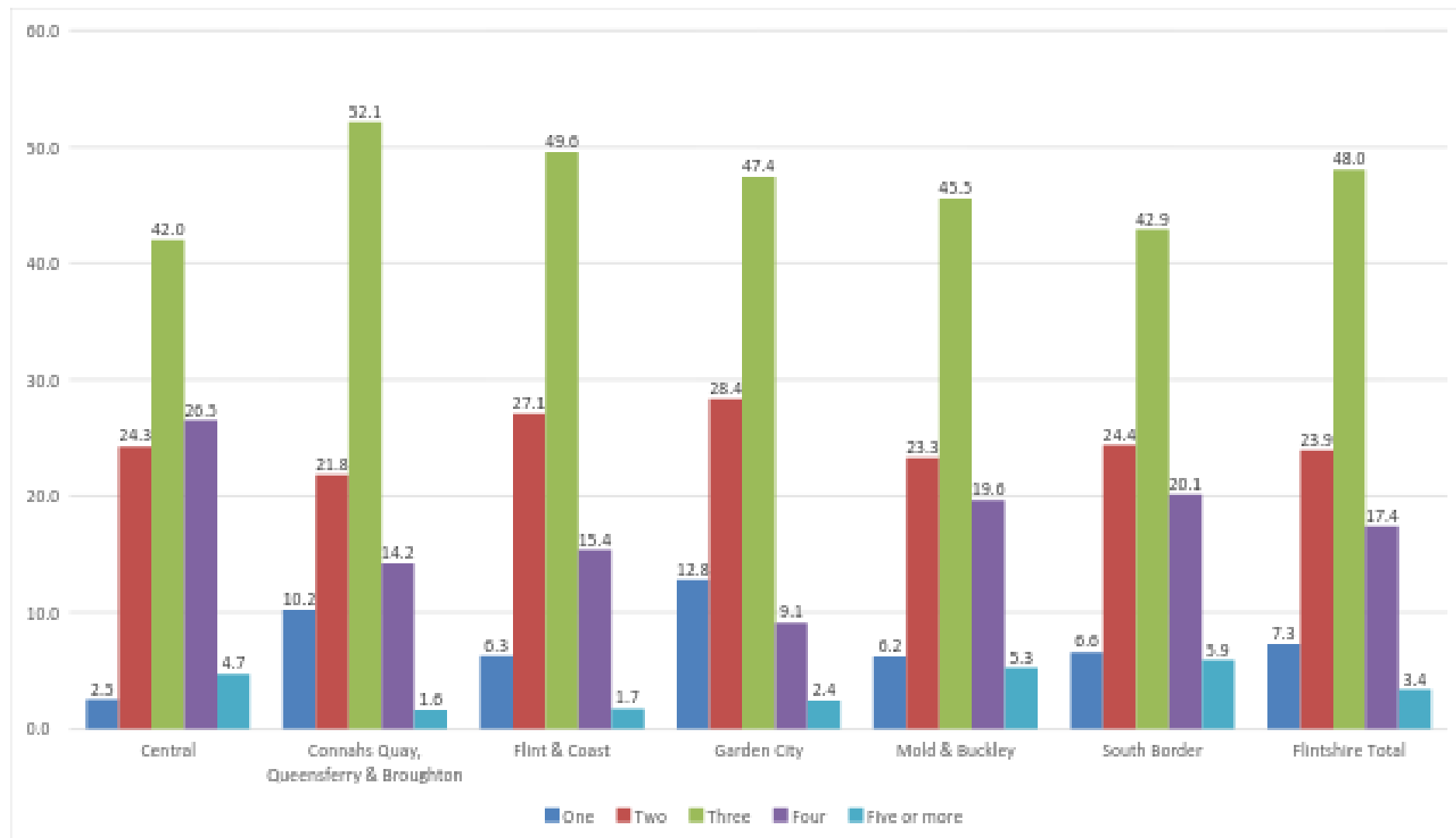
- 4.5 How property type varies by sub-area is illustrated in Figure 4.1 and variations in number of bedrooms by sub-area in Figure 4.2.
- 4.6 Notable sub-area variations include the relatively high proportion of detached houses (including cottages) in the Central sub-area, at just over half of all dwellings. An above-average (29.4%) of detached houses are also found in Mold & Buckley and South Border sub-areas. These areas also have a significant proportion of bungalows. There is a predominance of semi-detached houses (including cottages) in Connah's Quay, Flint & Coast and Garden City. In terms of property size, there is a general predominance of three-bedroom dwellings across all sub-areas. There is an above-average proportion of homes with four or more bedrooms in Central, Mold & Buckley and South Border sub-areas. This market typology is reflective of the rural attractive nature of the sub-areas as well as the commuting links into neighbouring employment centres in Cheshire West.

Figure 4.1 Property type by sub-area (%)



Source: 2014 Household Survey

Figure 4.2 Property size by sub-area (%)



Source: 2014 Household Survey

Property condition

- 4.7 The 2014 Household Survey reviewed the extent to which households were satisfied with the state of repair of their dwellings. Overall 79.8% of respondents expressed satisfaction (37.8% were very satisfied and 42.1% were satisfied); 12.5% were neither satisfied nor dissatisfied; a total of 7.7% expressed degrees of dissatisfaction, of whom 6.1% were dissatisfied and 1.6% were very dissatisfied. Table 6.3 explores how the level of dissatisfaction varied by dwelling tenure, age and type.
- 4.8 Data indicates that households in Garden City (10.4%) were more likely to express dissatisfaction. Levels of dissatisfaction were highest amongst furnished private renters (17.9%) and those who rent from Flintshire County Council (16.9%).
- 4.9 In terms of property type and age, dissatisfaction was highest amongst respondents living in terraced houses/town houses (17.1%) and in flats/apartments (13.6%) and amongst residents in properties built before 1964.

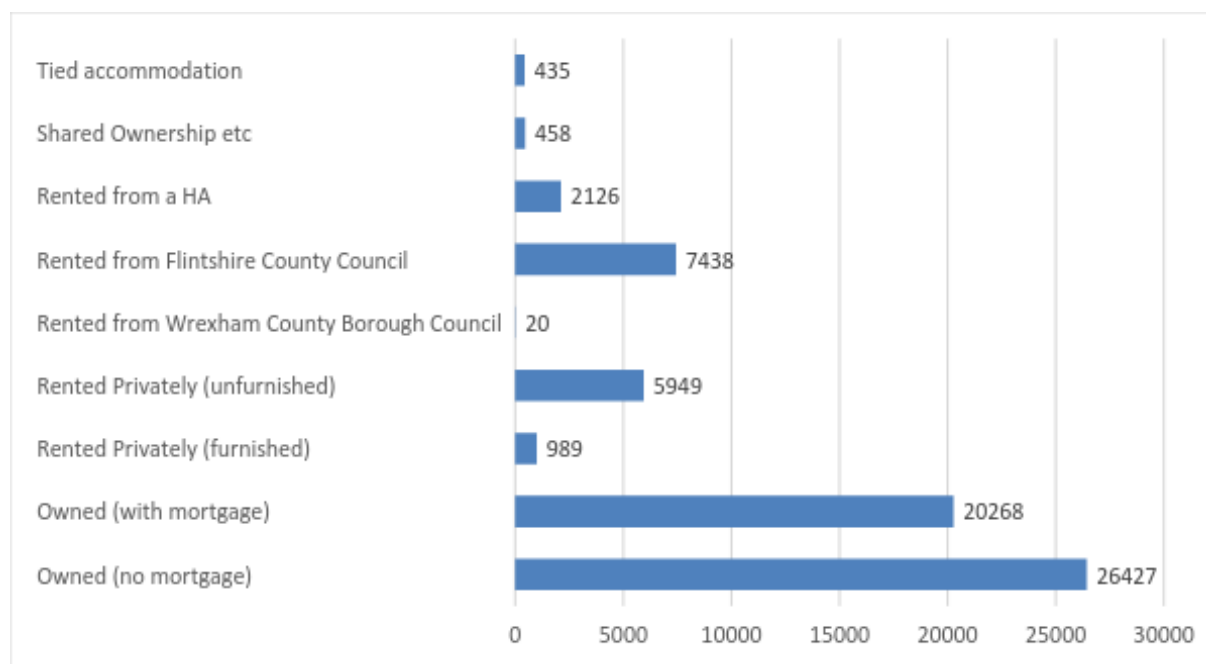
Table 4.3 Dissatisfaction with state of repair by sub-area, property tenure, age and type

Sub-area	No. Dissatisfied	% Dissatisfied	Base
Central	247	5.5	4476
Connahs Quay, Queensferry & Broughton	1495	8.0	18576
Flint & Coast	1025	7.3	14001
Garden City	130	10.4	1250
Mold & Buckley	1814	7.8	23309
South Border	148	5.9	2496
Tenure	No. Dissatisfied	% Dissatisfied	Base
Owned (no mortgage)	940	3.6	26425
Owned (with mortgage)	1506	7.4	20268
Rented Privately (furnished)	13	1.3	989
Rented Privately (unfurnished)	1064	17.9	5950
Rented from Flintshire County Council	1264	16.9	7458
Rented from a HA	73	3.4	2125
Shared Ownership etc	0	0.0	458
Tied accommodation	0	0.0	435
Property Type	No. Dissatisfied	% Dissatisfied	Base
Detached house / cottage	653	3.5	18782
Semi-detached house / cottage	1549	7.7	20155
Terraced house / town house / cottage	1354	17.1	7936
Bungalow	528	4.7	11207
Flat / Apartment	717	13.6	5266
Caravan / Park Home	7	3.5	199
Other	22	5.8	377
Property Age	No. Dissatisfied	% Dissatisfied	Base
Pre 1919	932	10.7	8714
1919-1944	753	10.0	7548
1945-1964	1354	11.9	11369
1965-1984	1205	6.6	18305
1985-2004	315	2.8	11240
2005 onwards	0	0.0	3182
Total	4861	7.7	63232

Source: Household Survey 2014

Property tenure

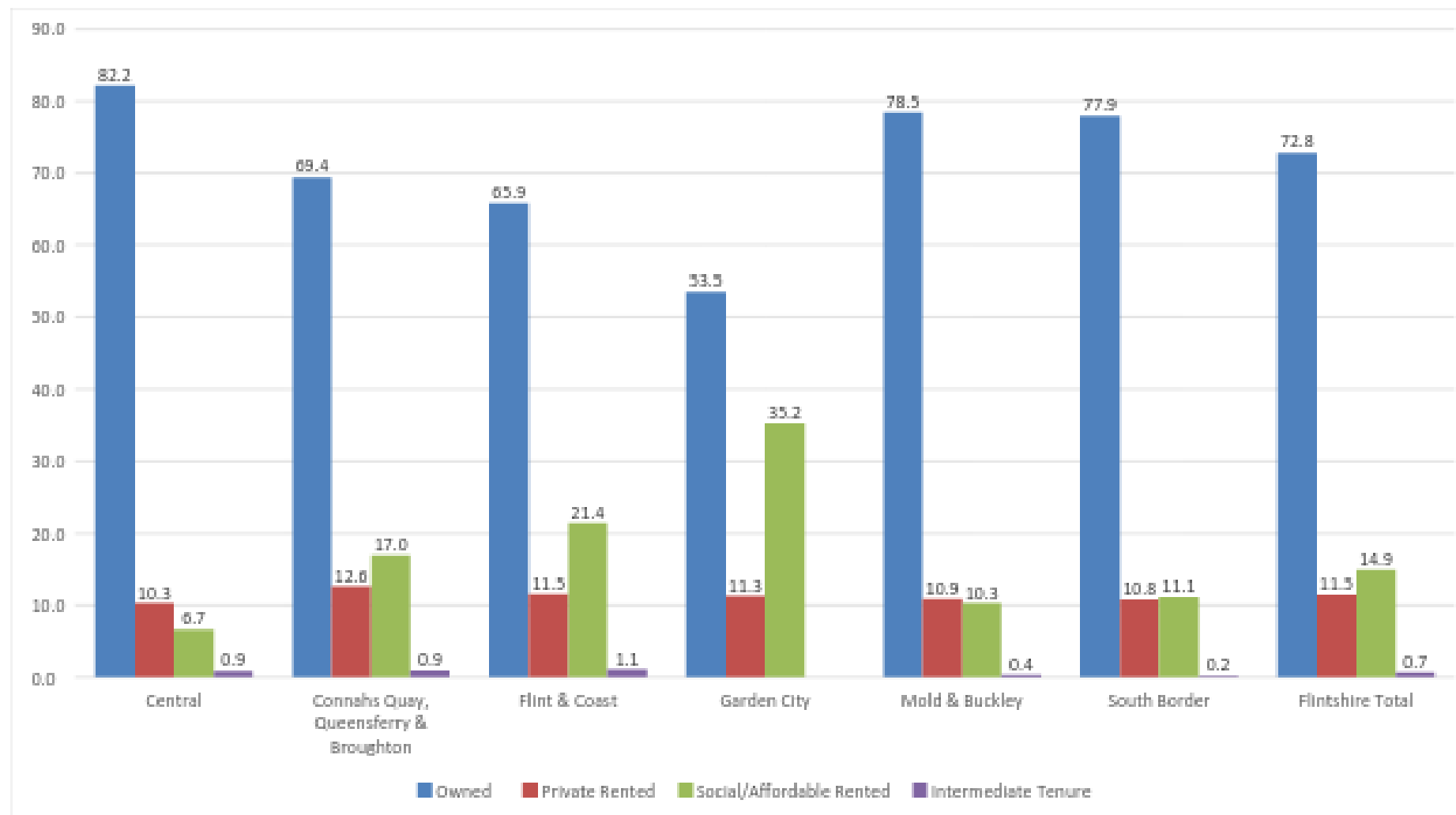
- 4.10 The tenure profile of the Flintshire County area is summarised in Figure 6.3. Variations in broad tenure groups by sub-area are summarised in Figure 6.4. Overall, based on survey evidence, 72.8% of occupied dwellings are owner-occupied, 11.5 % are private rented (including tied accommodation), 14.9% are rented from a social housing provider and 0.7% are intermediate tenure dwellings.

Figure 4.3 Flintshire County: tenure profile of occupied dwellings

Source: 2014 Household Survey

- 4.11 Tenure profile varies across Flintshire (Figure 4.4). The proportion of owner-occupied dwellings is highest in Central sub-area (82.2%) and social renting is highest in Garden City (35.2%). The level of private renting is relatively consistent across the sub-areas, ranging between 10.3% (Central) and 12.6% (Connahs Quay, Queensferry & Broughton).

Figure 4.4 Flintshire tenure profile by sub-area (%)



Source: 2014 Household Survey

Owner-occupied sector

- 4.12 72.8% (46,695) of households across Flintshire are owner occupiers. 41.2% of all households (26,427) own outright and 31.6% of all households (20,268) have a mortgage.
- 4.13 The household survey provides the following information on owner occupied stock:
- Most owner-occupied properties are houses, with 37.2% detached, 32.3% semi-detached and 18.3% bungalows; a further 10.2% are terraced/town houses, 1.3% flats and 0.7% other property types;
 - 54.1% of properties have three bedrooms, 27.3% have four or more bedrooms, 17.5% have two bedrooms, and 1.2% have one bedroom;
 - Around 14.4% of owner-occupied stock was built pre-1919, 29.1% was built between 1919 and 1964; 32.1% was built between 1965 and 1984 and 24.4% has been built since 1985;
 - 84.8% of owner-occupier households are satisfied or very satisfied with the quality of their accommodation, 9.9% are neither satisfied nor dissatisfied and 5.3% expressed degrees of dissatisfaction.
- 4.14 Over the period 2000 to 2014, lower quartile and median house prices across Flintshire County have increased dramatically as summarised in Table 4.4.
- 4.15 It is interesting to note that in 2000, a household income of £12,571 was required for a lower quartile price to be affordable; by 2014 this had increased to £31,786. In comparison, an income of £17,129 was required for a median priced property to be affordable in 2000 compared with £39,421 in 2014.

Table 4.4 Lower Quartile and median price and income required to be affordable

Flintshire County	House Price (£)		Income to be affordable*	
	2000	2014	2000	2014
Lower Quartile	£44,000	£111,250	£12,571	£31,786
Median	£59,950	£137,975	£17,129	£39,421

Source: Land Registry

*Assuming a 3.5x income multiple

- 4.16 A range of socio-economic and demographic information on residents has been obtained from the household survey. Some interesting observations relating to owner-occupiers include:
- In terms of household type, 26.4% of owner occupiers are couples with children, 29.7% are older (65 or over) singles and couples, 19.6% are couples (under 65 with no children), 14.3% are singles (under 65), 6.2% are lone parents and 3.6% are other household types;
 - The majority of Household Reference People (Heads of Household) living in owner occupied dwellings are in employment (59.7%) and a further 34.1%

are wholly retired from work. The proportion retired is considerably higher for outright owners (55.5%);

- Incomes amongst owner occupiers tend to be high, with 49.0% receiving at least £500 each week. That said, incomes amongst outright owners tend to be lower than for mortgaged owners, with 34.9% receiving less than £300 each week compared with 11.5% of mortgaged owners. This reflects the different age profile and economic status of outright owners;
- In terms of length of residency, 42.7% of owner occupiers have lived in the same property for 20 years or more (and the figure is 61.7% for outright owners).

Stakeholder views on the owner occupied sector⁵

- 4.17 Accompanying the main household survey, a range of stakeholders (i.e. key notable contacts / professionals including estate and letting agents, housing associations and house builders) within the local area were contacted and asked for their considered views and opinions on the current housing market in Flintshire. Whilst these comments and opinions do not form part of the empirical or quantitative evidence, they do provide a qualitative flavour or feel for the market informed by those working professionally within the sector. The following paragraphs provide a summary of responses where these relate to the private housing market.
- 4.18 Stakeholders were aware of the new development activity in Wrexham and Flintshire, but the overall consensus supported the view that this was limited in scale.
- 4.19 The current demand profile identified for new properties by stakeholders was broad and includes:
- Buy to let;
 - Family housing in exclusive locations; and
 - Two, three and four bed family houses.
- 4.20 However, it was noted that despite the impact and concerns over welfare reform, there was no real market for smaller one bedroom properties.
- 4.21 Respondents identified demand for new housing as coming from existing residents as well as new households seeking to move into the area.
- 4.22 In terms of the preferred locations for housing there was more support for:
- Rural / semi-rural / Green-field locations;
 - Brownfield sites in villages;
 - Sustainable locations where there is a proven need for housing; and
 - Respondents were less supportive towards the principal of large strategic sites, citing previous issues over deliverability and viability. Instead

⁵Stakeholder views were given in response to an on-line survey covering both Flintshire County Council and Wrexham Borough County Council areas

developers and purchasers preferred to see a selection of small to medium size sites across smaller settlements.

- 4.23 There were a range of responses when stakeholders were asked what type of new homes should be built, including:
- A mix of house types;
 - Two- and three-bedroom houses;
 - Three- to five-bedroom detached family homes;
 - Homes for older people;
 - Extra care housing for older people; and
 - Limited / no demand for flats in Wrexham.
- 4.24 Respondents felt that the market for new build privately owned homes would continue to grow and demand would continue to increase.

Private Rented Sector

- 4.25 The Welsh Government recognises that the role of the private rented sector (PRS) has become an increasingly more important housing choice to support economic mobility as well as providing a more flexible form of tenure for households. Nationally around 14% (or 180,000) of all households in Wales currently rent privately, with this level anticipated to grow further to around one in every five households (20%) renting privately by 2020.
- 4.26 At this level of continued growth, private rented accommodation will be the second most used accommodation, and even with the expected repeal of Right-to-Buy legislation in Wales, will grow significantly beyond the level of affordable housing.
- 4.27 The private rented sector is typically diverse in nature and occupancy and so is often home to students, single people, and those seeking short term housing solutions. However, due to factors including the economic downturn, comparatively low levels of house building, a continued loss of social housing through Right-to-Buy, as well as factors including the deregulation of pensions and an increase in individual buy-to-let investors, the PRS is increasingly being used as a longer-term housing option for many.
- 4.28 A report 'The Modern Private Rented Sector' provides a useful overview of the sector.⁶ Drawing upon 2001 census data, it suggests that the private rented sector has five key roles:
- A traditional housing role for people who have lived in the private rented sector for many years;
 - Easy access housing for the young and mobile;
 - Providing accommodation tied to employment;

⁶ 'The Modern Private Rented Sector' David Rhodes, 2006 University of York with CIH/JRF

- A residual role for those who are unable to access owner occupation or social renting; and
 - An alternative to social rented housing (for instance those wanting to move to a different area but unable to do so through their social housing provider).
- 4.29 Given the range of roles of the private rented sector, there is a considerable diversity in the characteristics of private renting tenants. Evidence from the 2001 census (Rhodes, 2006) indicates that households living in private rented accommodation:
- tend to have younger Heads of Household;
 - are ethnically diverse;
 - singles, lone parents and other multi-adult households are over-represented compared with other tenures;
 - people in professional and higher technical occupations are over-represented compared with other tenures;
 - are more likely to be highly mobile geographically and turnover rates are high; and
 - are more likely to accommodate international migrants.
- 4.30 The report 'The Private Rented Sector: its contribution and potential' identified that the private rented sector is complex and distinct sub-markets include:⁷
- Young professionals;
 - Students, whose needs are increasingly being met by larger, branded, institutional landlords;
 - The housing benefit market, where landlord and tenant behaviour is largely framed by housing benefit administration;
 - Slum rentals at the very bottom of the PRS, where landlords accommodate often vulnerable households in extremely poor quality property;
 - Tied housing, which is a diminishing sub-sector nationally but still has an important role in some rural locations;
 - High-income renters, often in corporate lettings;
 - Immigrants whose most immediate option is private renting;
 - Asylum seekers, housed through contractual agreements with Government agencies;
 - Temporary accommodation, financed through a specific subsidy from the Department for Work and Pensions; and
 - Regulated tenancies, which are a dwindling portion of the market.
- 4.31 In recognition of the level of growth in this sector and its relative importance moving forward, the Welsh Government has published new private sector

⁷ The Private Rented Sector: its contribution and potential' Julie Rugg and David Rhodes, Centre for Housing Policy The University of York 2008

legislation aimed to directly support this increasingly vital sector of the housing market. The Homes for Wales white paper announced that it will seek to establish a system of stewardship to housing where methods of intervention, responsibility and opportunity will reach out to and across the entire housing industry.

The Housing (Wales) Bill (November 2013) includes several elements and proposals relating to the PRS including:

- Tenancy Reform;
- A national PRS registration and accreditation scheme; and
- The ability to discharge homelessness duties into the PRS.

- 4.32 The private rented sector accommodates around 11.5% (7,373) of households across Flintshire. Of these households, 5,949 rent unfurnished properties, 989 rent furnished accommodation and 435 rent with their job (tied accommodation). Table 4.5 summarises the number of private rented dwellings by sub-area and indicates that most existing private rented accommodation is located within the sub-areas of Mold & Buckley and Connah's Quay, Queensferry & Broughton. Most private rented accommodation (9.3%) is unfurnished accommodation. The Garden City, South Border and Central sub-areas each contain less than 0.5% of the private rented accommodation available across the County.

Table 4.5 Profile of private rented sector in Flintshire County

Sub-area	Tenure						Total	
	Rented Privately (furnished)		Rented Privately (unfurnished)		Tied accommodation			
	Count	% of PRS	Count	% of PRS	Count	% of PRS	Count	% of PRS
Central	41	0.9	389	8.7	30	0.7	460	0.7
Connahs Quay, Queensferry & Broughton	348	1.9	1885	10.1	116	0.6	2349	3.7
Flint & Coast	198	1.4	1311	9.4	108	0.8	1617	2.5
Garden City	14	1.1	125	10.0	2	0.2	141	0.2
Mold & Buckley	336	1.4	2052	8.8	149	0.6	2537	3.9
South Border	52	2.1	187	7.5	30	1.2	269	0.4
Total	989	1.5	5949	9.3	435	0.7	7373	11.5

Source: 2014 Household Survey

- 4.33 Most private rented properties (67.4%) are houses (of which 32.6% are semi-detached, 22.5% are terraced/town houses and 12.3% are detached); a further 22.1% are flats, 10.2% are bungalows and 0.3% are other property types. 16.2% of privately rented properties have one bedroom/bedsit, 47.8% have two bedrooms, 31.3% have three bedrooms and 4.6% have four or more bedrooms. Further analysis of private rented stock and household characteristics can be found at Appendix B.

- 4.34 The characteristics of tenants are diverse and in particular the private rented sector accommodates singles under 65 (32.2%), lone parents (23.0%), couples with children (16.8%) and couples (under 65 with no children) (14.1%).
- 4.35 35.1% have lived in their accommodation for less than two years. In terms of income, 43.2% of privately renting households receive less than £300 gross each week, 34.1% receive between £300 and £500 each week and 22.6% receive at least £500 each week, indicating that the private rented sector tends to accommodate lower income households. 64.8% of Household Reference People (Heads of Household) living in private rented accommodation are employed, 10.1% are carers or looking after the home, 8.4% are wholly retired from work, 8.2% are permanently sick/disabled and 4.4 % are unemployed.
- 4.36 Accompanying the main household survey, a range of stakeholders (i.e. key notable contacts / professionals including estate and letting agents, Housing Associations and house builders) within the local area were contacted and asked for their considered views and opinions on the current housing market in Wrexham. Whilst these comments and opinions do not form part of the empirical or quantitative evidence, they do provide a qualitative flavour or feel for the market informed by those working professionally within the sector. The following paragraphs provide a summary of responses where these relate to the private rented sector.

Stakeholder views on the private rented sector⁸

- 4.37 The majority of respondents identified the size of the private rented sector in the study area as being 'about right'. Only one respondent identified the private rented sector as too small, saying that more high quality units are required.
- 4.38 Overall there was thought to be a fairly limited knowledge of the private rented sector in Wrexham and Flintshire. Respondents provided a variety of views including descriptions whereby the private rented sector was recognised as comprising of "*a lot of below standard properties*" or as being "*characterised by smaller older housing stock*". These perhaps more traditional or negative views of the sector were balanced with an understanding that the sector also contained a significant number of "*buy to let properties on recent new developments often offered by smaller or first time landlords*" as well as student accommodation particularly around the Wrexham Town Centre area.
- 4.39 Although private rented accommodation was recognised as playing a part across all sub-areas within the survey area, there was general recognition and understanding that the majority of stock within this sector was concentrated around the main settlements. It was noted that demand was driven by migrant workers, students, low income households and young couples. Movement particularly between the private rented and social rented sectors was also noted.
- 4.40 Accordingly respondents identified that the recent changes in the economy and welfare reform have had the following on-the-ground impact upon the sector:

⁸Stakeholder views were given in response to an online survey covering both Flintshire County Council and Wrexham Borough County Council areas

- Rents have increased;
 - Properties continue to be let regardless of changes in the economy and welfare reform so demand is high;
 - Young couples are entering the sector as they continue to find it difficult to obtain the funds for a deposit to purchase a house; and
 - RPs are mindful of the Bedroom Tax in terms of unit size and, generally, are looking at taking on smaller units as a consequence.
- 4.41 The condition of accommodation within the sector was identified as an issue within this sector by one respondent.
- 4.42 The environment (location) and the quality of the property were identified by several respondents as key drivers of demand for private rented homes.
- 4.43 One respondent identified that Help to Buy had had an impact on buy to let activity, with buy to let activity having slowed recently.
- 4.44 The key strategic messages about the sector are:
- The need for more financial assistance for landlords to help them improve properties and attract better / suitable tenants;
 - The overall need for more properties within the sector; and
 - A desire / request to keep intervention / legislation to a minimum to avoid further cost, imposition and red tape.

Affordable sector

- 4.45 There are around 10,042 households who live in an affordable property across Flintshire, accounting for 15.6% of all occupied dwellings. This includes 9,584 (14.9%) in social rented properties and 458 (0.7%) in intermediate (shared ownership) accommodation.
- 4.46 Houses account for 48.0% of occupied affordable dwelling stock, 30.4% are flats/apartments and 19.6% are bungalows. Affordable dwellings tend to have one (29.2%), two (36.4%), or three (31.9%) bedrooms, with only 2.4% having four or more bedrooms.
- 4.47 34.1% are older singles and couples, a further 23.6% of households living in affordable dwellings are singles under 65, 12.6% are lone parents, 15.9% are couples with children, 12.2% are couples with no children and 1.7% are other household types.
- 4.48 28.9% of Household Reference People living in affordable housing are in employment. A further 33.9% are wholly retired from work, 21.3% are permanently sick/disabled, 8.7% are unemployed and 7.4% look after the home/are caring for someone.
- 4.49 Incomes are generally low, with 70.6% receiving an income of less than £300 gross each week and 53.6% receiving less than £200 gross each week.

Stakeholder views on affordable housing⁹

- 4.50 Accommodation standards within the affordable housing sector were generally considered to be higher than those in the private rented sector, although a proportion of social rented properties still require improvement and investment in order for them to attain Decent Homes standards (WHQS).
- 4.51 In general, demand for affordable housing remains high across all areas and stock types. However, it was noted that smaller bedsit accommodation is often more difficult to let, and that some older retirement / sheltered housing schemes may require major remodelling and investment in order to improve standards and make the homes more desirable.
- 4.52 Antisocial behaviour was not felt to be a problem overall, however, with instances and incidents generally limited to the more densely populated developments and areas. Overall Housing Association respondents commented that their housing tenants were broadly satisfied with the accommodation offer.
- 4.53 In terms of key messages for the LHMA in respect of affordable housing, stakeholders identified the following:
- Detailed demand data for different areas;
 - Need for more provision of affordable housing; and
 - That affordable housing be seen as a tenure of choice and not one of last resort.

Concluding Comments

- 4.54 The purpose of this chapter has been to explore the current housing market dynamics affecting and influencing the housing market within Flintshire County. This chapter has provided detail on the current profile of dwellings by type, tenure and size along with property condition and property prices.
- 4.55 Almost three out of every four properties in Flintshire County are houses (73.3%), whereas around one in every six are bungalows (17.5%) and around one in every twelve (8.2%) are apartments/flats. Consequently over two-thirds (68.8%) of existing properties contain three or more bedrooms.
- 4.56 A significant proportion of all dwellings located within the Central, South Border, and Mold & Buckley sub areas are large detached dwellings. Analysis of house price data for this property type in these particular locations are the highest across the County. Market demand is therefore likely to be most acute for this form of large detached family dwelling.
- 4.57 The tenure profile for the County reveals that 15.6% of the housing stock is affordable accommodation. The highest proportions of this stock tenure are located within the Garden City (35.2%) and Flint & Coast (21.4%) sub-areas.
- 4.58 The highest level of dissatisfaction with current property was recorded within the Garden City sub-area where around one in every ten households were

⁹ Stakeholder views were given in response to an online survey covering both Flintshire County Council and Wrexham Borough County Council areas

dissatisfied or unhappy with their accommodation. Dissatisfaction rates were greatest within the private rented sector and those renting from Flintshire County Council, and in particular for terraced houses and flats/apartments.

- 4.59 Around 72.8% of all households own their own home. Whilst there has been a period of rapid house price inflation between 2000 – 2004 (with an almost doubling of values in this period) and a further sustained period of house price inflation from 2004 – 2007, since then house prices have remained fairly static over the past five years with more modest levels of growth.
- 4.60 11.5% of all households rent privately. This is below the average for England and Wales (Census 2011) but does show an increase from the previous Census period. The growth of this sector is anticipated to expand (with proportionate reduction in the level of owner occupation) with some forecasting that private renting will soon become the second accommodation of choice for many non owners. There would therefore appear to be some scope within the existing market for further private rented growth especially where this tenure may be used in part to accommodate local housing need.
- 4.61 The image and view of the sector remains however far from positive and so particular focus and policy assistance is recommended to assist and support landlords and tenants alike moving forward.

5. Understanding the future Housing Market

Introduction

- 5.1 In order to understand the future housing need and demands for housing, Local Planning Authorities are required to consider a range of data sources and information which identifies how key drivers of the local market and underlying trends will impact upon the structure of households and population over a fifteen year period and beyond.
- 5.2 The Welsh Government's guide to Local Housing Market Assessments (March 2006) sets out a traditional methodology to calculate housing need and is detailed within Chapter 6 of this report. Whilst this model is still considered to be robust and credible, it does however fail to capture and consider all elements of a functioning local housing market, in particular the emerging and increasingly important role of the private rented sector as well as how household numbers and types are forecast to change over time.
- 5.3 In recognising this shortcoming the Welsh Government firstly commissioned the Essex Report on Affordable Housing in Wales (2008) and subsequently published the Modelling of Housing Need and Demand for Wales (2006 – 2026) report. Both publications recommended a focus upon modelling both housing need and demand using household projections.

Key market drivers

- 5.4 Essentially, there are three key primary drivers influencing the current (and future) housing market: demographic, economic, and dwelling stock characteristics, as summarised in Table 5.1.

Table 5.1 Primary market drivers		
Primary Driver	Attributes	Impact on overall demand through:
Demography	Changing no. of households, household structure, ethnicity	Household Projections
Economy	Jobs, income, activity rates, unemployment	Economic migration
Housing stock and aspirations	Quality vs. aspirations, relative prices, accessibility, development programmes	Residential migration

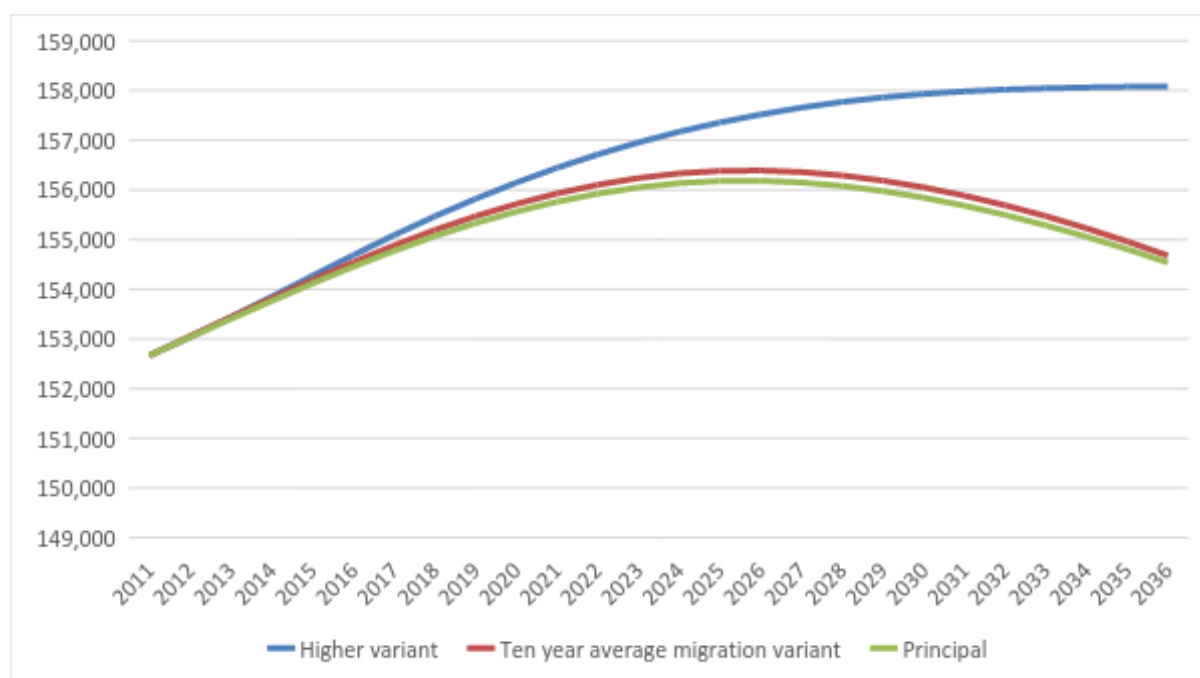
Source: arc⁴

Demography

- 5.5 The following demographic drivers will continue to underpin the operation of the Flintshire County Housing Market Area:

- A stable / relatively stagnant population, with Government 2011-based population projections suggesting population change of between -1,974 and +5,415 over the period 2011 to 2036;
- The 2014 household survey indicates that the following range of household groups currently live in Flintshire: singles under 65 (17.9%); couples with children (14.0%); couples (under 65 with no children) (17.8%); couples with adult children (9.7%); singles aged 65 or over (12.1%); couples 65 or over (16.1%); lone parents (4.4%); lone parents with adult children (4.7%) and other household types (3.3%).

Figure 5.1 Population projections Flintshire 2011-2036



Source: StatsWales

Household projections for Flintshire

- 5.6 StatsWales produces a dataset of household projections for local authorities in Wales by household type from the base year of 2011, through the projection period to 2036.
- 5.7 The methodology was developed in conjunction with the Wales Sub-national Household Projections (WASHP) Working Group and uses information from the Census 2011 for its base data. It should be noted that these projections only indicate what may happen should recent past trends continue and therefore do not make allowances for the effects of future local or central government policies on future population levels, distribution and change. They are therefore merely an indication of what would happen if certain assumptions were realised.
- 5.8 Along with the principal (mid-year) estimated projection, two additional variants have been calculated including different migration scenarios, including an

estimate based on projecting forward the average migration patterns over the past ten years (Table 5.2).

- 5.9 Within the table there is a row which calculates total household increase over the 25 years period 2011 – 2036 and an annualised change is also calculated for each scenario. This annual change is then applied to the 15 year plan period 2015 – 2030 to establish the total number of additional households based upon the scenarios. Finally the analysis considers the total number of dwellings related to household growth which assumes the 2011 Census ratio of 1.032 dwellings per household. Therefore analysis would suggest an additional range of between 204 and 269 dwellings required each year. The average across all three scenarios is 230.

Table 5.2 Household projections - Flintshire			
Year	Principal Projection	Higher Variant	Ten Year Average
2011	63852	63852	63852
2016	65594	65665	65660
2021	67066	67296	67202
2026	68211	68712	68410
2031	68762	69698	69006
2036	68813	70366	69085
Total Household increase 2011 - 2036	4961	6514	5233
Annual Change	198	261	209
Plan Period 2015 – 30	2970	3915	3135
Dwellings	3065	4040	3235
Annualised Dwelling Requirement	204	269	216

Source: StatsWales

- 5.10 It is important to note that the household projection figures presented within this LHMA report reflect those calculated by the Wales Sub-national Household Projections Working Group (WASHP). The overall and annualised dwelling requirements are then calculated through the simple application of a dwelling to household ratio (in line with Census 2011). As such these dwelling requirement figures may vary from alternative projections provided through for example the POPGROUP model. These figures therefore do not include economic or “jobs” led growth scenarios or any other variants and as such they do not form a recommended or endorsed estimate of required future dwellings numbers, but are provided purely for information.

Economy

- 5.11 The following economic drivers underpin the operation of the Flintshire County Housing Market Area:
- 55.7% of Household Reference People are economically active and are in employment according to the 2014 household survey; a further 31.1% are

retired; 6.0% are permanently sick/disabled; 4.3% are either looking after the home or provide full-time care; 2.2% are unemployed and available for work; and 0.7% are in full-time education/training;

- 63.1% of residents in employment work in Flintshire County. A further 15.4% work in Cheshire West and Chester and 6.6% work in Wrexham County Borough;
- According to the ONS Annual Survey of Hours and Earnings, lower quartile earnings in 2013 across Flintshire were £19,250 each year which compares with £18,060 for Wales. Median incomes were £26,494, compared with a median for Wales of £24,929;
- There is considerable income polarisation across Flintshire, with 32.1% of households receiving less than £300 each week, 27.5% receiving between £300 and £500 each week and 40.5% receiving at least £500 each week;
- Information from StatsWales reviews that in 2013 the employment rate in Flintshire was 72.7 per cent. This was the fourth highest amongst the 22 Welsh local authorities. The rate fell slightly over the year (down 0.3 percentage points) but has risen overall since 2001 (up 1.3 percentage points). Between 2001 and 2013 the employment rate has been well above the Welsh average.
- GVA per head in 2012 stood at £17,878 in Flintshire. This was above the Welsh average and the joint fifth highest amongst the 22 Welsh local authorities. Between 1999 and 2012 GVA per head in Flintshire has been above the Welsh average. In 2012 GDHI per head in Flintshire stood at £15,014 and was the joint ninth highest amongst the 22 Welsh local authorities. Between 1999 and 2012 GDHI per head in Flintshire has been above the Welsh average.
- In 2013 average weekly earnings in Flintshire stood at £574. This was the third highest amongst the 22 Welsh local authorities. In 2003 earnings in Flintshire were above the Welsh average, they moved below in 2008 and back above in 2013.
- In 2013 Flintshire had the third lowest rate of children living in workless households amongst the Welsh local authorities. The rate fell since 2012 and fell since 2004. The gap between the Wales average has narrowed from being 9 percentage points below the Wales average in 2004 to being 8.1 percentage points below the Wales average in 2013.

Housing Stock and Aspirations

5.12 In terms of dwelling stock, the 2014 household survey reports that, across the Flintshire County area:

- 73.3% of properties are houses, 17.5% are bungalows, 8.2% are flats/apartments, and 0.9% are other property types (e.g. caravans);
- 7.3% have one bedroom/studio, 23.9% have two bedrooms, 48.0% have three bedrooms and 20.8% have four or more bedrooms;

- 14.4% of properties were built before 1919, a further 12.5% were built between 1919 and 1944, 18.8% between 1945 and 1964, 30.3% between 1965 and 1984, 18.6% between 1985 and 2004 and 5.3% have been built since 2005;
- 72.8% of properties are owner-occupied, 14.9% are rented from a social landlord, 11.5% are private rented/tied accommodation and 0.7% are intermediate tenure;
- More detail on the current housing stock is provided in Chapter 4.

Market signals – Housing demand pressure and housing supply

- 5.13 Expectation established through the Local Housing Market Assessment Guide (Welsh Government March 2006) is that Local Planning Authorities should be fully aware and informed as to how the local housing market is functioning and performing. Particular attention and focus should centre upon the degree to which local housing demand may be pressurised (where and what type of pressures there are), as well as understanding the areas and impacts of low demand.
- 5.14 The Local Housing Market Assessment Guide (March 2006) suggests a range of market indicators relating to price (e.g. house prices, rents and affordability ratios) and quantity (e.g. overcrowding and rates of development) which should be considered. The market indicators (listed below in Table 5.3) provide both a “pen portrait” of the nature of the local housing market in Flintshire as well as providing a basis for regular monitoring (see Technical Appendix C).

Table 5.3 Housing market signals					
Price/transaction indicators	2010	2011	2012	2013	2014*
Lower Quartile House Prices	£105,000	£107,000	£110,000	£110,000	£111,250
Median House Prices	£133,513	£136,250	£137,995	£137,500	£137,975
Lower Quartile Rents (per calendar month)	£496	£524	£511	£498	#
Median Rents (per calendar month)	£546	£572	£576	£576	#
Relative affordability (LQ earnings to LQ house price)	6.0	6.1	6.1	6.0	5.8
No. Property sales	1294	1345	1335	1873	936
Quantity indicators	2010	2011	2012	2013	2014
Total dwelling stock	65795	65966	66249	??	66460
Overcrowding (2011 census)	**	2.84	**	**	**

Notes: # data not yet available

*2014 house prices to end of June 2014 source: Land Registry Price Paid Data

** data not available

Rent data: Zoopla

- 5.15 In terms of price/transaction indicators, a key message from Table 5.3 is that property prices and private rents have risen since 2010. The number of property sales has varied between 936 and 1,873. Relative affordability has ranged between 5.8x and 6.1x earnings.
- 5.16 In terms of quantity indicators, there has been a growth in the total number of dwellings from 65,795 in 2010 to 66,460 in 2014.
- 5.17 According to the 2011 Census, 2.9% of households across Wales live in overcrowded accommodation / conditions.
- 5.18 In conclusion, a review of Market Signal data would suggest that demand remains strong across the County. Household and population forecasts are however comparatively modest and future aspirations for economic growth needs to be factored into future dwelling requirements. The above data should be collected and monitored on a regular basis to ensure the Council has up to date information from which to review dwelling targets and market activity and therefore help to identify any potential pinch points or trends.

Past trends in housing delivery

- 5.19 Over the past five years 2009/10 to 2013/14, there has been an annual completion of 304 dwellings (Table 5.4). Whilst this level of house building has no doubt been influenced by the economic downturn, over this period the level of house building and transaction has shown a continuing upward trend since 2009.

Table 5.4 Dwelling completions Flintshire County 2009/10 to 2013/14			
Year	Private	Affordable	Total
2009/10	76	24	100
2010/11	180	115	295
2011/12	193	71	264
2012/13	259	57	316
2013/14	407	138	545
5 year Average	223	81	304

Source: StatsWales

Development in neighbouring areas

- 5.20 On the understanding that Flintshire County operates as part of a wider sub-regional functional economic area, and there being an important link between housing and economic performance, then it is appropriate to consider the extent of the scale of housing development in neighbouring areas. Table 5.5 provides a comparison of the number of new / additional housing delivery over the past five years for Flintshire and its neighbouring local authorities.

Table 5.5 Housing completions Flintshire and neighbouring LAs 2009/10 to 2013/14

Local Authority	2009/10	2010/11	2011/12	2012/13	2013/14	Total
Flintshire	100	295	264	316	545	1,520
Wrexham	243	305	433	239	215	1,435
Powys	253	239	98	223	177	990
Denbighshire	120	277	211	124	69	801
Cheshire West & Chester	820	750	800	670	970	4,010
Shropshire	1,340	1,230	730	850	810	4,960

Source: StatsWales & DCLG Table 122 Net Additional Dwelling statistics and Local Planning Documents

- 5.21 Analysis of housing completions against stated Development Plan targets (Table 5.8) would suggest all identified areas are underperforming against identified dwelling targets, with Flintshire achieving around two-thirds of its UDP dwelling target of 493 over the last 5 years.
- 5.22 It is important however to note when considering the figures presented within Table 5.6 that many completion rates report over different Development Plan periods. This information is therefore provided to purely give a feel as to the actual or absolute completions levels within the adjacent Development Plan areas.

Table 5.6 Housing completions against local plan targets

Housing Delivery	Local Authority					
	Flintshire	Wrexham	Powys	Denbighshire	Cheshire West	Shropshire
Local Plan Requirement (per year)	493	385	333	500	1,100	1,375
Average Actual Net Completions (per year)	304	287	198	160	802	992
% Completions against Requirement	62%	74%	59%	32%	73%	72%

Source: Wrexham CB JHLAS, StatsWales & DCLG Table 122 Net Additional Dwelling statistics and Local Planning Documents

Suggested future development profile of market dwellings

- 5.23 The current stock of open market dwellings is summarised in Table 5.7. Table 5.8 then suggests an annual range of dwellings to be built to reflect the current stock profile, household aspirations and expectations.

Table 5.7 Open market dwelling stock and preferences

Dwelling type/size	Dwelling stock, likes and expectations		
	Current Private Stock %	Like %	Expect %
Detached house/cottage 1-2 Beds	2.1	6.9	3.4
Detached house/cottage 3 Beds	12.4	19.3	14.7
Detached house/cottage 4 or more Beds	19.4	25.1	15.9
Semi-detached house/cottage 1-2 Beds	4.4	2.6	11.6
Semi-detached house/cottage with 3 Beds	25.4	5.6	13.1
Semi-detached house/cottage 4 or more Beds	2.4	1.6	2.0
Terraced house/cottage 1-2 Beds	6.2	2.2	5.2
Terraced house/cottage 3 Beds	5.2	1.3	1.0
Terraced house/cottage 4+ Beds	0.5	0.0	0.0
Bungalow 1-2 Beds	7.7	15.5	14.8
Bungalow 3+ Beds	9.5	14.1	9.7
Flat/Apartment 1 Bed	2.1	1.0	1.8
Flat/Apartment 2 Beds	1.9	3.7	4.5
Flat/Apartment 3+ Beds	0.2	1.0	1.9
Other 1-2 Beds	0.4	0.0	0.2
Other 3 Bed	0.3	0.0	0.1
Total	100.0	100.0	100.0
<i>Base</i>	<i>53,825</i>	<i>8,738</i>	<i>7,628</i>

Source: 2014 Household Survey

Table 5.8 Open market dwelling stock and preferences

Dwelling type/size summary	% Profile of new dwelling stock based on:		
	Current stock	Like	Expect
House 1/2 Beds	12.7	11.7	20.2
House 3 Beds	43.0	26.2	28.8
House 4 or more Beds	22.3	26.7	17.9
Bungalow	17.2	29.6	24.5
Flat	4.2	5.7	8.2
Other	0.7	0.0	0.3
Total	100.0	100.0	100.0
<i>Base</i>	<i>53,825</i>	<i>8,738</i>	<i>7,628</i>

Source: 2014 Household Survey

5.24 This analysis would suggest that on the basis of household aspirations (likes), the demand for the delivery of three- and four-bedroom detached houses and bungalows (all sizes) is highest. Development more reflective of household expectation would result in an increased emphasis on developing smaller one- to three bedroom dwellings houses, with an increase in delivery of semi-detached properties.

5.25 Table 5.9 considers the current dwelling stock profile of open market dwellings by sub-area and then the extent to which this varies from the stock profile based

on the aspirations and expectations of households planning to move (using sub-area level data). Where cells are colour-coded: a green spot indicates that the current proportion of dwelling stock is greater than the aspiration/expectation for that dwelling stock; a red spot indicates that the proportion of dwelling stock is lower than the aspiration/expectation. Therefore a red spot suggests there is a lack of that particular type of dwelling type and size in that sub-area.

Table 5.9 Comparison between current dwelling stock and market aspirations/expectations

Current stock relative to aspirations	Sub-Area						
	Central	Connahs Quay, Queensferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border	Flintshire
Detached house/cottage 1-2 Beds	● -0.5	● -6.8	● -5.3	● -6.4	● -4.2	● -3.0	● -4.9
Detached house/cottage 3 Beds	● 0.7	● -9.0	● -7.8	● -15.1	● -6.4	● -2.9	● -6.8
Detached house/cottage 4 or more Beds	● 2.6	● -10.9	● -5.7	● -10.7	● -3.7	● -2.0	● -5.7
Semi-detached house/cottage 1-2 Beds	● 0.6	● 2.4	● -1.0	● 4.8	● 2.3	● 6.6	● 1.7
Semi-detached house/cottage with 3 Beds	● 7.7	● 26.2	● 25.6	● 25.2	● 15.0	● 12.4	● 19.8
Semi-detached house/cottage 4 or more Beds	● -0.2	● 0.5	● -0.3	● -0.2	● 1.9	● 1.4	● 0.9
Terraced house/cottage 1-2 Beds	● 2.8	● 4.8	● 5.7	● 10.2	● 2.5	● 3.3	● 4.0
Terraced house/cottage 3 Beds	● 1.2	● 8.0	● 4.8	● 16.4	● 0.8	● 0.9	● 3.9
Terraced house/cottage 4+ Beds	● 0.5	● 1.1	● 0.0	● 0.5	● 0.2	● 0.5	● 0.5
Bungalow 1-2 Beds	● -7.7	● -8.9	● -7.3	● -10.3	● -7.1	● -7.6	● -7.8
Bungalow 3+ Beds	● -3.1	● -8.4	● -6.6	● -12.0	● -0.7	● -7.1	● -4.6
Flat/Apartment 1 Bed	● -0.8	● 2.6	● 0.6	● 0.7	● 0.7	● 0.2	● 1.1
Flat/Apartment 2 Beds	● -3.7	● -2.4	● -2.5	● -2.0	● -0.6	● -3.2	● -1.8
Flat/Apartment 3+ Beds	● -0.8	● -0.7	● -1.0	● -1.0	● -1.0	● -0.5	● -0.9
Other 1-2 Bed	● 0.0	● 0.8	● 0.8	● 0.0	● 0.0	● 0.3	● 0.4
Other 3 Bed	● 0.6	● 0.4	● 0.0	● 0.0	● 0.3	● 0.7	● 0.3

Current stock relative to expectations	Sub-Area						
	Central	Connahs Quay, Queensferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border	Flintshire
Detached house/cottage 1-2 Beds	● 3.1	● -3.2	● -1.7	● -2.9	● -0.7	● 0.6	● -1.3
Detached house/cottage 3 Beds	● 5.3	● -4.4	● -3.2	● -10.5	● -1.8	● 1.7	● -2.3
Detached house/cottage 4 or more Beds	● 11.7	● -1.7	● 3.4	● -1.6	● 5.4	● 7.1	● 3.5
Semi-detached house/cottage 1-2 Beds	● -8.4	● -6.6	● -10.0	● -4.2	● -6.8	● -2.4	● -7.3
Semi-detached house/cottage with 3 Beds	● 0.1	● 18.7	● 18.0	● 17.6	● 7.5	● 4.8	● 12.2
Semi-detached house/cottage 4 or more Beds	● -0.7	● 0.1	● -0.8	● -0.7	● 1.5	● 1.0	● 0.4
Terraced house/cottage 1-2 Beds	● -0.2	● 1.8	● 2.8	● 7.3	● -0.4	● 0.4	● 1.0
Terraced house/cottage 3 Beds	● 1.5	● 8.3	● 5.1	● 16.7	● 1.1	● 1.2	● 4.2
Terraced house/cottage 4+ Beds	● 0.5	● 1.1	● 0.0	● 0.5	● 0.2	● 0.5	● 0.5
Bungalow 1-2 Beds	● -7.0	● -8.2	● -6.6	● -9.6	● -6.5	● -6.9	● -7.1
Bungalow 3+ Beds	● 1.4	● -3.9	● -2.2	● -7.6	● 3.7	● -2.7	● -0.2
Flat/Apartment 1 Bed	● -1.5	● 1.8	● -0.2	● -0.1	● 0.0	● -0.6	● 0.3
Flat/Apartment 2 Beds	● -4.5	● -3.2	● -3.2	● -2.8	● -1.3	● -4.0	● -2.6
Flat/Apartment 3+ Beds	● -1.6	● -1.5	● -1.9	● -1.9	● -1.9	● -1.4	● -1.7
Other 1-2 Bed	● -0.2	● 0.6	● 0.6	● -0.2	● -0.2	● 0.1	● 0.2
Other 3 Bed	● 0.5	● 0.2	● -0.1	● -0.1	● 0.1	● 0.5	● 0.1

Stakeholder Observations

- 5.26 Stakeholders were asked to identify what they perceive to be the local housing market drivers in Wrexham and Flintshire, these include:¹⁰
- Demographics, population and household growth, and change;
 - In-migration;
 - Economic growth (commuting);
 - Low wages economy;
 - Transport links; and
 - Shortage of housing supply.
- 5.27 Whilst demand for housing will primarily stem from population growth, other notable influences upon future demand include:
- The plans for a Northern Gateway mixed use area and associated demand for housing linked to future employment growth / employees;
 - A supply of suitable smaller properties available to enable older people to downsize and free up larger (three bed plus) homes for families;
 - Entry level products to help young people access the market; and
 - The relative attractiveness of the area where house prices remain less expensive than neighbouring areas.
- 5.28 Stakeholders also provided their views on the potential / actual market weaknesses in Flintshire. These included:
- A lack of housing stock (supply) and suitable land for new development;
 - Lack of properties suitable for adaptation;
 - Lack of accommodation suitable for older people;
 - Repetition of estates - more emphasis should be given to individual design and attention to detail;
 - More diversity and choice required;
 - Stagnant house prices;
 - Imbalanced housing stock - lower proportion of detached properties;
 - Financial concerns regarding the viability of development sites linked to Section 106 costs;
 - Low levels of greenfield sites coming forward for development; and
 - Little / low confidence in the local economy to encourage further house building.

¹⁰ Stakeholder views were given in response to an on-line survey covering both Wrexham Borough County Council and Flintshire County Council areas

Concluding Comments

- 5.29 The purpose of this chapter has been to explore how key drivers of the local market and underlying trends impact upon the structure of households and population moving forward.
- 5.30 This chapter has therefore considered the following three key primary drivers influencing the current and future housing market:
- Demographic information;
 - Economic information; and
 - Dwelling stock information.
- 5.31 In line with Government 2011-based population projections, Flintshire County is forecast to see population change of between -1,974 and +5,415 over the period 2011 to 2036. Within these forecasts there will be significant growth in older age groups (65+ years) as well as growth in the proportion of smaller households.
- 5.32 The rate of employment on Flintshire is around 72% and compares well against that across Wales. There is however a noticeable level or degree of polarisation within employment / earnings across Flintshire with almost one-third of all households receiving less than £300 per week and over two-fifths receiving more than £500 per week.
- 5.33 Median incomes in Flintshire County are above the national average.
- 5.34 Generally speaking, house prices have risen slightly over the past five years. However, a slight rise in incomes means that affordability ratios have remained at around 6x lower quartile income (to lower quartile prices).
- 5.35 The delivery of new build housing (all tenures) has slowed since the economic recession and has remained at lower levels (albeit with an overall upward trend). This lower level of delivery is noticeable across the sub-region and with neighbouring LAs and is symptomatic of continuing caution and restriction towards finance and borrowing, and an underlying low level of confidence in the local economy.
- 5.36 Following Government led household projections (2011 – 2036) and translating the various scenarios into dwellings requirements suggests that an additional range of between 204 and 269 dwellings is required each year. The average across all three scenarios is 230.
- 5.37 These dwelling figure estimates do not however form a recommended or endorsed estimate of future dwellings numbers as these are provided for information only. Caution should therefore be attributed to these projections and it is advisable that the Council re-consider any potential future dwelling forecasts against any future population and household projection releases. It is also worthy to note that the dwellings forecasts contained within this report are calculated purely against households projections. They do not therefore reflect or consider any economic led scenarios or aspirations for local economic growth.
- 5.38 The population projections show a potential marked slowing but within this a significant increase in the proportion of older (and potentially economically inactive) households / individuals. The potential impact of such a trend needs to

be carefully considered in terms of the impact and future demand for services and the economic base available to fund such services.

6. Housing Need

Introduction

- 6.1 This chapter presents the results of the four stages of the needs assessment model. The four stages identified in the Welsh Assembly Government Local Housing Market Assessment Guide are:
- Stage 1: Current Need,
 - Stage 2: Available stock to offset need,
 - Stage 3: Newly arising need and
 - Stage 4: Supply of affordable units.
- 6.2 This chapter will deal with each stage individually and within each of the four stages outline the number of detailed calculations (22 in total) which feed into the model.
- 6.3 An annual estimate of housing need is then calculated from these 22 steps and the type of accommodation most appropriate to meet this need is presented.

What is housing need?

- 6.4 Although there is no set definition of the term, 'Housing Need' is generally accepted as an indicator of the existing deficit of accommodation for households that do not have access to housing that meets certain normative standards. This measure mainly refers to the level of need for more or improved social housing although more recently this has been extended to include other types of affordable housing (as defined below).
- 6.5 Both LHMA guidance and Technical Advice Note 2 accepts 'Housing Need' as a general term used to provide an estimate of the requirement for affordable housing in an area. TAN2 (June 2006) defines housing need as *'households 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'*.

What is housing demand?

- 6.6 Again, there is no set definition of housing 'demand' however this term is generally understood to be a market driven concept which relates to the type and number of houses that households will choose to occupy based on preference and ability to pay. The term 'housing requirement' is sometimes used to combine these two measures to generate an overall picture of the housing market.

What is affordable housing?

- 6.7 Affordable housing for the purposes 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. However, it is recognised that some schemes may provide for staircasing to full ownership. Where this is the case there must be secure arrangements in place to ensure the recycling of capital receipts to provide replacement affordable housing.

- 6.8 Affordable housing includes social rented housing owned by local authorities and Registered Social Landlords and intermediate housing where prices or rents are above those of social rent but below market housing prices or rents (PPW Para 9.2.14 – July 2014).

Stage 1: C: Current need

- 6.9 This includes an assessment of housing suitability and affordability and also considers homeless households before arriving at a total of current need estimate (gross).

Step 1: Existing households in need of alternative housing

- 6.10 A working definition of housing need is *'the quantity of housing required for households who are unable to access suitable housing without financial assistance'*. The LHMA Guidance suggests types of housing that should be considered unsuitable, as summarised in Table 6.1. Modelling assumes a total of 6,197 existing households in need of alternative housing (or around 9.7% of all households are in need of alternative housing).

Table 6.1 Summary of current housing need across Flintshire County		
Category	Factor	Flintshire County Total
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	421
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	517
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	1488
	N4 Too difficult to maintain	1783
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	757
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	1968
Dwelling amenities and condition	N7/8 The dwelling fails to meet the requirements of the Housing, Health and Safety Rating System (HHSRS) and vulnerable households do not have the resources to carry out works to meet the standards. Therefore financial assistance may be required	194
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	184
Total no. households in need (with one or more housing need)		6,197
Total Households		64,108
% households in need		9.7%

Note: A household may have more than one housing need.

Source: 2014 Household Survey

Step 2: Current non-households in need

6.11 This is based on the number of households who were previously homeless. Over the past five years, a total of 577 households moved into housing having been previously homeless or living in temporary accommodation. It is assumed that these households include:

- Families (including single parents) currently living within another household;
- Couples over 16 currently living with another household;
- Single adults over 25 currently living within an unrelated household. This would include those renting a room only within another household; and
- Households unable to live together because of a lack of housing.

Step 3: Removing those that can afford to meet their housing needs in the open market.

- 6.12 This includes an assessment of those households who can meet their need through in-situ solutions (i.e. they have sufficient equity / savings or ability to resolve elements of unsuitability within their current accommodation).
- 6.13 This also includes an assessment of affordability based upon the incomes of all households in need of alternative accommodation. Where a household is considered likely to be able to afford to buy a home that costs 3.5x the gross household income for a single earner household or 2.9x for dual income households then they are not considered (under the model) to be in housing need. Analysis also takes account of existing equity and savings/help from parents. Table 6.2 summarises the house prices used in analysis.

Table 6.2 Lower quartile market prices 2013 across Flintshire County	
Sub-area	Lower quartile price (£)
Central	£120,000
Connahs Quay, Queensferry & Broughton	£102,500
Flint & Coast	£85,000
Garden City	£85,750
Mold & Buckley	£124,995
South Border	£135,000
Flintshire	£108,500

Source: Land Registry Price Paid Data: 1 Jan 2013 to 31 Dec 2013

- 6.14 A household should be able to afford market rented housing where the rent payable would constitute no more than 25% of their gross household income. Table 6.3 summarises rental prices used in analysis.

Table 6.3 Lower quartile private rents 2013/14 across Flintshire County						
No. Beds	Sub-area and lower quartile rent per month (£)					
	Central	Connahs Quay, Queensferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border
1	451	390	384	425	429	436
2	550	524	494	498	524	494
3	576	576	524	594	598	550
4+	702	750	650	.	802	600

Source: Zoopla

- 6.15 An analysis of incomes and equity/access to savings identifies that 3,120 households could afford to meet their needs in the open market.

Step 4: Total current housing need

- 6.16 Having identified the scale of housing need in Steps 1 and 2 and then by assessing the ability of households to access the open market in Step 3, a total of 3,654 existing households is calculated to be in housing need i.e. those wanting / needing to move to offset their need and who could not afford open market solutions

Stage 2: A: Available stock to offset need

- 6.17 This considers the stock available to meet the current need (identified above) and includes surplus, vacant properties and any committed new supply of affordable dwellings.

Step 5: Removing current occupiers of affordable housing in need

- 6.18 This is an important consideration in establishing the net levels of affordable housing need as the movement of these households will have a nil effect in terms of additional housing need. The total number of such households is 818.

Step 6: Surplus stock

- 6.19 A certain level of voids is normal within Council and Housing Association stock to allow for transfers and works on properties. However, if the rate is in excess of approximately 3% and properties are vacant for considerable periods of time, these should be counted as surplus stock. According to StatsWales, a total of 49 social rented dwellings were vacant and available for letting which equates to around 0.5% of dwelling stock, therefore no surplus stock is assumed in this analysis.

Step 7: Committed supply of new affordable housing

- 6.20 This includes new (and conversions) social rented and intermediate housing which are already planned to be built over the time period of the assessment. Data from StatsWales indicates that over the five year period 2009/10 to 2013/14 there were a total of 405 affordable dwellings built, representing an average annual rate of 81. The modelling assumes this level of development over the next five years i.e. 405 dwellings.

Step 8: Units taken out of management

- 6.21 This involves estimating the numbers of social rented or intermediate units that will be taken out of management each year as affected households will be in need of alternative accommodation. None are assumed in this analysis.

Step 9: Total available stock to meet current need

- 6.22 This is the total stock available, or predicted to become available, over the assessment time period. It is the sum of Steps 5 to 7 minus Step 8. The total available stock to meet current need is 1,223.

Step 10: Total unmet need

- 6.23 This is the current number of households who are in housing need and unable to meet their needs in the market. It is calculated by subtracting Step 9 (total available stock to meet current need) from Step 4 (total current gross housing need). This calculation assumes a one-to-one relationship between households and dwellings. The total unmet current need is 2,431.

Step 11: Quota to reduce levels of current need

- 6.24 Modelling assumes that current need is met over a five-year-period. Therefore a quota of 20% is used.

Step 12: Annual requirement to reduce the level of current unmet need

- 6.25 This is the number of affordable units that will be needed each year to address levels of unmet housing need over the time period agreed in Step 11. It is obtained by multiplying the current need (Step 10) by the quota (Step 11). This results in an annual requirement of 486 dwellings.

Stage 3: N: Newly arising need

- 6.26 As well as considering the current number of households in housing need, the model also requires that consideration is given to newly arising (or future) housing need. Broadly this includes newly forming households and existing households who will fall into need.

Step 13: New household formation

- 6.27 The needs analysis assumes an annual household formation rate of 268. This is based on the number of households actually forming in the five years preceding the 2014 household survey.

Step 14: Proportion unable to buy or rent in the market

- 6.28 Analysis of lower quartile market prices relative to the income/savings and lower quartile private rents relative to income of households who have formed in the past five years suggests that 59% could not afford lower quartile house prices or private sector rents.

- 6.29 Therefore, the total number of newly-forming households who could not afford open market prices or rents across Wrexham Borough is calculated to be 158 each year.

Step 15: Existing households falling into need

- 6.30 This is based on the number of households who fell into housing need in the five years preceding the household survey and moved into affordable dwellings. This equates to an annual need from 101 households.

Steps 16 and 17: In and out-migrants unable to afford market housing

- 6.31 The household survey identifies in-migrant household who have moved into the Borough and into affordable housing in the last five years (a total of 17). The survey also identifies those households who are planning to move out of the Borough and cannot afford market prices (a total of 2 each year).

Step 18: Total newly arising need

- 6.32 This is the annual gross level of newly arising housing need for affordable housing. It is calculated by adding together newly forming households unable to afford market housing (Step 13 times Step 14), existing households falling into need (Step 15), and in-migrants unable to afford market housing (Step 17), then subtracting out-migrants unable to afford market housing (Step 16). Total newly arising need is calculated to be 274 each year.

Stage 4: S: Supply of affordable units

- 6.33 This stage calculates the future supply of affordable housing units based upon recent lettings data (i.e. the supply through re-lets) from current social and intermediate affordable housing stock.

Step 19: Net supply of social re-lets

- 6.34 Over the three year period 2010/11, 2011/12, and 2012/13, StatsWales data reports a total of 1,542 lettings were made which excluded transfers and exchanges. This represents 514 annual lettings to households requiring affordable housing who previously did not live in affordable dwellings.

Step 20: Annual supply of intermediate housing

- 6.35 As there was no secondary data available it is assumed for this model that there are 0 (zero) intermediate dwellings made available for relet / resale.

Step 21: Total affordable supply

- 6.36 This is the predicted sum of annual supply of affordable units (i.e. both social rented and intermediate housing). Total affordable supply is 514 dwellings each year.

Step 22: Net shortfall or surplus

- 6.37 This is the overall level (i.e. shortfall or surplus) of affordable housing that would need to be provided each year in order to meet housing need over the chosen time period. It is calculated by subtracting the supply of affordable housing (Step 21) from the annual need (Step 12 plus Step 18). Analysis would suggest an annual shortfall of 246 affordable dwellings across Flintshire.
- 6.38 Table 6.4 summarises the different steps taken in assessing housing need and evidencing the extent to which there is a surplus or shortfall in affordable housing across Flintshire. Please note that in Stage 1, Step 1.4 reports the total number of households in need and avoids double counting as in some cases households have more than one housing need.
- 6.39 Table 6.5 provides a further breakdown of the data by sub-area.
- 6.40 It is important to remember that figures calculated under this model and represented in tables 6.4 and 6.5 should not be used as a definitive measure of housing need or as an absolute target figure. Instead the model and its output is representative and reflective of any current level of imbalance within the local housing market and so provides an indication of the scale, type, and tenure of housing required in order to seek to redress such imbalance. It is also important to note that the delivery of affordable housing can be secured through a variety of routes, initiatives and programmes. As such any imbalances within the local housing market can be addressed through not only the planning system / LDP but also through these alternative interventions and programmes.

Table 6.4 Needs Assessment Summary for Flintshire County		
Element and step in calculation	Calculation	Flintshire
Total households >>>		64,108
C. CURRENT NEED		
1. Existing households in need of alternative housing		6197
2. plus Current non-households in need		577
3. minus cases where they can afford to meet their needs in the market		3120
4. equals Total current housing need	1+2-3	3654
A. AVAILABLE STOCK TO OFFSET NEED		
5. Current occupiers of affordable housing in need		818
6. plus Surplus stock		0
7. plus Committed supply of new affordable units		405
8 minus planned units to be taken out of management		0
9. equals Total available stock to meet current need	5+6+7-8	1223
10. equals Total Current Need	4-9	2431
11. times quota progressively to reduce level of current need		20%
12. equals Annual need to reduce level of current need	10x11	486
N: NEWLY ARISING NEED		
13. New household formation (gross p.a.)		268
14. times proportion unable to buy or rent in the market		59%
15. plus existing households falling into need		101
16. minus potential out-migrants unable to afford market housing		2
17. plus in-migrants unable to afford market housing		17
18. equals newly-arising need	14+15-16+17	274
S. SUPPLY OF AFFORDABLE UNITS per year		
19. Net supply of social re-lets		514
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0
21. equals Affordable supply		514
NET SHORTFALL OR SURPLUS		
22. Overall shortfall or surplus (annual imbalance)		246

Source 2014 Household Survey; RP Lettings and Sales data

Table 6.5 Needs Assessment Summary by sub-area - Flintshire

Element and step in calculation	Calculation	Sub-area						Total
		Central	Connahs Q'ferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border	
Total households >>>		4476	18576	14001	1250	23309	2496	64108
C. CURRENT NEED								
1. Existing households in need of alternative housing		493	2049	1161	159	2094	241	6197
2. plus Current non-households in need		20	348	79	32	84	14	577
3. minus cases where they can afford to meet their needs in the market	%	31	63	49	91	41	41	50
	No.	153	1299	574	145	851	98	3120
4. equals Total current housing need	1+2-3	360	1098	666	46	1327	157	3654
A. AVAILABLE STOCK TO OFFSET NEED								
5. Current occupiers of affordable housing in need		13	382	176	115	118	14	818
6. plus Surplus stock		0	0	0	0	0	0	0
7. plus Committed supply of new affordable units		13	134	127	19	102	12	405
8 minus planned units to be taken out of management		0	0	0	0	0	0	0
9. equals Total available stock to meet current need	5+6+7-8	26	516	303	134	220	26	1223
10. equals Total Current Need	4-9	335	582	363	-87	1107	131	2431
11. times quota progressively to reduce level of current need	Policy judgement	20%	20%	20%	20%	20%	20%	20%
12. equals Annual need to reduce level of current need	10x11	67	116	73	-17	221	26	486
N: NEWLY ARISING NEED								
13. New household formation (gross p.a.)		15	105	41	13	82	12	268
14. times proportion unable to buy or rent in the market		59.0%	59.0%	59.0%	59.0%	59.0%	59.0%	59.0%
15. plus existing households falling into need		1	42	22	6	24	6	101
16. minus potential out-migrants unable to afford market housing		2						2
17. plus in-migrants unable to afford market housing	(13x14)+15+16+17	3	7		8			17
18. equals newly-arising need		10	110	46	22	72	14	274
S. SUPPLY OF AFFORDABLE UNITS per year								
19. Net supply of social re-lets		16	170	161	24	129	15	514
20. plus supply of intermediate housing available for re-let or resale at sub-market levels	19+20							
21. equals Affordable supply		16	170	161	24	129	15	514
NET SHORTFALL OR SURPLUS								
22. Overall shortfall or surplus (annual imbalance)	12+18-21	61	57	-42	-19	165	25	246

Size of affordable dwelling: number of bedrooms

- 6.41 On the basis of the number of bedrooms required of households requiring affordable housing and the range of dwelling sizes moved into by newly-forming households over the past five years, the range of dwellings by bedroom size can be estimated.

Table 6.6 Range of dwelling required by bedroom size			
Designation	No. Bedrooms	Flintshire %	No. dwellings
Under 65	1	14.0	34
	2	31.6	78
	3	28.5	70
	4	8.6	21
	5	3.3	8
65+	1	10.1	25
	2	1.4	3
	3	2.4	6
	4	0.1	0
	5	0.0	0
TOTAL		100.0	246
<i>Base (Step12 plus Step18)</i>		760	760
<i>Base (Net annual shortfall)</i>			246

Tenure split

- 6.42 In terms of the split between social rented and intermediate tenure products, the household survey identified tenure preferences of existing and newly-forming households and also the extent to which intermediate tenure products could be afforded.
- 6.43 Table 6.7 indicates that both existing households in need and newly-forming households stated strongest preferences for social/affordable renting. Overall, analysis would suggest a tenure split of 56% social rented and 44% intermediate tenure.

Table 6.7 Tenure preferences of existing households in need and newly-forming households requiring affordable housing			
Tenure	Existing households in need (%)	Newly-forming households (%)	Total (%)
Social/Affordable Rented	68.1	49.5	56.2
Intermediate	31.9	50.5	43.8
Total	100.0	100.0	100.0
<i>Base (annual requirement)</i>	486	274	760

Source: 2014 household survey

- 6.44 The extent to which existing households in need and newly-forming households could afford intermediate tenure products of different values is explored in Table

6.8. This indicates that round 37.2% of households requiring affordable housing could afford an intermediate tenure product of at least £100,000.

Table 6.8 Affordability of intermediate tenure prices by existing households in need and newly-forming households requiring affordable housing

Tenure	Existing households in need (%)	Newly-forming households (%)	Total (%)
Afford at least £80,000	47.7	43.3	46.1
Afford at least £100,000	41.5	29.5	37.2
Afford at least £120,000	37.1	27.4	33.6
<i>Base (annual requirement)</i>	486	274	760

Source: 2014 household survey

6.45 This chapter presents the results of the four stages of the needs assessment model. The four stages identified in the Welsh Assembly Government Local Housing Market Assessment Guide are:

- Stage 1: Current Need,
- Stage 2: Available stock to offset need,
- Stage 3: Newly arising need and
- Stage 4: Supply of affordable units.

6.46 This chapter will deal with each stage individually and within each of the four stages outline the number of detailed calculations (22 in total) which feed into the model.

6.47 An annual estimate of housing need is then calculated from these 22 steps and the type of accommodation most appropriate to meet this need is presented.

Estimates of household groups who have particular housing requirements

Introduction

6.48 There are a range of household groups who have particular housing requirements and this section focuses on the needs of older people and people requiring specialist support.

Older people

6.49 A major strategic challenge for the Council is to ensure a range of appropriate housing provision, adaptation and support for the area's older population. Tables 6.9 shows the current population distribution as a percentage of total population for five year age cohorts. Table 6.10 highlights the changes in population by age

over the past 22 years. This shows that whilst in overall terms the population of Flintshire has grown by around 7.9% across this period, the proportional growth in households aged 65 years and over is significantly higher at 42.7%. Looking forward and in common with many other local authorities across both England and Wales the proportional growth on the number of older people is expected and forecast to continue to rise significantly. More detail on the future likely impact and housing requirements for older people is considered in Chapter 6.

Table 6.9 Percentage of Population by Age Group

Age Group	Wales	Wrexham	Denbighshire	Flintshire
50+	37.7%	36.1%	41.6%	37.7%
55+	31.2%	29.7%	35.0%	31.1%
60+	25.1%	23.5%	28.6%	24.8%
65+	18.4%	16.9%	21.0%	17.6%
70+	12.9%	11.7%	14.8%	12.1%
75+	8.6%	7.7%	9.7%	7.6%
80+	5.0%	4.5%	5.8%	4.3%
85+	2.4%	2.1%	2.8%	2.1%
90+	0.8%	0.8%	1.0%	0.7%

Source: ONS – Table QS103EW Census 2011 – Age by Single Year

Table 6.10 Popn. Estimates by Year and Age - Flintshire

Year	Age	Population	Total
1991	0 – 15	29,742	142,036
	16 – 64	91,735	
	65+	20,559	
2001	0 – 15	30,494	148,629
	16 – 64	95,932	
	65+	22,203	
2011	0 – 15	28,584	152,666
	16 – 64	96,973	
	65+	27,109	
2012	0 – 15	28,482	152,743
	16 – 64	95,863	
	65+	28,398	
2013	0 – 15	28,410	153,240
	16 – 64	95,489	
	65+	29,341	

Source: StatsWales

- 6.50 The majority of older people (65.6%) want to stay in their own homes with help and support when needed (Table 6.11). 22.2% would consider buying on the open market, 19.7% would rent sheltered accommodation, and 12.9% would rent extra care housing. This evidence suggests a need to continue to diversify the range of older persons' housing provision. Additionally, providing a wider range

of older persons' accommodation has the potential to free-up larger family accommodation.

Table 6.11 Property type preferences

Housing option	% would consider
Continue to live in current home with support when needed	65.6
Buying a property on the open market	22.2
Rent a property from a private landlord	8.6
Rent from HA	12.3
Sheltered accommodation - To Rent	19.7
Sheltered accommodation - To Buy	10.1
Sheltered accommodation - Part Rent/Buy	5.5
Extra care housing - To Rent	12.9
Extra care housing - To Buy	6.2
Extra care housing - Part Rent/Buy	2.9
Residential care home	3.6
Co-housing	9.3
<i>Base (total households responding)</i>	<i>34,554</i>

Source: 2014 Household Survey

6.51 The range of assistance required from older person households is explored in Table 6.12. Particularly noted is the need for help with gardening (43.9% stated this help is needed either now or in the next five years), repair/maintenance (37.8% stated this help is needed either now or in the next five years), and help with cleaning (26.4%).

Table 6.12 Assistance required

Assistance required	Age group (% of households)		Total %
	Younger	Older	
Help with cleaning home	8.1	26.4	13.0
Help with gardening	12.8	43.9	21.2
Help with other practical tasks	5.7	21.6	10.0
Help with personal care	4.2	10.1	5.8
Help with repair and maintenance of home	19.5	37.8	24.4
Want company / friendship	5.8	9.9	6.9
<i>Base</i>	<i>43613</i>	<i>16157</i>	<i>59770</i>

Source: 2014 Household Survey

6.52 In terms of adaptations (Table 6.13), most frequently mentioned for older people were bathroom adaptations (20.2%), better heating (13.4%), and internal handrails (12.2%). Resources for aids and adaptations remain tight, particularly for households in the private sector. Alternative sources of funding, such as

equity loans, should be considered to finance remedial measures required by older person households.

Table 6.13 Adaptations required either now or in next 5 years by age group

Adaptation required	Age group (% of households)		Total %
	Younger	Older	
Adaptations to Bathroom	11.4	20.2	13.8
Adaptations to kitchen	8.1	6.7	7.7
Better heating	20.4	13.4	18.5
Community alarm service	3.9	7.0	4.7
Double glazing	16.4	8.1	14.2
Downstairs WC	4.6	7.9	5.5
External handrails	4.4	9.8	5.8
Improvements to access	4.6	6.1	5.0
Increase the size of property	12.0	1.4	9.2
Internal handrails	5.4	12.2	7.3
Lever door handles	2.2	1.8	2.1
More insulation	20.0	8.4	16.9
Room for a carer	2.4	2.1	2.3
Security alarm	10.0	7.7	9.4
Stair lift / vertical lift	4.0	9.7	5.5
Wheelchair adaptations	2.5	5.5	3.3
Base	43613	43613	43613

Source: 2014 Household Survey

General support requirements

- 6.53 The 2014 Household Survey provided evidence of the need for particular adaptations across all households. Particularly noted is a need for better heating, more insulation, double glazing, and adaptations to bathrooms (Table 6.11).
- 6.54 Overall, 10.7% of all properties across Flintshire County had been adapted or purpose-built for a person with a long-term illness, health problem or disability. 7.4% of households said they required care or support to enable them to stay in their current home. 62.6% of households stated that there was sufficient space for a carer to stay overnight if this was needed – across the affordable (social) rented sector this fell to 40.9%.
- 6.55 The household survey also provides information on the need for other forms of assistance, highlighting the particular need for help with repair and maintenance of the home and help with gardening (Table 6.10) across all households.

Households previously homeless

- 6.56 The household survey identified 577 households who had been previously homeless or living in temporary accommodation and had moved to their present accommodation in the past five years.

- 6.57 Table 6.14 presents a range of information relating to the characteristics of previously homeless households and the dwelling choices that they have made. 66.4% of households previously homeless have moved into social/affordable rented accommodation and 33.6% have moved into the private sector. Almost half (48.2%) have moved into one-bedroom dwellings, with the remainder in two (21.8%) and three- (30.0%) bedroom dwellings.
- 6.58 The incomes of previously homeless households are generally low with 85.6% receiving less than £200 each week, 2.8% receiving between £200 and £300 each week, and 11.6% receiving at least £300 each week. 52.0% are singles under 65, 22.1% are couples with children under 18 and 14.6% are lone parents with children under 18.

Table 6.14 Characteristics of households previously homeless			
Household Type	%	Property Type	%
Single Adult (under 65)	52.0	House	46.5
Single Adult (65 or over)	3.8	Flat	32.0
Couple only (both under 65)	7.6	Bungalow	18.0
Couple with child(ren) under 18	22.1	Other	3.5
Lone parent with child(ren) under 18	14.6		
Total	100.0	Total	100.0
Current tenure	%	Origin	%
Owner Occupied		Within Flintshire County	96.5
Private Rented	33.6	From outside Flintshire County	3.5
Social/Affordable Rented	66.4		
Total	100.0	Total	100.0
Current income (Gross weekly)	%	Property size	%
Under £200	85.6	0/1 Bed	48.2
£200 to <£300	2.8	2 Beds	21.8
£300+	11.6	3 Beds	30.0
Total	100.0		100.0

Base: 577 households previously homeless

Source: 2014 Household Survey

Black, Asian and Minority Ethnic households (BAME)

- 6.59 The 2014 household survey indicates that 96.5% of Household Reference People describe themselves as 'White British' and 3.5% describe themselves as having other ethnicities. Of these, 1.8% are White Central/Eastern European, 1.3% other White groups, 0.1% have a mixed ethnicity, 0.2% are Black/Black British and none are Asian/Asian British.
- 6.60 The two most ethnically diverse sub-areas are Garden City (7.4% of Household Reference People have an ethnicity other than White British) and Connahs Quay, Queensferry & Broughton (6.0%).
- 6.61 Information on BAME households based on the 2014 household survey includes:

- 50.0% live in Connahs Quay, Queensferry & Broughton, 24.3% live in Mold & Buckley and 16.5% live in the Flint & Coast sub-areas;
 - 45.5% are owner occupiers, 44.8% rent privately and 9.7% live in affordable housing (social rented or intermediate tenures);
 - 34.8% had a gross income of less than £300 each week, 32.9% received between £300 and £500 each week and 32.3% received more than £500 each week;
 - 357 BAME households were in some form of housing need (16.2%); with overcrowding and sharing of facilities being the key reasons; and
 - 19.4% were dissatisfied with the state of repair of their homes.
- 6.62 The 2011 census identified 95 people with Gypsy and Traveller ethnicity living in 38 households.

Summary

- 6.63 This chapter sets out to directly address all of the requirements to undertake an assessment of housing need in accordance with the Local Housing Market Assessment Guide (Welsh Government - March 2006) and Getting Started with your Local Housing Market Assessment – A Step by Step Guide (Welsh Government - March 2012). This chapter has provided a compliant and clear definition of housing need and affordable housing along with a step-by-step explanation of what information is required and input into the housing needs assessment model to calculate the degree of housing need.
- 6.64 Analysis reveals that there is an annual shortfall of 246 affordable dwellings across Flintshire County.
- 6.65 It is important to stress that housing assessments are essentially a snapshot in time and as such the figure calculated under this model should not be used as a definitive measure of housing need or as an absolute target figure. Instead the model and its output is representative and reflective of the current level of imbalance within the local housing market and so indicative of the scale, type and tenure of housing required in order to seek to redress such imbalance.
- 6.66 It is also important to note that this model operates on the principle that the calculated backlog of need is cleared within a five-year period.
- 6.67 In terms of the preferred affordable housing tenure split then existing households in need and newly-forming households stated the strongest preferences for social/affordable renting. Overall, analysis would suggest a tenure split of 56% social / affordable rented and 44% intermediate tenure.
- 6.68 In terms of affordable housing by size (no. beds) then the analysis clearly suggests a need for smaller two-bedroom properties for both under and over 65s with some three-bed general needs (under 65s).
- 6.69 It is important to note that this assessment is made against, and by using, the bedroom standard and in doing so matches the number of people within a household in need to the exact number of bedrooms to meet that need. Whilst this is a logical approach and additionally whilst welfare reform may also

influence an increasing need for smaller housing, we would advise caution against the development of one-bedroom accommodation for outright and intermediate sale, and similarly express some caution over the development of one-bedroom affordable housing for rent.

- 6.70 Feedback from the stakeholder survey highlights some of the ongoing difficulties in letting / selling such accommodation and whilst for some individuals this may be a preferred and appropriate response, for many this represents an inflexible form of accommodation with a further potential limited appeal to subsequent households.
- 6.71 In terms of intermediate affordable housing for sale then the analysis reveals that around 37% all households in need can afford an intermediate affordable house at around the £100,000 level or below. Care needs to be taken through the negotiation of affordable homes to ensure that such intermediate products are affordable (all housing costs) to these households and at no more than these values.
- 6.72 Around 14% of all households in need are older people (65+years). Whilst this proportion may seem low it is reflective of the high levels of owner occupation amongst older people and therefore the ability under the assessment model to meet their own housing needs in situ or through the sale / release of equity.
- 6.73 It is also evident that the vast majority of older people wish to stay within their existing homes. For most this is an informed and appropriate choice where current and future housing needs can be addressed through in situ solutions (including adaptations). However, there is some notable concern regarding a lack of choice within the market especially for owner occupiers who are unable to find suitable downsizing properties and options.
- 6.74 Whilst this concern falls outside of the strict definition of housing need, the impact and influence of this potential lack of fluidity within the market has repercussions upon the overall operation of the housing market and the ability of households to trade up into properties released by older people.
- 6.75 For those older person households wishing to remain in their own homes but requiring adaptations, then, in terms of frequency the most required / requested adaptations are for bathroom adaptations, better heating and internal handrails. Similarly, the need for domiciliary assistance is weighted towards gardening, general repairs and maintenance and household cleaning.

7. Key Findings and Conclusion: bringing the evidence together

Introduction

- 7.1 This document has been prepared to equip the Council and their partners with robust, defensible, and transparent information to help inform strategic decision-making and the formulation of appropriate housing and planning policies. The work also takes account of the Welsh Government LHMA guidance (2006 & 2012), Planning Policy Wales (July 2014) and Technical Advice Note 2 (2008), as well as more recent national consultation documents, the Housing (Wales) Bill 2014 and relevant local strategies.
- 7.2 The LHMA will help the Council plan for a mix of housing based on current and future demographic trends, market trends, and the needs of different groups in the community. Specifically, the LHMA identifies the size, type, and tenure of affordable housing imbalance (shortfall) by sub-area and considers and presents the range of household forecasts and future associated dwelling forecasts.
- 7.3 Information within this LHMA is presented on an overall area basis (in this case for Flintshire) as well as for six internal sub-areas. These six sub-areas were used in order to provide consistent detail and analysis with previous research and current strategy documents.
- 7.4 This concluding chapter summarises key messages from the research findings, structured around a commentary on the current and future housing markets and the interactions of Flintshire County with other areas and relating findings to key local strategic issues.

Defining the housing market area

- 7.5 Analysis of 2011 census migration data suggests that 67.3% of households move within the Flintshire County area and 63.1% of household reference people work within the Flintshire County area.
- 7.6 Whilst on the basis of migration Flintshire County cannot on its own be described as a self-contained housing market, it is however recognised as forming part of a wider functional economic area principally with Wrexham and Cheshire West and Chester. Therefore, if the number of households who move within the combined area of Flintshire and Wrexham is considered, the level of self-containment rises to 71.2% and the proportion who live and work within the combined area of Flintshire and Wrexham rises to 69.7%.
- 7.7 For the purposes of Local Plan policy making and in keeping with good practice requirements (Planning Policy Wales Para 9.2.2), the Wrexham and Flintshire LHMA has been produced in collaboration between the two local authorities in order to better understand the dynamics of the wider housing market in this part of North East Wales.

- 7.8 Whilst there are obvious and important interactions with Cheshire West and Chester, the level of self-containment by household moves and travel to work for the combined area of Flintshire and Wrexham, taken alongside national guidance and regional economic evidence, further strengthens the rationale for undertaking this LHMA on a combined basis.

Understanding the current housing position

- 7.9 This study provides up to date information on the housing stock in the Flintshire County area and how the stock profile varies by sub-area is presented in data tabulations within and accompanying this report.
- 7.10 Analysis revealed that around three out of every four properties in Flintshire County are houses (73.3%), and over two-thirds of all properties (68.8%) contain three or more bedrooms.
- 7.11 Whilst the most prevalent dwelling types were three-bedroom semi-detached and four or more bedroom detached houses, there are some significant sub-area variations including a significant higher than average proportion of detached dwellings located within the Central, South Border and Mold & Buckley sub-areas.
- 7.12 Around 15% of the stock in Flintshire is social rented. There is a low level of existing intermediate for sale affordable accommodation (i.e. shared ownership), potentially limiting choice in certain higher value sub-areas. The highest proportions of this stock are located within the Garden City (35.2%) and Flint & Coast (21.4%) sub-areas.
- 7.13 On the whole, residents are satisfied with the condition and state of repair of their homes. Typically owner-occupiers (representing 72.8% of all households) are the most satisfied and private renters the least. The highest level of dissatisfaction with current property was recorded within the Garden City sub-area where around one in every ten households were dissatisfied or unhappy with their accommodation..
- 7.14 Common with most areas across England and Wales, Flintshire County area has witnessed a significant and sustained period of rapid house price growth in the early to mid 2000s. However, since then house prices have fallen and have only increased slightly in the past five years.
- 7.15 11.5% of all households rent privately. This is 4% below the Census figures (England and Wales), yet does represents significant growth in the sector since the 2001 Census. This growth is expected to continue and is expected to compete with social / affordable rent as the second most available tenure.

Understanding the Future Housing Market

- 7.16 This study has explored how the key drivers of the local market and underlying trends impact upon the structure of households and population moving forward. The key primary drivers influencing the current and future housing market have been assessed as:

- Demographic influence and change,
 - Economic performance; and
 - Quality, quantity, availability and affordability of dwelling stock.
- 7.17 In line with Government 2011-based population projections, Flintshire County is forecast to see a stable / relatively stagnant population, with Government 2011-based population projections suggesting population change of between -1,974 and +5,415 over the period 2011 to 2036. Within these forecasts there will be significant growth in older age groups (65+ years) as well as growth in the proportion of smaller households.
- 7.18 According to the 2014 household survey just over half (55.7%) of Household Reference People (HRP) are economically active and are in employment with a further 31.1% retired. Overall the rate of employment stands at around 72%.
- 7.19 Median incomes in Wrexham CB are above the national average.
- 7.20 Generally speaking, house prices have risen slightly since 2010. Affordability ratios have remained at around 6.0x (lower quartile income to lower quartile prices) as wages have also risen slightly.
- 7.21 The rate of new build housing (all tenures) has slowed since the economic recession and has remained at lower levels. This lower level of delivery is noticeable across the sub-region and with neighbouring LAs and is symptomatic of continuing caution and restriction towards finance and borrowing, and an underlying low level of confidence in the local economy.
- 7.22 In line with Government led household projects (2011 – 2036) and by translating various scenarios into dwellings requirements, an additional range of between 204 and 269 dwellings is required each year. The average across all three scenarios is 230. This level of forecast household growth does not include any assumptions connected with and to support future economic growth for Flintshire County. Caution is therefore advised around these figures and as such they are not to be used or relied upon as agreed dwelling estimates, but are provided purely for information.
- 7.23 It is also important to note that the guidance contained within Planning Policy Wales states that local authority level household projections form a starting point for assessing housing requirements and are therefore not an end in themselves. Local Planning Authorities have subsequently been charged by the Minister for Housing and Regeneration (April 2014) to identify a level or quantum of future housing over the next 15 – 20 years which considers all relevant sources of evidence and not just household projections.
- 7.24 With this in mind and given the aspiration and local pressures for economic growth and prosperity, further work would be advised and merited in order to accurately calculate a range of regeneration and economic led dwelling scenarios for Flintshire.

Housing Need

- 7.25 This study has directly and compliantly followed all of the requirements and steps in order to provide an assessment of housing need in accordance with the Local

Housing Market Assessment Guide (Welsh Government - March 2006) and Getting Started with your Local Housing Market Assessment – A Step by Step Guide (Welsh Government - March 2012).

- 7.26 Analysis through the needs assessment model reveals that there is an annual shortfall of 246 affordable dwellings across Flintshire County.
- 7.27 It is important to stress that housing assessments are essentially a snapshot in time and as such the figure calculated under this model should not be used as a definitive measure of housing need or as an absolute target figure. Instead the model and its output is representative and reflective of the current level of imbalance within the local housing market and so indicative of the scale, type and tenure of housing required in order to seek to redress such imbalance.
- 7.28 It is also important to note that this model operates on the principle that the calculated backlog of need is cleared within a five-year period. This approach accords with the Welsh LHMA guidance which suggests that a 5 year or Plan Period timeframe can be used to address backlog need. The Guidance indicates that a judgement can be taken and the LHMA modelling for Flintshire assumes that the backlog can be cleared over a 5 year period i.e. at a rate of 20% each year. It is important to note that this model only applies to affordable housing and not market housing.
- 7.29 The preferred affordable housing tenure split (based upon existing households in need and newly-forming households) is for 56% social / affordable rented and 44% intermediate tenure.
- 7.30 The analysis clearly suggests a need for smaller two-bedroom properties for both under and over 65s with some three-bedroom general needs (under 65s).
- 7.31 Around 37% of all households in need can afford an intermediate affordable house priced at £100,000 or less (or the equivalent total housing costs).
- 7.32 Around 14% of all households in need are older people (65+years), and further variation and choice within the housing market (market and affordable) is recommended.

Monitoring and updating housing assessments

- 7.33 This Local Housing Market Assessment provides a robust element of the required evidence base to support the development of housing and planning policy over the next 5 - 15 years.
- 7.34 Guidance indicates that such comprehensive assessments should not be required more frequently than every five years. However, the fluidity of the housing market may require earlier and potentially more regular up-dates (not including major households surveys) including on an annual basis.
- 7.35 By including information and source details for key local market signals it is possible for the commissioning authority to update this housing needs assessment model on an annual basis. The mechanism and guide to undertake this are detailed and contained within Technical Appendix C.

Concluding comments and recommendations

- 7.36 Appropriate housing and planning policies have a fundamental role to play in the delivery of thriving, inclusive, and sustainable areas. These policies need to be underpinned with high quality data. This study has provided a wealth of up-to-date social, economic, demographic and housing data for Flintshire County.
- 7.37 This research has reflected upon the housing market attributes of Flintshire County and interactions with other areas, notably Wrexham and neighbouring English Local Authorities. The report outlines the scale of future strategic challenges which include the ongoing delivery of new market and affordable housing to address need and support economic growth; diversifying the range of affordable tenures available to local residents; improving the condition and energy efficiency of existing stock; and addressing the requirements of older people and vulnerable groups.

Introduction to Technical Appendices

- Technical Appendix A: Research methodology
- Technical Appendix B: Housing need
- Technical Appendix C: Monitoring and updating

Technical Appendix A: Research Methodology

Overall approach

- A.1 A multi-method approach was adopted in order to prepare a robust and credible Housing Market Assessment for Flintshire Council:
- A sample survey of households across the Council area stratified by six sub-areas. A total of 15,198 households were contacted and 2,437 questionnaires were returned and used in data analysis. This represents a 16.0% response rate overall and the total number of questionnaires returned was well in excess of the 1,500 specified in Government guidance;
 - An online stakeholder survey and interviews with key stakeholders including Local Housing and Planning Authority representatives, Registered Providers, Estate Agents, Lettings Agents, Developers, Supporting People representatives;
 - A review of relevant secondary data including the 2001 and 2011 censuses, house price trends, CORE lettings data, population and household projection statistics.
- A.2 Household survey data is available down to postcode level. In the HMA report, data are presented for the Flintshire Council area and the six constituent sub-areas.
- A.3 The SHMA was overseen by a Housing Market Partnership comprising Local Authority officers.

Baseline dwelling stock information and survey sample errors

- A.4 Table A1 summarises total dwelling stock and the number of households contacted by survey area, achieved response rates and sample errors.

Weighting and grossing

- A.5 In order to proceed with data analysis, it is critical that survey data is weighted to take into account non-response bias and grossed up to reflect the total number of households. Weighting for each survey area was based on:
- **tenure** (the proportion of affordable (social rented and intermediate tenure) private rented sector and open market dwellings based on 2011 census data;
 - **age of Household Reference Person** based on the proportions of household reference people aged under 65 and 65 or over by sub-area.
- A.6 Ultimately, the survey element of the assessment is sufficiently statistically robust to undertake detailed analysis and underpin core outputs of the study down to the survey areas presented in Table A1. Furthermore, the survey

findings are enhanced and corroborated through analysis of secondary data and stakeholder consultation.

Table A1 Households surveyed, response rates and sample errors					
Sub-area	Total Households	Total Sampled	Achieved Sample	Response Rate (%)	Sample confidence
Central	4476	2863	523	18.3	+/-4.0%
Connahs Quay, Queensferry & Broughton	18576	2863	401	14.0	+/-4.8%
Flint & Coast	14001	2863	385	13.4	+/-4.9%
Garden City	1250	1250	174	13.9	+/-6.9%
Mold & Buckley	23309	2863	537	18.6	+/-4.2%
South Border	2496	2496	417	16.7	+/-4.4%
Total	64108	15198	2437	16.0	+/-2.0%

Source: Council Tax Data; 2011 Census

1. Where 'sample' is indicated in the column this means that a random sample of households were selected for that area and issued with a survey in both Welsh and English.
2. Sample error is based on the 95% confidence interval which is the industry standard to establish result accuracy.

List of stakeholders interviewed as part of the SHMA process

- A.7 An online survey and telephone/face to face interviews were carried out with a range of stakeholders drawn from:
- Local Authority Planning, Housing and Economic Regeneration Officers (including neighbouring Councils);
 - Housing Associations/RSLs/RPs/ALMOs;
 - Estate Agents / Lettings Agents;
 - Developers/Builders;
 - Planning Consultants/Architects; and
 - Supporting People representatives.

Technical Appendix B: Housing need calculations

Summary of contents

C. CURRENT NEED

1. Existing households in need of alternative housing
2. plus Current non-households in need
3. minus cases where they can afford to meet their needs in the market
4. equals Total current housing need

A. AVAILABLE STOCK TO OFFSET NEED

5. Current occupiers of affordable housing in need
6. plus Surplus stock
7. plus Committed supply of new affordable units
8. minus planned units to be taken out of management
9. equals Total available stock to meet current need
10. equals Total Current Need
11. times quota progressively to reduce level of current need
12. equals Annual need to reduce level of current need
13. New household formation (gross p.a.)
14. times proportion unable to buy or rent in the market
15. plus existing households falling into need
16. minus potential out-migrants unable to afford market housing
17. plus in-migrants unable to afford market housing
18. equals newly-arising need

S. SUPPLY OF AFFORDABLE UNITS per year

19. Net supply of social re-lets
20. plus supply of intermediate housing available for re-let or resale at sub-market levels
21. equals Affordable supply

NET SHORTFALL OR SURPLUS

22. Overall shortfall or surplus (annual imbalance)

Introduction

- B.1 Local Housing Market Assessment Guidance sets out the approach to assessing housing need. Housing need generally refers to households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the local housing market without assistance.
- B.2 Affordable housing is housing provided to those whose needs are not met by the market. Affordable housing should:
- Meet the needs of eligible households, including availability at low enough cost for them to afford, determined with regard to local incomes and house prices; and
 - Include provision for the home to remain affordable for future eligible households, or if a home ceases to be affordable or stair casing to full ownership takes place, any subsidy should generally be recycled to provide replacement housing.
- B.3 Affordable housing includes social rented and intermediate housing.
- B.4 Intermediate housing is that where prices or rents are above those of social rented housing but below market housing prices or rents. This can include equity sharing schemes (for example *Homebuy*). Intermediate housing differs from low cost market housing, which the Assembly Government does not consider to be affordable housing. Intermediate housing can help existing tenants to move out of the social sector (and release the unit for use by another).
- B.5 Housing needs analysis and affordable housing modelling has been prepared in accordance with Government guidance at Borough and sub-area level. Modelling has used 2014 household survey and secondary data. In summary, the model reviews in a step-wise process:

1. C: Current housing need (gross backlog)

Minus

2. A: Available stock to offset need

plus

3. N: Newly arising need (future)

Minus

4. S: Supply of affordable units (future);

Equals

5. Net shortfall (or surplus)

of affordable units each year

Stage 1: C: Current need

Step 1. Existing households in need of alternative housing

- B.6 A working definition of housing need is *'the quantity of housing required for households who are unable to access suitable housing without financial assistance'*. The LHMA Guidance suggests types of housing that should be considered unsuitable, as summarised in Table B1. Modelling assumes a total of 6,197 existing households in need of alternative housing

Table B1 Summary of current housing need across Flintshire County		
Category	Factor	Flintshire County Total
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	421
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	517
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	1488
	N4 Too difficult to maintain	1783
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	757
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	1968
Dwelling amenities and condition	N7/8 The dwelling fails to meet the requirements of the Housing, Health and Safety Rating System (HHSRS) and vulnerable households do not have the resources to carry out works to meet the standards. Therefore financial assistance may be required	194
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	184
Total no. households in need (with one or more housing need)		6,197
Total Households		64,108
% households in need		9.7%

Note: A household may have more than one housing need.

Source: 2014 Household Survey

Step 2. Current non-households in need

B.7 This is based on the number of households who were previously homeless. Over the past five years, a total of 577 households moved into housing having been previously homeless or living in temporary accommodation. It is assumed that these households include:

- Families (including single parents) currently living within another household;
- Couples over 16 currently living with another household;
- Single adults over 25 currently living within an unrelated household. This would include those renting a room only within another household; and
- Households unable to live together because of a lack of housing.

Step 3. Removing those that can afford to meet their housing needs in the open market.

B.8 This involves applying affordability criteria to the incomes of all households in need of alternative accommodation. A household is considered likely to be able to afford to buy a home that costs 3.5x the gross household income for a single earner household or 2.9x for dual income households. Analysis also takes account of existing equity and savings/help from parents. Table B2 summarises the house prices used in analysis.

B.9 A household should be able to afford market rented housing where the rent payable would constitute no more than 25% of their gross household income. Table B3 summarises rental prices used in analysis.

Table B2 Lower quartile market prices 2013 across Flintshire County	
Sub-area	Lower quartile price (£)
Central	£120,000
Connahs Quay, Queensferry & Broughton	£102,500
Flint & Coast	£85,000
Garden City	£85,750
Mold & Buckley	£124,995
South Border	£135,000
Flintshire	£108,500

Source: Land Registry Price Paid Data: 1 Jan 2013 to 31 Dec 2013

Table B3 Lower quartile private rents 2013/14 across Flintshire County						
No. Beds	Sub-area and lower quartile rent per month (£)					
	Central	Connahs Quay, Queensferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border
1	451	390	384	425	429	436
2	550	524	494	498	524	494
3	576	576	524	594	598	550
4+	702	750	650	.	802	600

Source: Zoopla

- B.10 An analysis of incomes and equity/access to savings identifies that 3,120 households could afford open market solutions.

Step 4. Total current housing need

- B.11 Having identified the scale of housing need in Steps 1 and 2 and assessed the ability of households to access the open market in Step 3, there are a total of 3,654 existing households in need, wanting to move to offset their need and who could not afford open market solutions

Stage 2: A: Available stock to offset need

Step 5. Removing current occupiers of affordable housing in need

- B.12 This is an important consideration in establishing the net levels of affordable housing need as the movement of these households will have a nil effect in terms of additional housing need. The total number of such households is 818.

Step 6. Surplus stock

- B.13 A certain level of voids is normal within Council and Housing Association stock to allow for transfers and works on properties. However, if the rate is in excess of approximately 3% and properties are vacant for considerable periods of time, these should be counted as surplus stock. According to StatsWales, a total of 49 social rented dwellings were vacant and available for letting which equates to around 0.5% of dwelling stock, therefore no surplus stock is assumed in this analysis.

Step 7. Committed supply of new affordable housing

- B.14 This includes new (and conversions) social rented and intermediate housing which are already planned to be built over the time period of the assessment.

Data from StatsWales indicates that over the five-year-period 2009/10 to 2013/14 there were a total of 405 affordable dwellings built, representing an annual rate of 81. The modelling assumes this level of development over the next five years (i.e. 405 dwellings).

Step 8. Units taken out of management

- B.15 This involves estimating the numbers of social rented or intermediate units that will be taken out of management each year as affected households will be in need of alternative accommodation. None are assumed in this analysis.

Step 9. Total available stock to meet current need

- B.16 This is the total stock available, or predicted to become available, over the assessment time period. It is the sum of Steps 5 to 7 minus Step 8. The total available stock to meet current need is 1,223.

Step 10. Total unmet need

- B.17 This is the current number of households who are in housing need and unable to meet their needs in the market. It is calculated by subtracting Step 9 (total available stock to meet current need) from Step 4 (total current gross housing need). This calculation assumes a one-to-one relationship between households and dwellings. The total unmet current need is 2,431.

Step 11. Quota to reduce levels of current need

- B.18 Modelling assumes that current need is met over a five-year-period. Therefore a quota of 20% is used.

Step 12. Annual requirement to reduce the level of current unmet need

- B.19 This is the number of affordable units that will be needed each year to address levels of unmet housing need over the time period agreed in Step 11. It is obtained by multiplying the current need (Step 10) by the quota (Step 11). This results in an annual requirement of 486 dwellings.

Stage 3: N: Newly arising need

Step 13. New household formation

- B.20 The needs analysis assumes an annual household formation rate of 268. This is based on the number of households actually forming in the five years preceding the 2014 household survey.

Step 14. Proportion unable to buy or rent in the market

- B.21 Analysis of lower quartile market prices relative to the income/savings and lower quartile private rents relative to income of households who have formed in the past five years suggests that 59% could not afford lower quartile house prices or private sector rents.
- B.22 Therefore, the total number of newly-forming households who could not afford open market prices or rents across Flintshire County is calculated to be 158 each year.

Step 15. Existing households falling into need

- B.23 This is based on the number of households who fell into housing need in the five years preceding the household survey and moved into affordable dwellings. This equates to an annual need from 101 households.

Steps 16 and 17. In and out-migrants unable to afford market housing

- B.24 The household survey identifies in-migrant household who have moved into the Borough and into affordable housing in the last five years (A total of 17 each year). The survey also identifies those households who are planning to move out of the Borough and cannot afford market prices (2 each year).

Step 18. Total newly arising need

- B.25 This is the annual gross level of newly arising housing need for affordable housing. It is calculated by adding together newly forming households unable to afford market housing (Step 13 times Step 14), existing households falling into need (Step 15) and in-migrants unable to afford market housing (Step 16), then subtracting out-migrants unable to afford market housing. Total newly arising need is calculated to be 274 each year.

Stage 4: S: Supply of affordable units

Step 19. Net supply of social re-lets

- B.26 Over the three year period 2010/11, 2011/12 and 2012/13, StatsWales data reports a total of 1,542 lettings were made which excluded transfers and exchanges. This represents 514 annual lettings to households requiring affordable housing who previously did not live in affordable dwellings.

Step 20. Annual supply of intermediate housing

- B.27 As there was no secondary data available it is assumed for this model that there are 0 (zero) intermediate dwellings made available for re-let / resale.

Step 21. Total affordable supply

- B.28 This is the predicted sum of annual supply of affordable units (i.e. both social rented and intermediate housing). Total affordable supply is 514 dwellings each year.

Net shortfall or surplus

- B.29 This is the overall level (i.e. shortfall or surplus) of affordable housing that would need to be provided each year in order to meet housing need over the chosen time period. It is calculated by subtracting the supply of affordable housing (Step 21) from the annual need (Step 12 plus Step 18). Analysis would suggest an annual shortfall of 246 affordable dwellings across Flintshire County.
- B.30 Tables B4 and B5 provide a full breakdown of all of the stages of the model together with the calculation steps applicable to each stage. These tables provide a breakdown for the Flintshire County Borough Area and for each sub-area.

Table B4 Needs Assessment Summary for Flintshire County		
Element and step in calculation	Calculation	Flintshire
Total households >>>		64,108
C. CURRENT NEED		
1. Existing households in need of alternative housing		3197
2. plus Current non-households in need		577
3. minus cases where they can afford to meet their needs in the market		3120
4. equals Total current housing need	1+2-3	3654
A. AVAILABLE STOCK TO OFFSET NEED		
5. Current occupiers of affordable housing in need		818
6. plus Surplus stock		0
7. plus Committed supply of new affordable units		405
8 minus planned units to be taken out of management		0
9. equals Total available stock to meet current need	5+6+7-8	1223
10. equals Total Current Need	4-9	2431
11. times quota progressively to reduce level of current need		20%
12. equals Annual need to reduce level of current need	10x11	486
N: NEWLY ARISING NEED		
13. New household formation (gross p.a.)		268
14. times proportion unable to buy or rent in the market		59%
15. plus existing households falling into need		101
16. minus potential out-migrants unable to afford market housing		2
17. plus in-migrants unable to afford market housing		17
18. equals newly-arising need	14+15-16+17	274
S. SUPPLY OF AFFORDABLE UNITS per year		
19. Net supply of social re-lets		514
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0
21. equals Affordable supply		514
NET SHORTFALL OR SURPLUS		
22. Overall shortfall or surplus (annual imbalance)		246

Source 2014 Household Survey; RP Lettings and Sales data

Table B5 Needs Assessment Summary by sub-area - Flintshire

Element and step in calculation	Calculation	Sub-area						Total
		Central	Connahs Q'ferry & Broughton	Flint & Coast	Garden City	Mold & Buckley	South Border	
Total households >>>		4476	18576	14001	1250	23309	2496	64108
C. CURRENT NEED								
1. Existing households in need of alternative housing		493	2049	1161	159	2094	241	6197
2. plus Current non-households in need		20	348	79	32	84	14	577
3. minus cases where they can afford to meet their needs in the market	%	31	63	49	91	41	41	50
	No.	153	1299	574	145	851	98	3120
4. equals Total current housing need	1+2-3	360	1098	666	46	1327	157	3654
A. AVAILABLE STOCK TO OFFSET NEED								
5. Current occupiers of affordable housing in need		13	382	176	115	118	14	818
6. plus Surplus stock		0	0	0	0	0	0	0
7. plus Committed supply of new affordable units		13	134	127	19	102	12	405
8 minus planned units to be taken out of management		0	0	0	0	0	0	0
9. equals Total available stock to meet current need	5+6+7-8	26	516	303	134	220	26	1223
10. equals Total Current Need	4-9	335	582	363	-87	1107	131	2431
11. times quota progressively to reduce level of current need	Policy judgement	20%	20%	20%	20%	20%	20%	20%
12. equals Annual need to reduce level of current need	10x11	67	116	73	-17	221	26	486
N: NEWLY ARISING NEED								
13. New household formation (gross p.a.)		15	105	41	13	82	12	268
14. times proportion unable to buy or rent in the market		59.0%	59.0%	59.0%	59.0%	59.0%	59.0%	59.0%
15. plus existing households falling into need		1	42	22	6	24	6	101
16. minus potential out-migrants unable to afford market housing		2						2
17. plus in-migrants unable to afford market housing	(13x14)+15+16+17	3	7		8			17
18. equals newly-arising need		10	110	46	22	72	14	274
S. SUPPLY OF AFFORDABLE UNITS per year								
19. Net supply of social re-lets		16	170	161	24	129	15	514
20. plus supply of intermediate housing available for re-let or resale at sub-market levels	19+20							
21. equals Affordable supply		16	170	161	24	129	15	514
NET SHORTFALL OR SURPLUS								
22. Overall shortfall or surplus (annual imbalance)	12+18-21	61	57	-42	-19	165	25	246

Technical Appendix C: A framework for updating the housing needs model and assessment of affordable housing requirements

Introduction

- C.1 Having invested considerable resources in obtaining an excellent range of primary and secondary data, it is vital that this information be used to the maximum effect and updated on a regular basis. The purpose of this appendix is to establish a framework for updating the housing needs model and affordable housing requirements. In addition, it recommends the regular monitoring and review of housing market activity and regular reflections on the wider strategic context.
- C.2 The Local Housing Market Assessment Guide (Welsh Government 2006) recognises that Local Housing Market Assessments provide a sound and robust platform for housing and planning policy over an initial 5 – 10 year period and potentially beyond. This guidance therefore recognises and recommends that comprehensive assessment exercises be undertaken no more frequently than every five years but that there are particular areas of the assessment which will require frequent updating. These areas for up-date include details upon the changing demand for housing (number and type), housing need and household moves.

Updating of baseline housing needs and affordable housing requirements

- C.3 A baseline assessment of housing need across Flintshire County Borough Council Borough has been derived from the household survey. This information should be taken as a baseline from which annual reviews of key aspects of the model proceed. In line with the Welsh Government Guidance it is recommended that the baseline information has a shelf-life of five years (with a recommended refresh of household information after 2019/20 through primary surveying).
- C.4 Key elements of the needs assessment model can be readily updated on an annual basis to reflect:
- changes in house prices and rental costs;
 - capacity of the social rented sector; and
 - availability of intermediate tenure housing.

Changes in house prices and rental costs

- C.5 It is recommended that the annual purchase of address-level house prices to complement the existing dataset continues. This will result in an annual refresh of house price data by survey area and provide an indication of changing lower

quartile prices. In turn, these can be applied to **Step 3** of the needs assessment model which considers the extent to which households in need can afford open market prices. As part of this analysis, updated information on private rented sector rents needs to be secured. Several websites can provide a snapshot of private rents and help inform this element of the update.

- C.6 Lower quartile prices and private sector rents should also be compared with the income profile of newly-forming households at **Step 3** of the needs assessment model.

Capacity of the social rented sector

- C.7 The capacity of the social rented sector needs to be reviewed annually using LA / StatsWales lettings data (**Step 19**).
- C.8 A dataset has been prepared for 2010/11, 2011/12 and 2012/13 as part of this research. This includes some additional variables identifying the characteristics of households (by designation i.e. under 65 or over 65) and previous housing circumstances (from out of area, previously social renter, previously other tenure and from supported/specialist accommodation). The capacity of the social rented sector is based on the number of lettings to households from within the Local Authority District who were previously living in (non social rented or intermediate) tenure.

Availability of intermediate tenure housing

- C.9 Sales data can identify the availability of intermediate tenure housing (**Step 20**). Data has been assembled for 2010/11, 2011/12 and 2012/13.

Annual adjustments to affordable requirements

- C.10 Datasets can be provided from which annual reviews of affordable requirements can proceed. This will point to any adjustment in net requirements by survey area, designation and property size.

Updating of contextual information

- C.11 This report has presented a range of contextual information relating to the economy, demography (including population projections and migration) and dwelling stock. This information should be updated where possible and in particular progression with economic growth and diversification should be carefully monitored.

Reflections on the general strategic context and emerging issues

- C.12 As part of its strategic housing function, all LAs need to understand the general strategic housing market context and respond to emerging issues. Given the dynamic nature of housing markets, the Central and Local Government policy

agenda and bidding for resources, any update of housing needs must be positioned within a wider strategic context.

- C.13 Ongoing stakeholder consultation and engagement with local communities is also vital to maintain up-to-date intelligence on housing market issues.

Concluding comments

- C.14 It is vital that mechanisms are in place to derive robust, credible and defensible estimates of housing need and affordable requirements across Flintshire County Borough. We believe that this study provides a robust evidence base which has the capacity to be updated.
- C.15 Having established a baseline position on affordable housing and advice on open market provision to reflect aspirations, it is essential that housing market activity is regularly monitored. This is highly relevant given current housing market uncertainty. A range of methods have been suggested to ensure that housing need and affordability modelling is revised on an annual basis. Annual reviews should also take into account the changing strategic context and impact on housing market activity.