

Carmarthenshire

Rural Needs Study 2019

Carmarthenshire County Council

Final Report
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Table of Contents

1.	Introduction	6
	Aim	6
	Geography.....	6
	Study method.....	6
	Data weighting and grossing.....	6
	Report structure.....	7
2.	Understanding housing market dynamics and drivers	8
	Introduction	8
	House price trends.....	8
	The relative affordability of housing.....	13
	The Relative Affordability of Housing Tenure Options	13
	Household migration	17
	Travel to work	19
	Concluding comments and key findings	24
3.	Household and housing stock characteristics.....	26
	Introduction	26
	Estimates of current homes in terms of type, size and tenure	26
	Tenure.....	30
	Concluding comments and key findings	36
4.	Affordable housing need	37
	Introduction	37
	Affordable Housing Needs Assessment	37
	Households with additional needs	40
	Concluding remarks and key findings	41
5.	Market and Intermediate housing requirements.....	42
	Concluding remarks and key findings	45
6.	Further information from the Household Survey.....	46
	Public priorities for additional housing.....	46
	Farming households.....	47
	Methodology.....	47
7.	Summary and Conclusion	48
	Introduction	48
	Housing market dynamics and drivers	48
	Conclusions	51
	Appendix A: Relative affordability by rural ward	53

Technical Appendix B: Housing need calculations.....	54
Summary of contents.....	54
Introduction	55
Stage 1: C: Current need	56
Stage 2: A: Available stock to offset need.....	59
Stage 3: N: Newly arising need.....	60
Stage 4: S: Supply of affordable units	61
Net shortfall or surplus	61
Outputs at Rural Area level.....	62

List of Maps

Map 2.1	Median house prices 2018 by ward.....	11
Map 2.2	Median rents 2018 by ward.....	12

List of Tables

Table 2.1	Comparative median house price change 2007-2018 with Wales.....	10
Table 2.2	Relative affordability ratios of lower quartile (LQ) prices	13
Table 2.3	Relative affordability of median prices.....	13
Table 2.4	Housing costs as at 2018 for Carmarthenshire as a whole.....	14
Table 2.5	Cost of alternative tenure options, Income required (2018)	14
Table 2.6	Projected population change 2018 to 2033	22
Table 3.1	Number of homes in rural wards.....	26
Table 3.2	Dwelling type (%)	27
Table 3.3	Dwelling type (%) by rural sub-area wards.....	28
Table 3.4	Profile of homes by number of bedrooms (Carmarthenshire) (%)	28
Table 3.5	Profile of homes by number of bedrooms (%) by rural wards	29
Table 3.6	Tenure Profile	30
Table 3.7	Lower Quartile and median price and income required to service a mortgage, Carmarthenshire	31
Table 3.8	Comparative median rental price 2010-2018.....	32
Table 3.9	Comparative lower quartile rental price 2010-2017	32
Table 3.10	Rural area and County-wide household profiles compared by tenure	34
Table 4.1	Current Housing Need Across the Carmarthenshire Rural Area	38
Table 4.2	Needs Assessment Summary for Carmarthenshire's Rural Area	39
Table 4.3	Long-term health problem or disability.....	40

Table 4.4	Comments associated with illness/disability and households by tenure, Carmarthenshire Rural Area	41
Table 4.5	Wheelchair Users	41
Table 5.1	Profile of current dwelling type/size and tenure mix (%).....	42
Table 5.2	Profile of dwelling type/size and tenure mix demand from existing households expecting to move home	43
Table 5.3	Demand for intermediate housing dwelling types	44
Table 6.1	Responses to consultation questions – household circumstances	46
Table 6.2	Responses to consultation questions – dwelling types.....	47
Table 6.3	Location preferences of households intending to move home	47
Table B1	Summary of current housing need across Carmarthenshire Rural Area.....	56
Table B2	Lower quartile market prices 2018 across Carmarthenshire Rural Area	57
Table B3	Lower quartile private rents 2018 across Carmarthenshire Rural Area	58
Table B4	Rural area summary of net affordable need using unweighted data	62
Table B5A	Rural area summary of net affordable need using unweighted data by ward	63
Table B5B	Rural area summary of net affordable need using unweighted data by ward	64
Table B6A	Rural area summary of net affordable need using weighted data by ward....	65
Table B6B	Rural area summary of net affordable need using weighted data by ward – cont’d.....	66

List of Figures

Figure 2.1	Median house price trends 2000 to 2018: Carmarthenshire and Wales	9
Figure 2.2	Affordability by tenure.....	16
Figure 2.3	Migration flows to and from Carmarthenshire	18
Figure 2.4	Travel to work flows to and from Carmarthenshire	20
Figure 2.5	Rural area age profile (2017)	21
Figure 2.6	Projected population change 2018-2033	22
Figure 2.7	Projected change in household numbers by household type	23
Figure 3.1	Rural area and County household profiles compared.....	35

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1. Introduction

Aim

- 1.1 This is a bespoke study informing the delivery of new affordable homes of the right type, size and tenure, in the right places, to meet identified need within rural Carmarthenshire.

Geography

- 1.2 Map 3.1 shows the 22 rural wards that form the study area and are the subject of this report. There are 24 rural wards in Carmarthenshire. Two wards, Cynwyl Gaeo and Trelech were the subject of pilot studies in 2017.

Study method

- 1.3 A multi-method approach was adopted, which comprises:
- a review of relevant secondary data including the 2011 Census, house price trends, lettings data and other data published by the County Council and the Welsh Government;
 - consultation with participating ward and community council representatives;
 - a bespoke household survey involving a 100% sample of all households in the study area; and
 - outputs produced at study area and ward.

Data weighting and grossing

- 1.4 In order to proceed with data analysis, it is critical that survey data is weighted to take into account response and non-response bias and grossed up to reflect the total number of households in 2018. Weighting for each survey area was based on:
- **Tenure** (the proportion of affordable (social rented and intermediate tenure) and open market homes 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 living in affordable and open market provision derived from the 2011 Census; and
 - **Council Tax occupied homes** based on the number of occupied homes in 2018 and used as a grossing factor in the weighting to ensure that there is a suitable uplift on the Census 2011 data.
- 1.5 Ultimately, the survey element of the assessment is sufficiently statistically robust to undertake detailed analysis and underpin core outputs for the study area as a whole. However, analysis is also presented in appendix B at rural ward, weighted and unweighted.

- 1.6 The survey findings are enhanced and corroborated through analysis of secondary data.

Report structure

- 1.7 This report is structured as follows:
- understanding housing market dynamics and drivers;
 - a review of the characteristics of the rural dwelling stock;
 - affordable housing need
 - market and intermediate requirements
 - further information from the household survey
- 1.8 The report includes a substantial technical appendix, which provides detailed material that underpins the core outputs of study:
- Housing need calculations outputs at rural ward level (Appendix B)

2. Understanding housing market dynamics and drivers

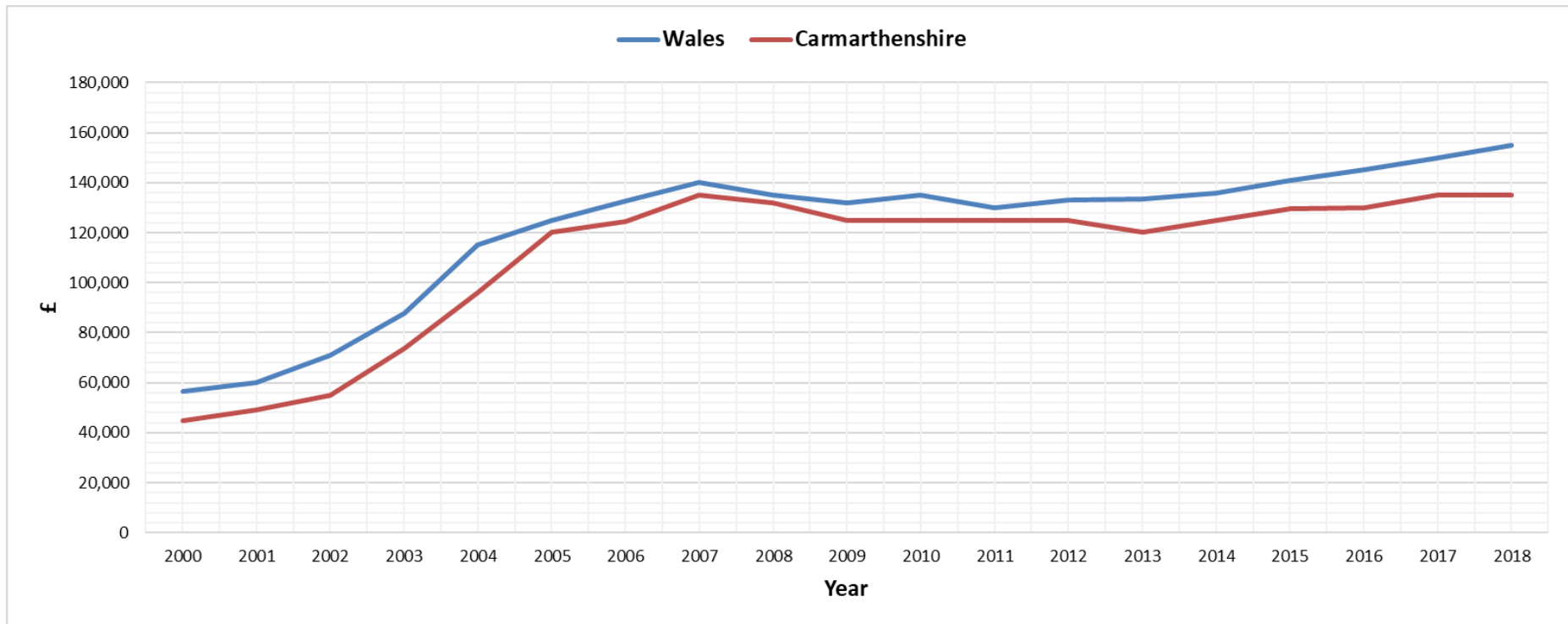
Introduction

- 2.1 The purpose of this chapter is to review a wide range of evidence such that a picture of the dynamics of the rural housing market emerges. This chapter considers house price trends, relative affordability, household migration, travel-to-work patterns, population projections and dwelling completions data for the area.
- 2.2 The data also considers the key evidence needed to distinguish between the need for market and affordable housing.
- 2.3 Whilst this chapter mostly uses average price data, we have collected a significant amount of data at ward and community level which appears in the appendix.

House price trends

- 2.4 Figure 2.1 (overleaf) shows how median house prices in Carmarthenshire have changed over the period 2000 to 2018, based on full-year Land Registry price paid data. This is compared with Wales as a whole.
- 2.5 The pattern of median house price change has been consistently similar to that of Wales albeit with Carmarthenshire prices being consistently lower. The pattern of change is over the ten years 2007 to 2018, has been a shallow fall and rise.
- 2.6 The pattern for Wales has been a steady rise since 2011 whereas in Carmarthenshire the rise was seen two years later in 2013. Since 2013, the gap in house price between Carmarthenshire and Wales has widened; local increases have not kept pace with the national rise.

Figure 2.1 Median house price trends 2000 to 2018: Carmarthenshire and Wales



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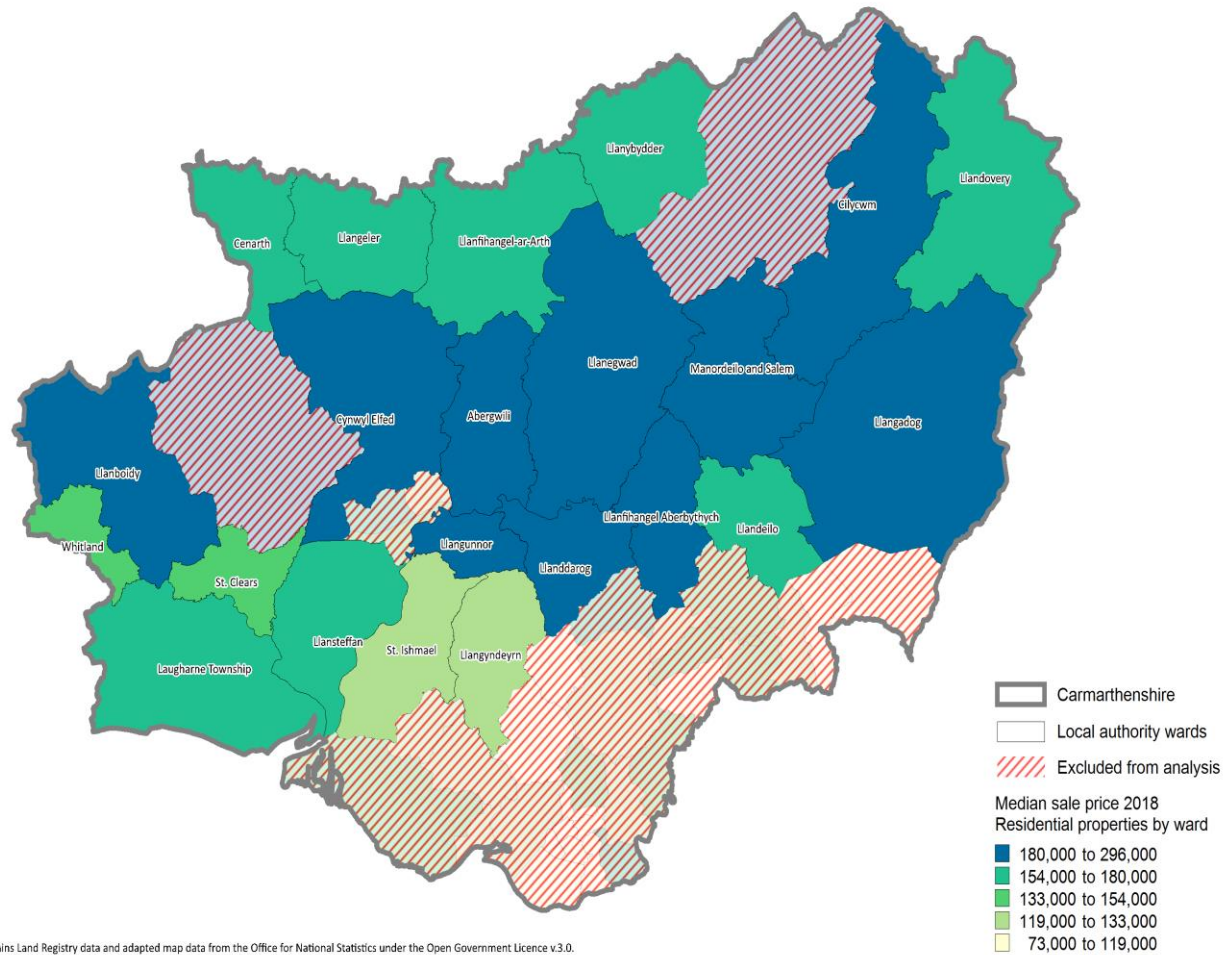
- 2.7 For Carmarthenshire overall, median prices increased from £44,950 in the year 2000 to £135,000 by 2007. Over the ten years from 2007 to 2017 prices fluctuated and reached the 2007 price again, £135,000 in 2018.
- 2.8 Table 2.1 sets out comparative median house prices and house price change over this period for Carmarthenshire and Wales. Carmarthenshire has experienced no change compared to a 10.7% increase for Wales as a whole.

Location	Median price by year (£)		% change
	2007	2018	2007-2018
Carmarthenshire	£135,000	£135,000	0.0%
Wales	£140,000	£152,500	+8.9%

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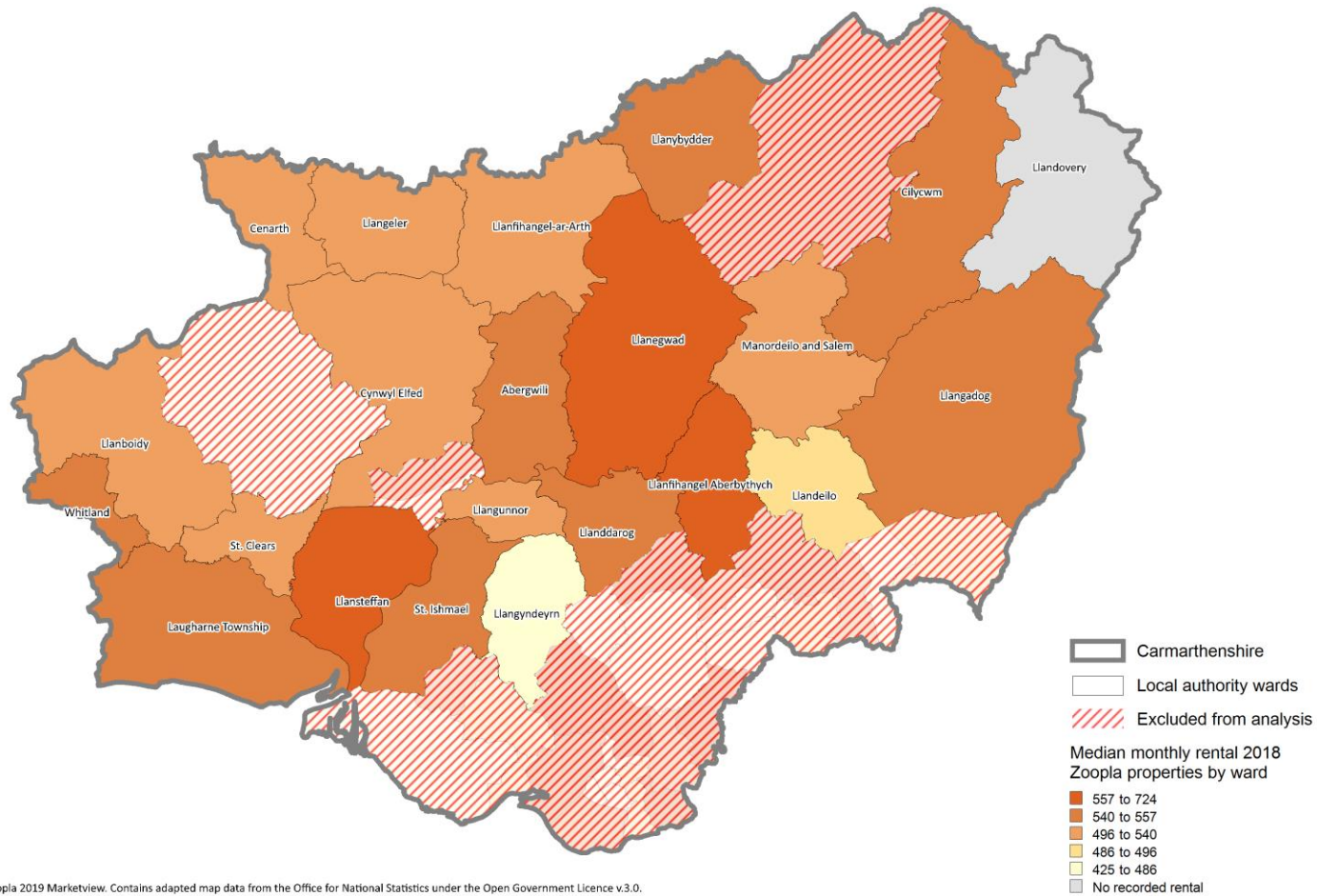
- 2.9 Map 2.1 shows the distribution of median house prices during 2018 within the rural ward areas of interest in Carmarthenshire. This indicates relatively high prices paid in the rural areas, particularly in the middle part of the County. Ten of the 22 wards had a median sale price of £180,000 or more.
- 2.10 Map 2.2 show the distribution of median rents during 2018. In the rural areas of interest, median rates are mostly distributed amongst the top three categories; £495 to £724 per calendar month. However, we should caution that this evidence is based on a small number of transactions.

Map 2.1 Median house prices 2018 by ward



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Map 2.2 Median rents 2018 by ward



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The relative affordability of housing

- 2.11 The relative affordability of homes in Carmarthenshire is compared to Wales in Tables 2.2 (lower quartile prices) and 2.3 (median prices). These tables are produced by the MHCLG, based on a ratio of earnings to house prices using Land Registry price paid and ONS Annual Survey of Hours and Earnings data.
- 2.12 Carmarthenshire is more affordable than Wales as a whole, with a lower quartile house price to workplace income ratio in 2018 of 5.02, compared to 5.69 for Wales (Table 3.2). Comparing lower quartile house prices with earnings over the past three years, Carmarthenshire ratios have consistently been lower than those of Wales as a whole. Note that under residence-based earnings data, the affordability ratio is almost identical for Carmarthenshire, indicating that properties are neither more nor less affordable for the two groups.

Area	Workplace-based			Resident-based		
	2016	2017	2018	2016	2017	2018
Carmarthenshire	5.19	5.01	5.02	5.20	5.00	5.04
Wales	5.67	5.70	5.69	5.65	5.67	5.63

Sources: ONS Ratio of house price to workplace-based and residence-based earnings

- 2.13 Similarly, in terms of relative affordability based on median prices, Carmarthenshire is consistently more affordable compared to Wales as a whole, with a median workplace income to house price ratio in 2018 of 5.33 and a national ratio of 5.88, as illustrated in Table 2.3. Note that under residence-based data, the affordability ratio is lower, indicating that housing is more affordable to households that live and work in the area.

Area	Workplace-based			Resident-based		
	2016	2017	2018	2016	2017	2018
Carmarthenshire	5.75	5.12	5.33	5.50	5.07	5.19
Wales	5.82	5.76	5.88	5.75	5.69	5.73

Sources: ONS Ratio of house price to workplace-based and residence-based earnings

The Relative Affordability of Housing Tenure Options

- 2.14 The relative cost of housing options across Carmarthenshire is explored in Tables 2.4 to 2.6. This includes affordable and market sale and rent options, intermediate tenure and low-cost options, including shared ownership.
- 2.15 The social rent for Carmarthenshire of £377pcm is taken from Stats Wales social housing stock and rental statistics and based on the average weekly rental cost. The

income required for social rent is based on a calculation of the monthly rental over the year.

- 2.16 This analysis indicates that for open market housing in Carmarthenshire the minimum income required is £21,648 to rent lower quartile or entry-level housing, or £24,943 for buying at lower quartile or entry-level house prices. This is based upon an average house price across Carmarthenshire and a 10% deposit – 90% loan to value (LTV). These lower quartile prices are the main benchmark used in the analysis reflecting the market entry point for lower income and newly forming households. Median prices will reflect larger and better-quality housing but affordability of these will vary on a household by household basis depending upon factors such as equity accrued in their existing housing, number of dependent children etc.
- 2.17 Further, costs vary across Carmarthenshire’s rural wards and much of the rural area can be shown to have higher average prices than Carmarthenshire as a whole. Map 2.1 shows that many rural wards have average median prices that are higher than in Carmarthenshire as a whole. The relative cost and income required is presented by the 22 rural wards in Appendix A.

Tenure option	Carmarthenshire
Social rent	£377p.m.
Affordable rent (80% of private median rent)	£398p.m.
Market rent – lower quartile	£451p.m.
Market rent – median	£498p.m.
Market rent – upper quartile	£594p.m.
Market Sale – lower quartile	£97,000
Market Sale – median	£135,000
Market Sale – average	£164,717

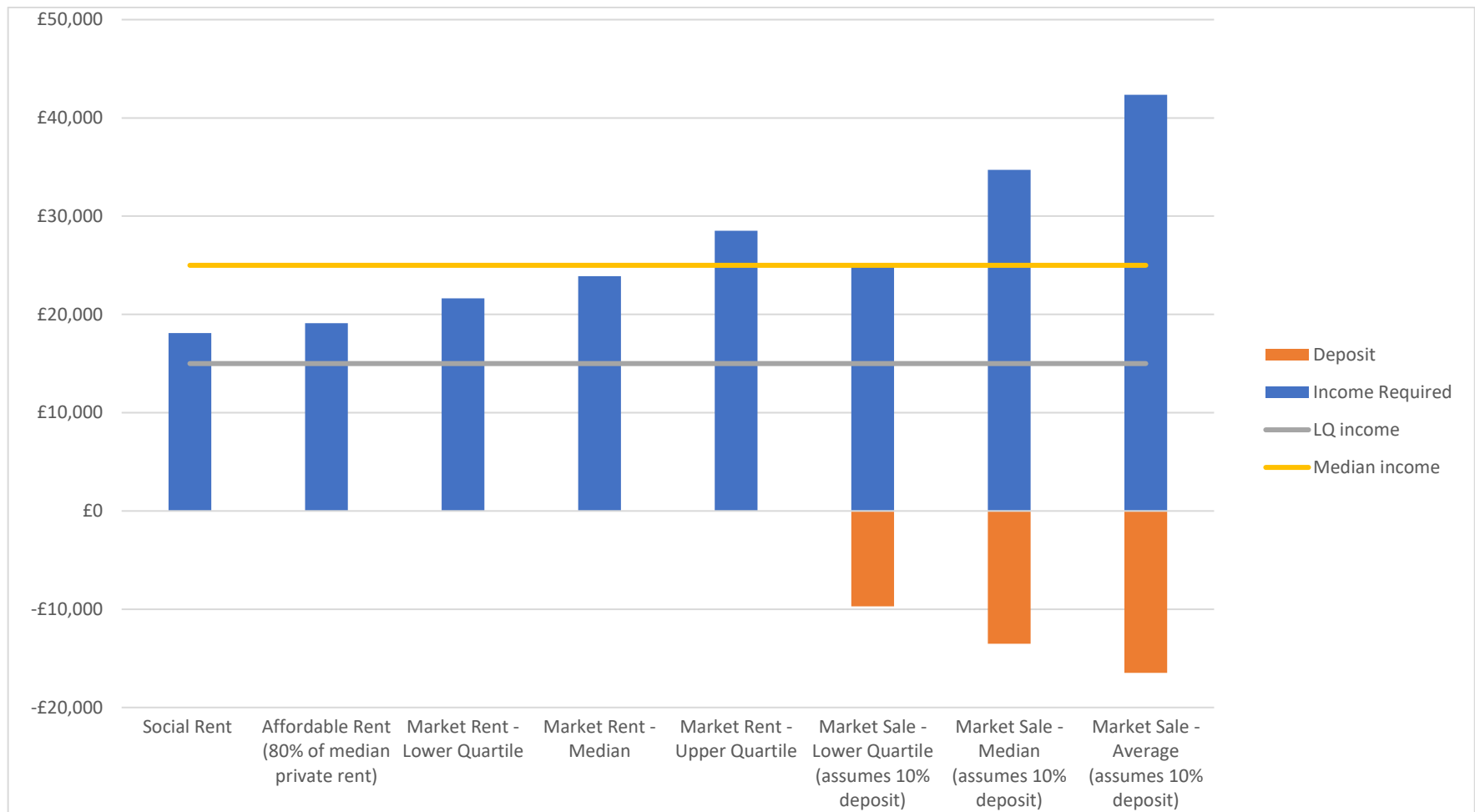
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Tenure option	Carmarthenshire
Social rent	£18,096
Affordable rent (80% of private median rent)	£19,123
Market Rent – lower quartile	£21,648
Market Rent – median	£23,904
Market Rent – upper quartile	£28,512
Market sale – lower quartile	£24,943
Market sale – median	£34,714
Market sale – average	£42,356

Source: Data produced by Land Registry © Crown copyright 2019, Zoopla 2019, HCA

2.18 Figure 2.2 summarises in graphical form the relative affordability of alternative tenures setting out the annual gross household income and deposit required for different options set against prevailing lower quartile and median earnings. This shows that people on lower quartile earnings cannot afford the range of tenure options according to these parameters. People on median earnings have access to a greater range of options including social and market rent (excluding upper quartile). Market sales at the lower quartile, £24,943 are just at the threshold of median incomes in Carmarthenshire (£25,000). Sales above lower quartile prices are unaffordable.

Figure 2.2 Affordability by tenure



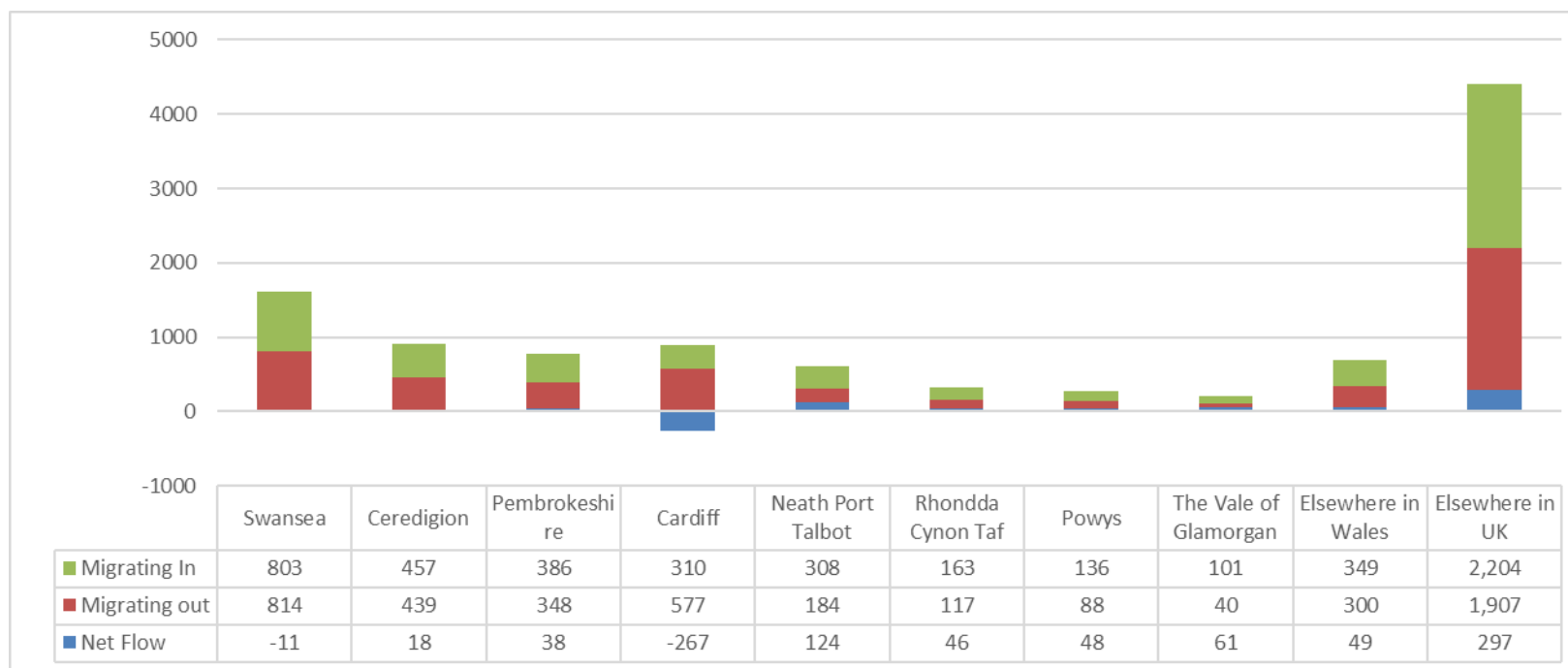
Source: Data produced by Land Registry © Crown copyright 2019, Zoopla 2019, CLG, HCA, CAMEO 2019

Note: The deposit requirements are shown on the figure as a negative number

Household migration

- 2.19 The 2011 Census enables an analysis of migration patterns showing the extent to which people have re-located in and out of the County. Overall, the 2011 Census reported a net inflow of 403 people in the year before the Census.
- 2.20 Figure 2.3 shows that the most significant outflow of people is from Carmarthenshire to elsewhere in the UK (outside Wales) followed by Swansea then Cardiff. Inflows were strongest from elsewhere in the UK, Swansea then Ceredigion.
- 2.21 The 2018 household survey provided information on the characteristics of households in rural Carmarthenshire that have moved home in the preceding 5 years:
- 38.8% moved within the rural area, 16.4% moved from outside the rural area and 44.8% moved from outside Carmarthenshire.
 - 56.2% moved to a house with three or more bedrooms, 14.7% to a one or two-bedroom house and 13.4% to a three or more-bedroom bungalow.
 - almost a quarter of households who had moved (24.7%) were couples under the age of 65 with no children. 19.4% were families with dependent children.
- 2.22 The main reason for moving was to live in a nicer area (38.7%). This was a more dominant reason for those who had moved from outside of the Welsh local authority areas compared to those who had moved within (32.9% compared to 11.1%). Other main reasons were wanting a nicer house (23.7%), to be closer to family/friends (23%) and wanting a garage (22.2%). The category 'other reasons' was also selected by 37.9% of households.

Figure 2.3 Migration flows to and from Carmarthenshire

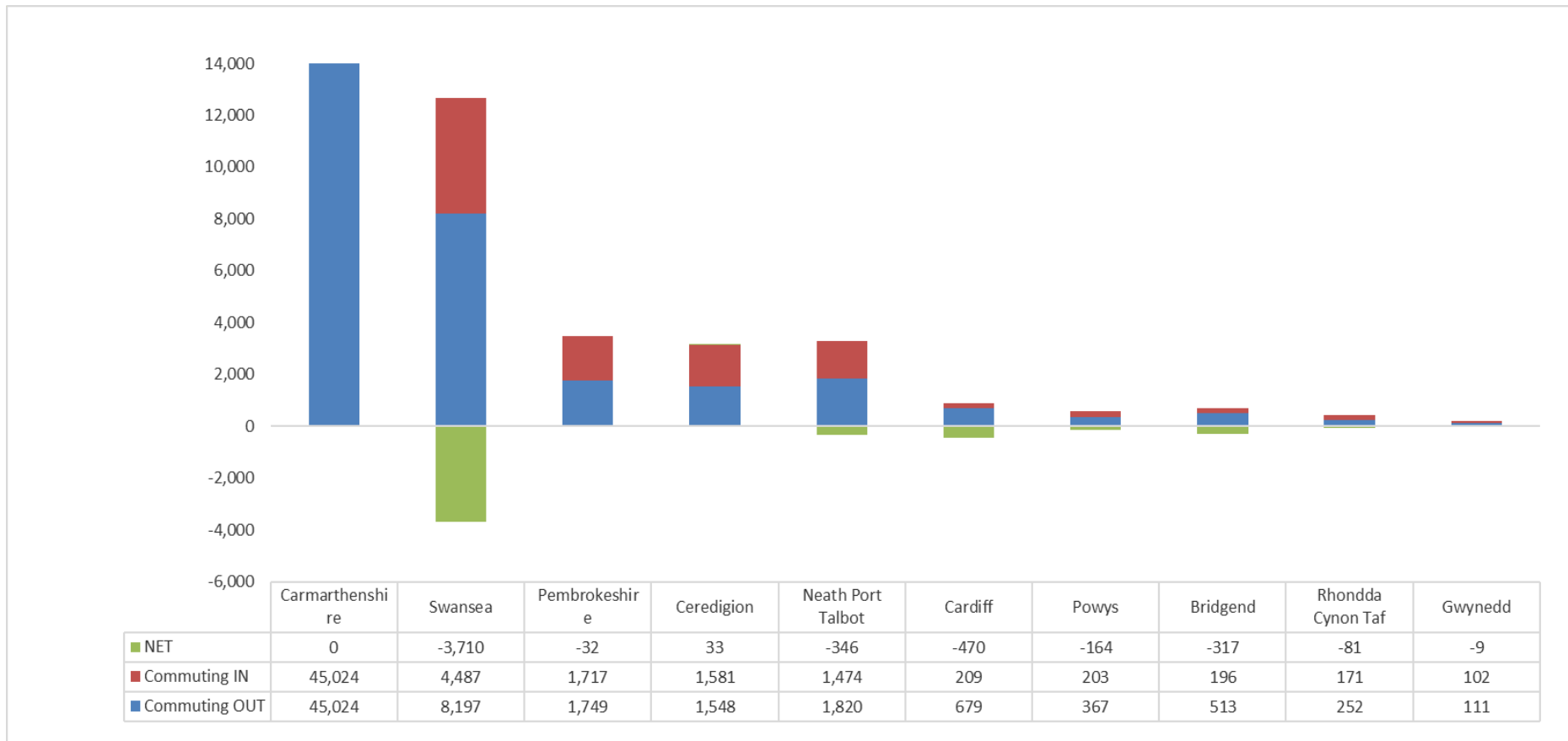


Source: 2011 Census

Travel to work

- 2.23 The 2011 Census provides an analysis of travel to work patterns and the extent to which residents in Carmarthenshire travel to other areas together with details of how many people commute into the area. The analysis focuses on the nine travel to work (TTW) areas shown in figure 3.4 below. The 2011 Census identified the following:
- 45,024 people live and work in Carmarthenshire;
 - 15,236 people live in Carmarthenshire and work in one of the other TTW areas (they commute out of the County for work)
 - 10,140 people work in Carmarthenshire and live in one of the other TTW areas (they commute into the County for work).
- 2.24 Figure 2.4 summarises the main commuting flows to/from Carmarthenshire. The most significant flow is to Cardiff, followed by Pembrokeshire, Ceredigion and Neath Port Talbot.

Figure 2.4 Travel to work flows to and from Carmarthenshire

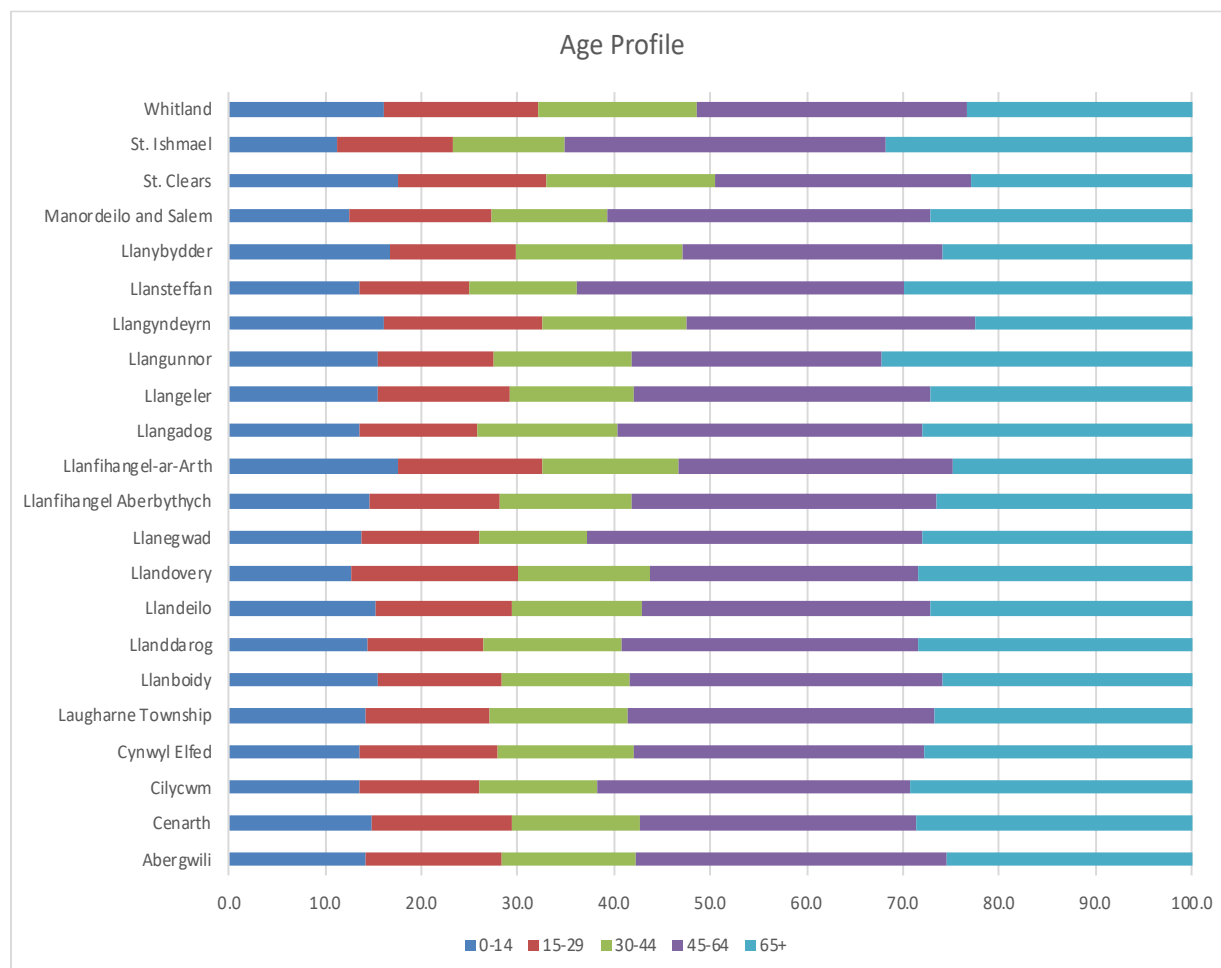


Source: 2011 Census

Population Characteristics and Projections

2.25 ONS 2017 mid-year population estimates have been used to provide a baseline of the population within the rural area by ward and for the rural area as a whole.

Figure 2.5 Rural area age profile (2017)



Source: ONS 2017 mid-year population projections

2.26 The highest proportion of older people was found in the wards of Llangunnor and St. Ishmael.

2.27 Overall in the rural area, the highest proportion of people were in the 45-64 age range (30.3%), followed by those aged over 65 (27.0%). The balance between the older and younger age groups was around 60%/40% (older 45+/younger under 45).

2.28 The following key points are derived from the population projections for Carmarthenshire overall:

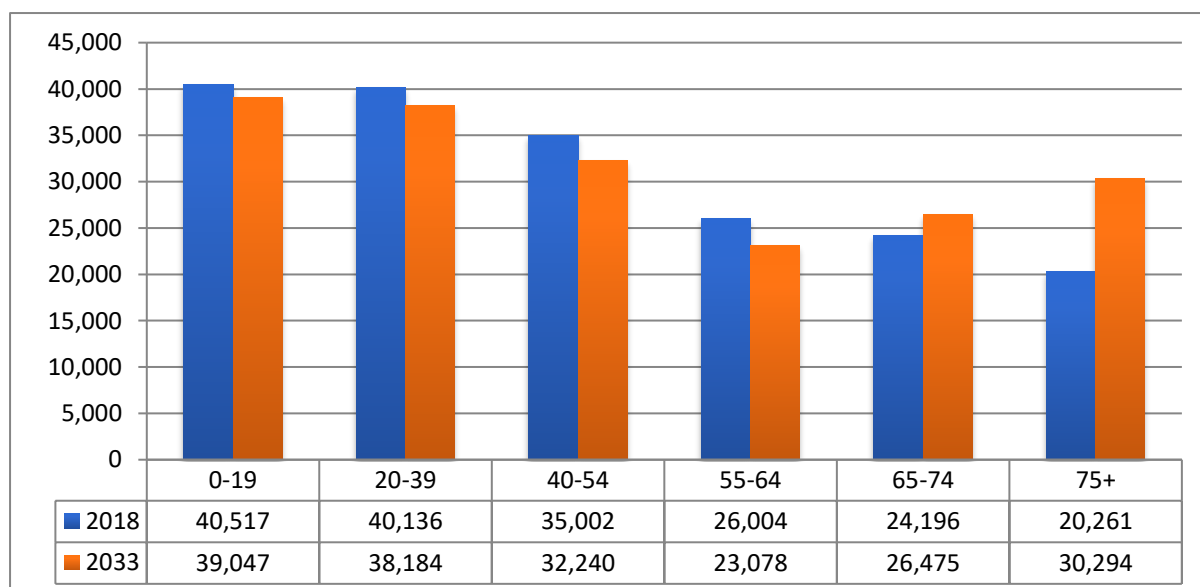
- An increasing population, with ONS 2014-based population projections (Table 2.6) indicating an increase of 1.7% from 186,116 in 2018 to 189,318 by 2033;
- Over the period 2018 to 2033, ONS 2014-based population projections estimate that the number of residents aged under 65 will decrease by 6.4% from 141,659 in

2018 to 132,549 in 2033. The number aged 65 or more will increase by 27.7% from 44,457 in 2018 to 56,769 in 2033.

Age Group	2018	2033	Change 2018-2033	% change 2018-33
0-19	40,517	39,047	-1,470	-3.6
20-39	40,136	38,184	-1,952	-4.9
40-54	35,002	32,240	-2,762	-7.9
55-64	26,004	23,078	-2,926	-11.3
65-74	24,196	26,475	2,279	9.4
75+	20,261	30,294	10,033	49.5
Total	186,116	189,318	3,202	1.7
Of the total population				
All Older 65+	44,457	56,769	12,312	
All Older 75+	20,261	30,294	10,033	
All Older 85+	5,903	10,878	4,975	

Source: 2014-based population projections (StatsWales)

Figure 2.6 Projected population change 2018-2033



Source: 2014-based population projections (StatsWales)

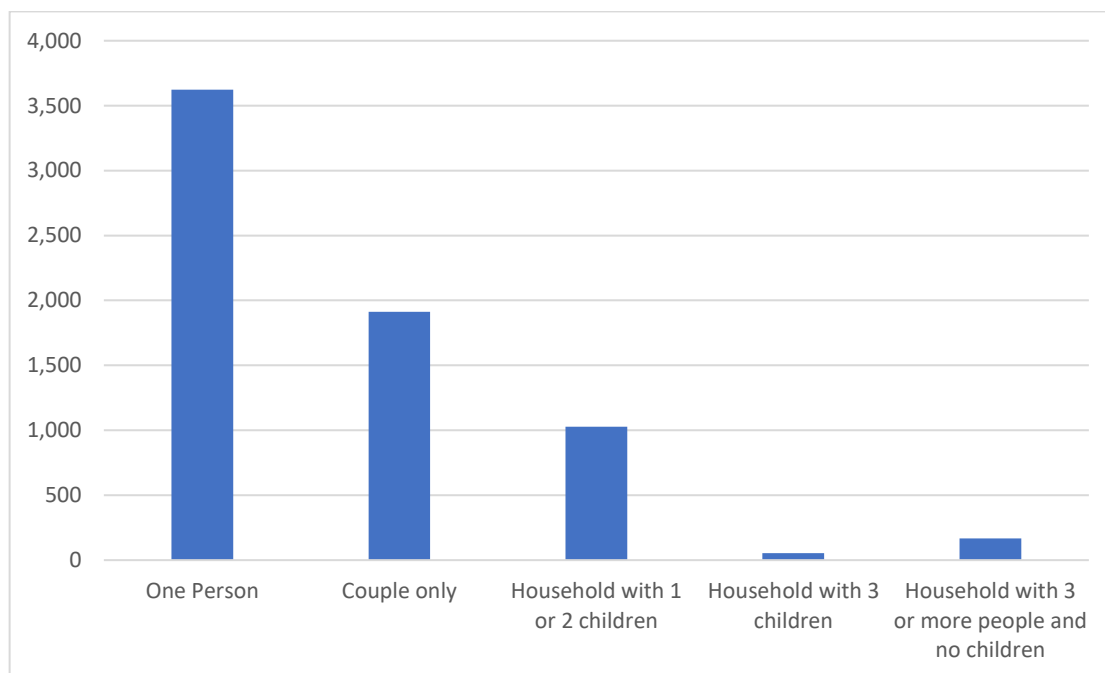
2.29 2014-based household projections (StatsWales) suggest that the total number of households in Carmarthenshire is expected to increase by 6,780 by 2033, from 82,751 in 2018 to 89,531, an increase of 8.7%;

2.30 The 2014-based household projections (StatsWales) indicate that the following range of household groups currently live in Carmarthenshire: one-person household

(30.6%), couple only household (32.9%), households with 1 or 2-children (25.9%), households with 3-children (0.9%), other multi-person household (9.7%).

- 2.31 The number of households in each group is projected to change by 2033 (figure2.7). The main increase is within the one-person household group (+14.3% increase), followed by the couple only household group (+7.0% increase). The number of households with children also increase but to a lesser degree.

Figure 2.7 Projected change in household numbers by household type



Source: 2014-based household projections (StatsWales)

Concluding comments and key findings

2.32 This chapter has been considered the general housing market context of Carmarthenshire and where possible, the rural areas of interest. By reviewing house prices, relative affordability, migration, travel to work patterns, a picture of the market dynamics of the County emerges.

2.33 It is particularly noteworthy that:

Migration and travel to work

- the rural area has a low level of migration from the rest of the County. Nearly half of all market vacancies are filled by households that previously lived outside the County; a high proportion of which came from elsewhere in the UK;
- most residents travel to work within Carmarthenshire, the largest outflows are to Swansea and Cardiff;

Population and households

- in 2017 the highest proportion of people living in the rural area were in the 45-64 age range closely followed by those aged over 65. These groups made up 57% of the population;
- the age distribution of the population differs considerably across the rural wards;
- the highest proportion of older people (aged 65 and over) was found in the wards of Llangunnor (32.3%) and St. Ishmael (31.3%). The largest proportion of younger people (aged 15-44) lived in St Clears ward ((33%), (older persons 23%)) and Whitland ((32%), (older persons 23%))
- the population of Carmarthenshire as a whole is projected to increase slightly between 2018 and 2033 however, this masks a structural change in the population;
- the number of residents aged under 65 will decrease by 6.4% from 141,659 in 2018 to 132,549 in 2033. The number aged 65 or more will increase by 27.7% from 44,457 in 2018 to 56,769 in 2033;
- the total number of households in Carmarthenshire is expected to increase by 6,780 by 2033, from 82,751 in 2018 to 89,531, an increase of 8.7%;
- the main increase is within the one-person household group (+14.3% increase), followed by the couple only household group (+7.0% increase). The number of households with children also increase but to a lesser degree.

House prices and affordability

- on average, Carmarthenshire as a whole has lower house prices than the Welsh average;
- even at these lower prices some housing is not affordable to local households;
- most rural wards have higher average prices than Carmarthenshire as a whole;

- rural ward areas vary significantly in price.
- A key factor in this is the degree to which larger detached homes are present.
- This is explored in the next chapter.

3. Household and housing stock characteristics

Introduction

- 3.1 The purpose of this chapter is to explore the characteristics of Carmarthenshire's housing stock focusing on the current stock profile, condition and tenure characteristics. This includes a detailed analysis of the major tenures: owner occupation, the private rented sector and affordable accommodation.

Estimates of current homes in terms of type, size and tenure

- 3.2 Council tax data indicates that there are 85,530 homes in Carmarthenshire with 25,020 being in the rural wards. Baseline dwelling statistics for each of the rural wards are set out in Table 3.1.

Ward	Homes 2018
Abergwili	1,010
Cenarth	1,020
Cilycwm	650
Cynwyl Elfed	1,280
Laugharne Township	1,320
Llanboidy	900
Llanddarog	920
Llandeilo	1,500
Llandovery	1,240
Llanegwad	1,100
Llanfihangel Aberbythych	750
Llanfihangel-ar-Arth	1,290
Llangadog	900
Llangeler	1,550
Llangunnor	1,140
Llangyndeyrn	1,620
Llansteffan	940
Llanybydder	1,270
Manordeilo and Salem	940
St. Clears	1,390
St. Ishmael	1,260
Whitland	1,030
Total in rural sub-area	25,020

Source: 2018 VOA

Dwelling type and number of bedrooms

- 3.3 The following tables show the breakdown of dwelling stock by type and number of bedrooms for Carmarthenshire and the 22 rural wards based on 2018 Valuation Office Agency data.
- 3.4 Table 3.2 shows that for Carmarthenshire as a whole, over half of homes are detached (25.6%) or semi-detached (27.5%) houses.

	Detached House	Semi-Detached House	Terraced House	Flat	Bungalow	Base
Carmarthenshire	25.6	27.8	21.3	8.1	17.3	85,530

Source: 2018 VOA

- 3.5 Table 3.3 shows that across the rural wards detached houses account for 38.7% of all homes which is markedly higher than the Carmarthenshire average. Around a third of wards have over 50% detached houses; the highest proportion is Llanboidy (56.7%). Semi-detached and terraced houses account for around 10% less than the Carmarthenshire proportions, 17.5% and 11.6% respectively. The proportion of bungalows is higher in the rural wards than Carmarthenshire as a whole; the proportion is highest in Llanddarog (38%) and lowest in Llandeilo (12.7%). In the majority of wards, bungalows account for over a quarter of stock.

Ward	Detached House	Semi-Detached House	Terraced House	Flat	Bungalow	Base
Abergwili	49.5	6.9	7.9	3.0	32.7	1,010
Cenarth	33.3	12.7	11.8	13.7	28.4	1,020
Cilycwm	55.4	12.3	3.1	4.6	24.6	650
Cynwyl Elfed	51.6	8.6	6.3	0.8	32.8	1,280
Laugharne Township	31.8	17.4	15.2	7.6	28.0	1,320
Llanboidy	56.7	7.8	4.4	2.2	28.9	900
Llanddarog	41.3	15.2	3.3	2.2	38.0	920
Llandeilo	28.0	20.7	26.0	12.7	12.7	1,500
Llandovery	25.0	25.8	25.8	7.3	16.1	1,240
Llanegwad	55.5	12.7	4.5	3.6	23.6	1,100
Llanfihangel Aberbythych	53.3	18.7	5.3	1.3	21.3	750
Llanfihangel-ar-Arth	36.4	22.5	6.2	5.4	29.5	1,290
Llangadog	54.4	13.3	10.0	3.3	18.9	900
Llangeler	32.3	20.0	8.4	1.9	37.4	1,550
Llangunnor	32.5	9.6	16.7	3.5	37.7	1,140
Llangyndeyrn	30.9	30.2	9.9	1.2	27.8	1,620
Llansteffan	40.4	13.8	10.6	3.2	31.9	940
Llanybydder	33.9	26.0	11.0	6.3	22.8	1,270
Manordeilo and Salem	54.3	13.8	4.3	2.1	25.5	940
St. Clears	28.8	21.6	17.3	6.5	25.9	1,390
St. Ishmael	33.3	17.5	11.1	1.6	36.5	1,260
Whitland	30.1	20.4	22.3	12.6	14.6	1,030
Total in rural sub-area	38.7	17.5	11.6	5.0	27.2	25,020

Source: VOA 2018

Size (number of bedrooms)

- 3.6 Tables 3.4 and 3.5 illustrate the breakdown of the stock by number of bedrooms for Carmarthenshire and the rural wards. For Carmarthenshire as whole over half of homes have three-bedrooms (53.5%) and almost a quarter have two-bedrooms (23.6%).

	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Base
Carmarthenshire	5.7	23.6	53.5	17.2	85,470

Source: VOA 2018

- 3.7 Table 3.5 shows that across the rural wards, 4-bedroom homes account for 23.2% of all homes which is higher than the Carmarthenshire average. Conversely, 1-bedroom homes account for 3.4% of all stock which is lower than the area average. The majority of wards have over 20% 4-bedroom homes; the highest proportion is Manordeilo and Salem (33.0%). Two and three-bedroom homes in the rural sub areas are at similar proportions to Carmarthenshire as a whole. The proportion of one-bedroom homes is lower in the rural wards than Carmarthenshire as a whole; in Llangyndeyrn there are none, whereas in Llanybydder the proportion is 7.1%.

Area	1-bedroom	2-bedroom	3-bedroom	4-bedroom	Base
Abergwili	2.0	18.8	47.5	31.7	1,010
Cenarth	4.9	30.4	46.1	18.6	1,020
Cilycwm	1.5	24.6	46.2	27.7	650
Cynwyl Elfed	1.6	23.3	48.8	26.4	1,280
Laugharne Township	5.3	24.4	48.1	22.1	1,310
Llanboidy	2.2	30.0	38.9	28.9	900
Llanddarog	2.2	23.9	47.8	26.1	920
Llandeilo	5.3	26.0	47.3	21.3	1,500
Llandovery	3.3	24.4	51.2	21.1	1,230
Llanegwad	3.6	25.2	45.0	26.1	1,110
Llanfihangel Aberbythych	1.3	19.7	50.0	28.9	760
Llanfihangel-ar-Arth	3.8	31.5	46.9	17.7	1,300
Llangadog	3.4	20.2	48.3	28.1	890
Llangeler	3.9	29.0	50.3	16.8	1,550
Llangunnor	7.0	18.4	50.9	23.7	1,140
Llangyndeyrn	0.0	28.0	57.1	14.9	1,610
Llansteffan	2.1	22.1	48.4	27.4	950
Llanybydder	7.1	27.6	48.0	17.3	1,270
Manordeilo and Salem	2.1	20.2	44.7	33.0	940
St. Clears	2.9	24.5	49.6	23.0	1,390
St. Ishmael	0.8	23.8	49.2	26.2	1,260
Whitland	5.8	22.3	52.4	19.4	1,030
Total in rural wards	3.4	24.8	48.7	23.2	25,020

Source: VOA 2018

Tenure

- 3.8 Table 3.6 summarises the tenure profile which is based on the 2011 Census. Overall, 76.2% of households were owner-occupied in the Carmarthenshire rural wards compared to 71.5% for the County as a whole. 13.2% were private rented (very similar to the local proportion) and 10.6% were affordable (lower than the local proportion of 15.0%).

Tenure	Geography		
	Rural wards	Carmarthenshire	Wales
Owner Occupied	76.2%	71.5%	67.4%
Private rented	13.2%	13.5%	15.7%
Affordable	10.6%	15.0%	16.8%
Base	23,279	78,829	1,302,676

Source: Census 2011

The owner-occupier tenure

- 3.9 Around, 76.2% of households (17,731) across the rural area were owner occupiers. 48% of all households (around 11,200) owned their home outright and 28% of all households (around 6,600) had a mortgage or loan. The significance of homes owned outright is that these are likely to be occupied by older people.
- 3.10 The results from the 2018 household survey show that 74.9% of owner-occupied households lived in in houses of which 52.2% were detached, 16.4% were semi-detached and 6.3% were terraced. 22.6% were bungalows, 0.5% were flats and 2.1% other property types e.g. caravans/park homes.
- 3.11 In terms of number of bedrooms, again from the 2018 household survey, 1.1% of households had one-bedroom, 14.6% had two-bedrooms, 47.5% had three-bedrooms and 36.7% had four or more bedrooms.
- 3.12 Over the period 2000 to 2018, Land Registry data reveals that lower quartile house prices in Carmarthenshire (as a whole) increased from £32,000 to £97,000 and median prices increased from £44,950 to £135,000. Change in price over time is detailed in Table 3.7.
- 3.13 It is noteworthy that in the year 2000, a household income of £8,229 was required to service a mortgage for a lower quartile priced home assuming a 10% deposit. By 2018 this had increased to £24,943. By comparison, an income of £11,559 was required for a median priced home in 2000 compared with £34,714 in 2018.

Table 3.7 Lower Quartile and median price and income required to service a mortgage, Carmarthenshire

Year	House Price (£)		Income required*	
	Lower Quartile	Median	Lower Quartile	Median
2000	£32,000	£44,950	£8,229	£11,559
2001	£34,625	£49,000	£8,904	£12,600
2002	£38,000	£55,000	£9,771	£14,143
2003	£52,000	£73,517	£13,371	£18,904
2004	£74,000	£96,000	£19,029	£24,686
2005	£86,000	£119,995	£22,114	£30,856
2006	£93,000	£124,500	£23,914	£32,014
2007	£105,000	£135,000	£27,000	£34,714
2008	£100,000	£132,000	£25,714	£33,943
2009	£90,000	£125,000	£23,143	£32,143
2010	£90,000	£125,000	£23,143	£32,143
2011	£87,000	£124,995	£22,371	£32,142
2012	£85,000	£125,000	£21,857	£32,143
2013	£85,000	£120,000	£21,857	£30,857
2014	£87,500	£124,995	£22,500	£32,142
2015	£90,000	£129,500	£23,143	£33,300
2016	£90,000	£130,000	£23,143	£33,429
2017	£95,000	£134,995	£24,429	£34,713
2018	£97,000	£135,000	£24,943	£34,714

Source: Data produced by Land Registry © Crown copyright 2019. This data is licensed under the Open Government Licence v3.0

*Assuming a 3.5x income multiple and a 10% deposit is available

The private rented tenure

3.14 According to the 2011 Census the private rented sector accommodated around 13.2% (2,612) of households across the Carmarthenshire rural area compared to 13.5% in the County as a whole.

3.15 Results from the 2018 household survey reveal that:

- 69.2% of private rented households were in houses (31.6% detached, 23.7% semi-detached and 13.9% terraced), 15.2% were bungalows, 12.9% were flats and 2.6% were other property types; and
- 10.0% of households in private rented homes had one-bedroom, 33.9% had two-bedrooms, 41.0% had three-bedrooms and 15.1% had four or more-bedrooms.

3.16 In terms of the cost of renting, Tables 3.8 and 3.9 set out the comparative median and lower quartile rents for the rural wards. The data indicates that in 2017, the median (£494 pcm) and lower quartile (£425) rents were lower than the national levels.

- 3.17 Comparing the rental price in 2018 with that in 2010 indicates that there has been an inflation increase of around 2.2% in lower quartile and 4.7% in median rental prices in the rural wards. This is a lower rate of change than the national level.

Table 3.8 Comparative median rental price 2010-2018			
Location	Median price by year (£)		% change 2010-2018
	2010	2018	
Carmarthenshire Rural	472	494	4.7%
Wales	546	576	5.5%

Source: © 2018 Zoopla Limited. All rights reserved

Table 3.9 Comparative lower quartile rental price 2010-2017			
Location	Lower quartile price by year (£)		% change 2010-2018
	2010	2018	
Carmarthenshire	416	425	2.2%
Wales	446	477	7.0%

Source: © 2018 Zoopla Limited. All rights reserved

- 3.18 The Local Housing Allowance rates (weekly and per calendar month (pcm) for the Carmarthen Broad Rental Market Area (BRMA)¹ are stated below:

- Shared accommodation rate - £50.00 per week (£217pcm)
- 1-bedroom rate - £72.98 per week (£316pcm);
- 2-bedroom rate - £92.05 (£399 pcm);
- 3-bedroom rate - £103.56 per week (£449 pcm); and
- 4-bedroom rate - £126.58 per week (548.51pcm).

Affordable tenures

- 3.19 According to the 2011 Census the affordable sector accommodated around 10.6% (2,472) of households across the Carmarthenshire rural areas (10.3% social rented and 0.3% intermediate tenure). This compares to 15.0% in Carmarthenshire as a whole.

- 3.20 Results from the 2018 household survey reveal that:-

¹ A Broad Rental Market Area is an area 'within which a person could reasonably be expected to live having regard to facilities and services for purposes of health, education, recreation, personal banking and shopping, taking account of the distance of travel, by public and private transport and from those facilities and services'. A BRMA must contain 'residential premises for a variety of types, including such premises held on a variety of tenures' PLUS 'sufficient privately rented residential premises, to ensure that, in the rent officer's opinion, the LHA for the area is representative of the rents that a landlord might reasonably be expected to obtain in that area' Source: VOA BRMA statistics

- 41% of households in affordable homes lived in houses (6.6% detached, 27.9% semi-detached and 9.3% terraced), 44.4% were bungalows and 9.7% were flats;
- 10.6% of households in affordable homes had one-bedroom, 57.6% had two-bedrooms, 28.8% had three bedrooms and 3.0% have four or more-bedrooms.

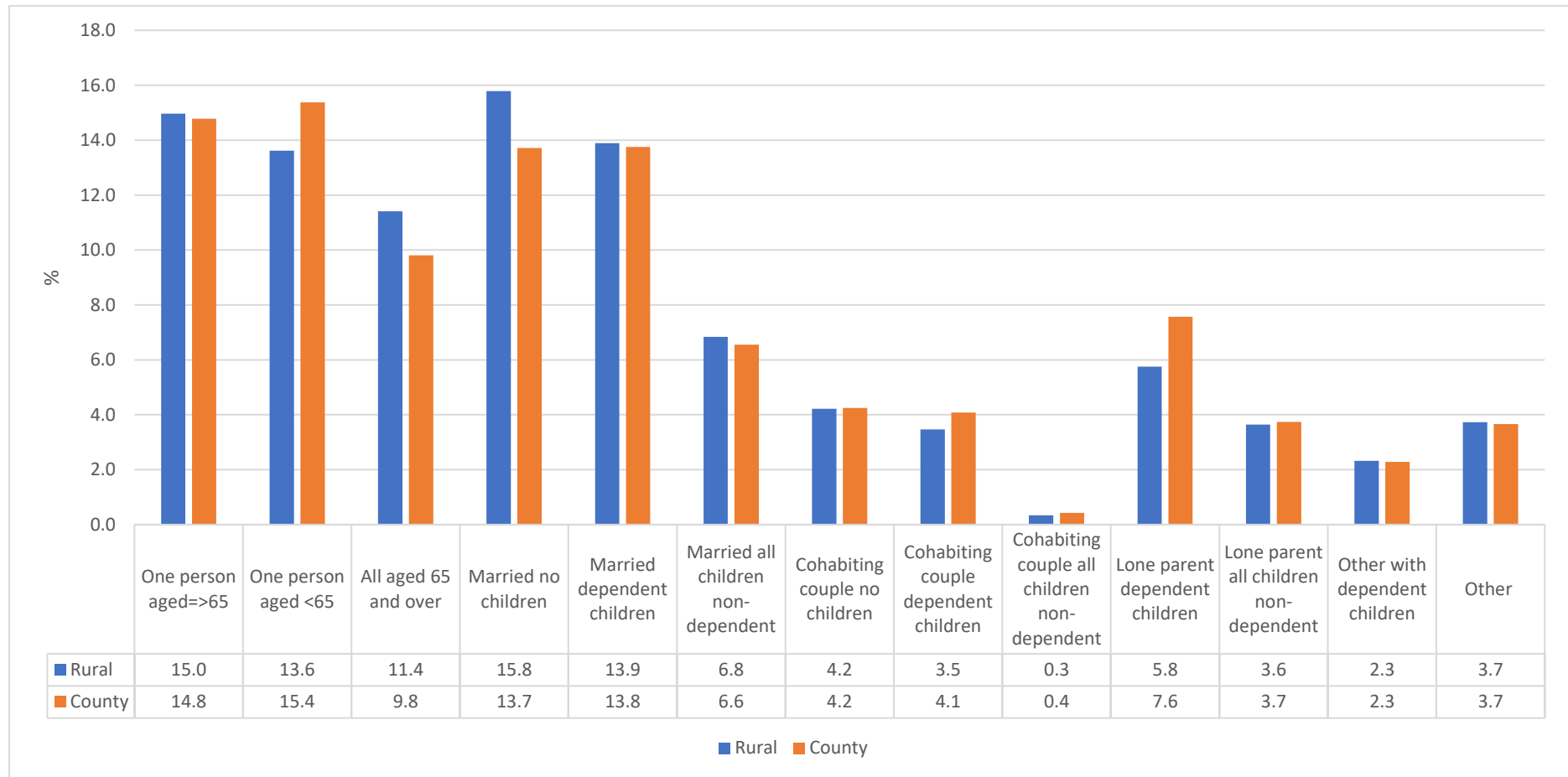
Household profile

- 3.21 Table 3.10 shows how the census 2011 standard household types are distributed across the tenures. From the table we can see the relationship between household types and tenures and the extent to which the distribution changes according to whether the household lives in a rural setting compared to the whole of the County.
- 3.22 It is apparent that certain household types are associated with particular tenures.
- 3.23 Outright home owners are most likely to be one person aged 65 or over; couples both aged 65 or over, couples that are married with no children, married couples and lone parents that have non dependent children. Proportions are very similar in the rural area and the County as a whole.
- 3.24 Owners with a mortgage are most likely to be married with no children, dependant and non-dependent children. A greater proportion of married couples without dependent children live in the rural area than the County as a whole.
- 3.25 Social renters are most likely to be single people of all ages. Rural Carmarthenshire has a lower proportion of lone parents than the County as a whole.
- 3.26 Private renters are most likely to be single people under the age of 65 and lone parents with a lower proportion of lone parents with dependent children living in the rural area.
- 3.27 There a larger proportion of married couples without children and older single people living in rural private rented sector housing.
- 3.28 Figure 3.1 shows that a significantly higher proportion of the following household groups live in the rural area than the County as a whole irrespective of tenure:
- married no children; and
 - households all aged over 65.

	Owned outright		Owned with a mortgage		Social rented		Private rented or living rent free		All	
	County	Rural	County	Rural	County	Rural	County	Rural	County	Rural
One person aged=>65	23.5	21.0	2.1	2.6	22.1	26.9	8.4	10.0	14.8	15.0
One person aged <65	10.5	10.3	13.9	12.4	21.9	16.6	26.3	26.0	15.4	13.6
All aged 65 and over	19.8	19.9	2.0	2.8	4.5	6.2	2.5	3.1	9.8	11.4
Married no children	17.4	18.5	16.0	18.2	5.4	5.9	6.4	8.3	13.7	15.8
Married dependent children	5.8	7.1	29.5	29.2	7.1	7.3	10.1	11.1	13.8	13.9
Married all children non-dependent	8.1	7.9	8.3	8.3	2.9	3.6	1.8	2.5	6.6	6.8
Cohabiting couple no children	2.2	2.5	6.2	5.6	2.7	2.7	7.9	8.7	4.2	4.2
Cohabiting couple dependent children	0.8	0.8	5.9	5.4	6.5	6.9	7.3	6.4	4.1	3.5
Cohabiting couple all children non-dependent	0.3	0.2	0.6	0.5	0.5	0.3	0.3	0.4	0.4	0.3
Lone parent dependent children	1.8	1.5	6.6	5.6	17.2	15.1	17.0	14.4	7.6	5.8
Lone parent all children non-dependent	4.5	4.4	2.6	2.4	5.1	5.4	2.4	2.3	3.7	3.6
Other with dependent children	1.5	1.8	3.2	3.5	1.6	1.5	3.3	2.4	2.3	2.3
Other	3.8	4.2	3.1	3.5	2.2	1.6	6.3	4.4	3.7	3.7
Total %	100	100	100	100	100	100	100	100	100	100
Total number	32,648	11,195	23,856	6,603	11,672	2,405	10,653	3,076	78,829	23,279

Source: Census 2011

Figure 3.1 Rural area and County household profiles compared



Source: Census 2011

Concluding comments and key findings

- 3.29 The purpose of this chapter has been to explore the relevant characteristics of the study area in comparison to Carmarthenshire and Wales as a whole.
- 3.30 The key findings are as follows.
- 3.31 The rural wards that form the study area contain around 29% of Carmarthenshire's housing stock.
- 3.32 The profile of the housing stock differs significantly between the rural area and Carmarthenshire as a whole. The rural area has a significantly larger proportion of:
- detached houses (38.7%), which in some wards represent 50% of all homes compared to a Carmarthenshire average of 25.6%;
 - bungalows (27.2%) which in most wards account for 25% of the dwelling stock compared to the average for Carmarthenshire as a whole (17.3%);
 - 4-bedroom homes (23.2%) – over 30% in 2 wards compared to the average for Carmarthenshire as a whole (17.2%);
 - Owner occupation (76.2%) compared to the average for the County as a whole (71.5%);
- 3.33 The rural area has a significantly smaller proportion of affordable housing. It formed 10.6% of the rural housing stock in year 2011 compared to Carmarthenshire as a whole (16%).
- 3.34 In 2011 the private rented sector formed roughly the same proportion of the housing stock in the rural area and Carmarthenshire as a whole (13.2 and 13.5%) respectively.
- 3.35 It is important to recognise that these relatively small numbers will be dispersed across a large geographical area many small villages and hamlets.
- 3.36 The average lower quartile house price was £24,943 in the year 2018.
- 3.37 Analysis of household type by tenure and rural and County location revealed a significantly higher proportion of households that were married with no children; households all aged over 65 live in the rural area than the County as a whole irrespective of tenure.
- 3.38 Household types less likely to live in the rural area are lone parents with dependent children if in the private rented sector and younger single person social renters.
- 3.39 It is especially noteworthy, given the aims of this project that although the largest household groups that are social renters are singles over and under age 65 and lone parents, lower proportions of single people under age 65 and lone parents with dependent children live in the rural area.

4. Affordable housing need

Introduction

- 4.1 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.
- 4.2 The term 'affordable housing' includes social rented and intermediate housing.
- 4.3 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 Welsh 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 dwelling for use by another household in affordable need.
- 4.4 This chapter uses evidence from secondary data sources and the household survey to assess affordable housing requirements the Carmarthenshire rural area.
- 4.5 The evidence presented will assist the Council and its strategic partners in making policy decisions regarding future housing development.

Affordable Housing Needs Assessment

- 4.6 Housing needs analysis and affordable housing modelling has been prepared in accordance with Government guidance at rural Carmarthenshire and rural ward level. Modelling has used 2018 household survey and secondary data. The model has 4 key stages:
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 homes (future);
Equals = net shortfall (or surplus) of affordable homes each year.
- 4.7 The stages of the model are summarised in this chapter, however greater detail of each calculation is included in technical appendix A.

Assessing affordable housing need using the 2018 household survey

Current Needs

- 4.8 In this stage the numbers in need of alternative housing and those that can afford to meet their housing needs in the open market are modelled. Information derived from the household survey is weighted data to compensate for households that did not return the questionnaire.
- 4.9 Table 4.1 sets out housing need across the rural area based on the household survey and reasons for household need. This shows that there are 1,031 existing households in need, which represents 3.9% of all households.

Category	Factor	Total
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	161
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	274
Mismatch of housing need and homes	N3 Overcrowded according to the 'bedroom standard' model	126
	N4 Too difficult to maintain	400
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	35
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	254
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	80
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	16
Total no. households in need (some with one or more housing need)		1,031
Total households		26,334
% households in need		3.9%

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

Source: 2018 Household Survey

- 4.10 The final step of Stage 1 is to apply affordability criteria to the incomes of all households in need of alternative accommodation. The analysis indicated that 551 households could afford to buy or can afford market rent. The current housing need is estimated to be 484.
- 4.11 The complete needs assessment is summarised in Table 4.2 below. Analysis would suggest an annual shortfall of 171 affordable homes across the rural area of Carmarthenshire.

Table 4.2 Needs Assessment Summary for Carmarthenshire's Rural Area		
Element and step in calculation	Calculation	Factor
Total households >>>		26,334
C. CURRENT NEED		
1. Existing households in need of alternative housing		1,031
2. plus current non-households in need		4
3. minus cases where they can afford to meet their needs in the market		551
4. = Total current housing need	1+2-3	484
A. AVAILABLE STOCK TO OFFSET NEED		
5. Current occupiers of affordable housing in need		74
6. plus surplus stock		0
7. plus committed supply of new affordable homes	Over 5 years	64
8. minus planned homes to be taken out of management		0
9. = total available stock to meet current need	5+6+7-8	138
10.= total current need	4-9	346
11. quota to reduce level of 5 year need to annual need		20%
12. = annualised level of current need	10x11	69
N: NEWLY ARISING NEED		
13. new household formation (gross p.a.)		276
14. times proportion unable to buy in the market		87.7%
15. plus existing households falling into need		15
16. minus potential out-migrants unable to afford market housing		23
17. plus in-migrants unable to afford market housing		64
18. = total newly-arising affordable need	14+15-16+17	298
S. SUPPLY OF AFFORDABLE HOMES per year		
19. net supply of social re-lets		196
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0
21. = affordable supply		196
NET SHORTFALL OR SURPLUS		
22. Overall shortfall or surplus (annual imbalance)	12+18-21	171

- 4.12 Technical appendix B provides a breakdown for the need in each rural ward.

Households with additional needs

- 4.13 The household survey asked specific questions about health and disability problems of household members. This section summarises information from the Census and the household survey to indicate the extent to which accessible housing may need to be provided.

Census 2011 data

- 4.14 The Census records a baseline of broad measures of disability across the population. Table 4.3 reports that across Carmarthenshire as a whole, 8.3% of residents stated they were in bad or very bad health (and particularly associated with older age groups) and a further 16.1% were in 'fair' health. The majority (75.7%) were in 'very good or good health'. The table shows that the proportion of people with bad or very bad health rises with age.

Age Group	Measure of health (%)		
	Very good or good health (%)	Fair health (%)	Bad or very bad health (%)
Age 0 to 15	96.7	2.5	0.8
Age 16 to 24	93.8	4.7	1.5
Age 25 to 34	90.2	7.0	2.8
Age 35 to 49	82.1	11.8	6.1
Age 50 to 64	67.2	20.6	12.2
Age 65 to 74	51.1	33.1	15.8
Age 75 to 84	35.3	42.6	22.1
Age 85 and over	23.5	48.8	27.7
All categories: Age	75.7	16.1	8.3
Total by measure of health	137,177	29,088	14,962

Source: 2011 Census Table DC3302EW

Household Survey evidence

- 4.15 The 2018 household survey identified that in the rural area 22.2% of households (around 5,632) contained someone with an illness/disability. By tenure, 18.8% of owner occupier households, 20.5% of private renting households and 50.6% of households living in affordable accommodation.
- 4.16 The 2018 household survey also asked questions relating to the homes occupied by people with additional needs (Table 4.4).

Table 4.4 Comments associated with illness/disability and households by tenure, Carmarthenshire Rural Area

Comment	Total (%)
My home has been adapted to suit the needs of someone with a disability	18.4
A member of my household needs help with daily tasks such as shopping, cleaning	24.4
A member of my household needs help with personal care such as medication or bathing	19.4
A member of my household uses a wheelchair inside the home	4.2
A member of my household is unable to manage stairs and needs ground floor facilities	15.6
There are enough rooms in my household to accommodate a carer overnight when needed	18.0

Source: 2018 Household Survey

4.17 451 households contain a member who uses a wheelchair (1.7% of all households). 46 (10.2%) state that they plan to move home in the next five years.

4.18 The following table states the likely accommodation these households will move to.

Table 4.5 Wheelchair Users		
Likely Accommodation move to?	Number	(%)
Age restricted dwelling for older people	6	13.3
Nursing or care home	7	15.6
Adapted home for person with a disability	32	71.1
Total	45	100.0

Source: 2018 Household Survey

Concluding remarks and key findings

4.19 The household survey found that across the rural area:

- 1,035 existing households are currently in housing need (approximately 4% of all households);
- the most frequent reasons being present accommodation too difficult to maintain and is too expensive and or someone in the household has illness or disability and is living in unsuitable housing;
- of these 484 households are in affordable need;
- this results in 69 households in affordable need annually; and
- 298 households are estimated to form and be in affordable need every year.

4.20 Taking into account estimated annual supply there is a net affordable shortage of 171 affordable homes a year.

4.21 Household survey data would suggest that a significant proportion of the future affordable supply should be at accessibility or wheelchair standard.

5. Market and Intermediate housing requirements

- 5.1 This section provides information about market housing and intermediate housing requirements specifically within the rural area of Carmarthenshire, using data from the 2018 household survey.
- 5.2 The first table shows the current dwelling stock profile in the rural area by market and Intermediate tenures.

Dwelling type/size	Market	Intermediate
1-bedroom house	1.1%	0.0%
2-bedroom house	10.5%	31.8%
3-bedroom house	32.9%	37.7%
4 or more-bedroom house	29.6%	8.7%
1-bedroom flat	1.0%	0.0%
2-bedroom flat	1.1%	0.0%
3 or more-bedroom flat	0.2%	0.0%
1 or 2-bedroom bungalow	4.9%	5.1%
3 or more-bedroom bungalow	16.6%	16.7%
1-bedroom other	0.2%	0.0%
2-bedroom other	1.1%	0.0%
3 or more-bedroom other	0.8%	0.0%
TOTAL	100.00%	100.00%
Dwelling type	Market	Intermediate
House	74.1%	75.5%
Flat	2.3%	0.0%
Bungalow	21.5%	21.0%
Other	2.1%	3.5%
TOTAL	100.00%	100.00%
Number of bedrooms	Market	Intermediate
1	2.5%	0.0%
2	17.4%	36.5%
3	46.6%	54.7%
4	25.0%	8.8%
5+	8.5%	0.0%
TOTAL	100.00%	100.00%

Source: 2018 household survey

- 5.3 The largest group of homes in both the market and intermediate sectors is 3-bedroom houses. The profile of market and intermediate sectors differ significantly. There are significantly more 4-bedroom homes in the market sector and more 2-bedroom homes in the intermediate sector.
- 5.4 Next, we examine the profile of dwelling types that existing households expect to move to within the market and intermediate sectors.

Table 5.2 Profile of dwelling type/size and tenure mix demand from existing households expecting to move home		
Dwelling type/size	Market	Intermediate
1-bedroom house	0.7%	0.0%
2-bedroom house	12.3%	0.0%
3-bedroom house	27.6%	70.0%
4 or more-bedroom house	16.8%	30.0%
1-bedroom flat	2.0%	0.0%
2-bedroom flat	2.2%	0.0%
3 or more-bedroom flat	0.1%	0.0%
1 or 2-bedroom bungalow	18.0%	0.0%
3 or more-bedroom bungalow	14.5%	0.0%
1-bedroom other	1.4%	0.0%
2-bedroom other	1.9%	0.0%
3 or more-bedroom other	2.5%	0.0%
TOTAL	100.00%	100.00%
Dwelling type	Market	Intermediate
House	56.8%	100.0%
Flat	4.2%	0.0%
Bungalow	32.7%	0.0%
Other	6.3%	0.0%
TOTAL	100.00%	100.00%
Number of bedrooms	Market	Intermediate
1	5.4%	0.0%
2	34.2%	23.1%
3	42.5%	53.8%
4	13.6%	23.1%
5+	4.3%	0.0%
TOTAL	100.00%	100.00%

Source: 2018 household survey

- 5.5 Comparing tables 5.1 and 5.2, there is a clear difference in profiles. In the market sector interest is apparent across all dwelling types and sizes however the demand for 3 and 4-bedroom homes is lower and demand for bungalows is higher than the dwelling stock profile. This is consistent with an ageing population.
- 5.6 In the intermediate sector there was little interest other than for 2 and 3-bedroom houses.

5.7 The 2018 household survey sought to evaluate the demand for examples of intermediate and low-cost housing products:

- shared ownership;
- shared equity;
- rent to buy; and
- new build 'help to buy'.

5.8 Analysis reported in table 5.3 combines information from respondents who were:

- Interested in any form of intermediate housing;
- existing households not in owner-occupation and are in some form of housing need; and
- newly forming households, and
- are seeking housing in their local area.

Dwelling type sought	Number of households
1-bedroom house	8
2-bedroom house	64
3-bedroom house	68
4 or more-bedroom house	4
1-bedroom flat	11
2-bedroom flat	20
3 or more-bedroom flat	1
1 or 2-bedroom bungalow	10
3 or more-bedroom bungalow	6
1-bedroom other	1
2-bedroom other	0
3 or more- bedroom other	1
Total Interest	194

Source: 2018 Household Survey (*unweighted data*)

5.9 Interest was mostly for 2 and 3-bedroom houses for both existing and newly forming households. Smaller sized flats and bungalows were of lesser interest.

Concluding remarks and key findings

- 5.10 Regarding market housing, there is a clear difference in the profile of the current housing stock and the demand profiles based upon the preferences of households moving over the next 5 years. In the market sector interest is apparent across all dwelling types and sizes however the demand for 3 and 4-bedroom homes is lower and demand for bungalows is higher than the dwelling stock profile. This is consistent with an ageing population.
- 5.11 Demand for intermediate housing mostly takes the form of 2 and 3-bedroom houses.

6. Further information from the Household Survey

Public priorities for additional housing

- 6.1 All household representative respondents were invited to respond to questions about priorities for future new build in their local area.
- 6.2 This was a multiple-choice question and some respondents did not respond to every question. Our analysis is based upon the number of responses for each priority divided by the total number of responses for each question.
- 6.3 The questions in table 6.1 relate to household circumstances. The questions in table 6.2 relate to dwelling types.
- 6.4 Table 6.1 tells us that the highest priority household groups for additional housing, should it be built, was perceived to be ‘affordable housing for low income households’ followed by ‘housing for first time buyers’ and ‘sheltered housing for older / disabled people’. The highest scoring ‘no priority’ groups were ‘people seeking to commission to build their own home’ followed by ‘people seeking private landlord rentals’ and ‘people seeking shared ownership’.

	No Priority	Some Priority	High Priority	Total
First time buyers	9.0	29.2	61.8	100.0
People seeking private landlord rentals	43.8	44.1	12.1	100.0
Affordable housing for low income households	9.4	25.4	65.2	100.0
People seeking shared ownership	38.7	46.5	14.7	100.0
Older people that want to downsize	18.6	45.7	35.7	100.0
Families that need to upsize	21.3	51.5	27.1	100.0
Sheltered housing for older / disabled people	8.8	34.0	57.3	100.0
People seeking to commission to build their own home	49.6	32.7	17.6	100.0
People providing care or support for village residents	13.1	53.2	33.8	100.0
Adapted home for people with disabilities	7.8	41.0	51.2	100.0

Source: household survey 2018

- 6.5 Table 6.2 tells us that the highest priority for dwelling types, was perceived to be ‘small family homes 2/3 bedrooms’ followed by ‘small homes for singles and couples’. The highest scoring ‘no priority’ groups were ‘town houses 3 storeys’ followed by ‘detached houses’.

	No Priority	Some Priority	High Priority	Total
Small homes for singles and couples	17.5	45.3	37.2	100.0
Small family homes 2 or 3 bedrooms	8.0	34.3	57.8	100.0
Larger family homes 4 or 5 bedrooms	41.4	38.1	20.5	100.0
Detached houses	44.6	40.7	14.7	100.0
Bungalows	20.6	44.2	35.2	100.0
Semi-detached homes	27.5	56.0	16.6	100.0
Terraced homes	47.1	40.7	12.2	100.0
Flats or apartments	51.4	35.4	13.2	100.0
Town houses 3-storeys	76.2	19.7	4.1	100.0

Source: household survey 2018

Farming households

- 6.6 Consultation with community council representatives highlighted concerns about the difficulties that farmers faced in terms of the economics of farming, suitable housing for farmers and other members of their family and how this may affect the farm on retirement of the farmer.
- 6.7 Table 6.3 records the location preferences of those farming households seeking to move home in the next 5 years. Further analysis is needed as the high proportions of households seeking to move away from the farm might be due to retirement or sale of the business.

	Existing households %	Newly forming households %
On the farm	28	31
Near to the farm	18	20
In a nearby town	23	25
Elsewhere	31	25
Total	100	100

Source: household survey 2018

Methodology

- 6.8 The methodology applied to this study differs from the pilot studies carried out in 2017, as household surveys were conducted separately. The method subsequently adopted in this project sampled all wards in a single survey. This was to ensure that the full extent of need could be captured across the study area. A weakness in the pilot study was that need might not be measured that arose from a household resident in another rural ward.

7. Summary and Conclusion

Introduction

- 7.1 This section brings all of the above key finding together in order to arrive at some conclusions.

Housing market dynamics and drivers

- 7.2 In reviewing house prices, relative affordability, migration, travel to work patterns, a picture of the market dynamics of the County emerges.

Migration and travel to work

- the rural area has a low level of migration from the rest of the County. Nearly half of all market vacancies are filled by households that previously lived outside the County; a high proportion of which came from elsewhere in the UK;
- most residents travel to work within Carmarthenshire, the largest outflows are to Swansea and Cardiff;

Population and households

- in 2017 the highest proportion of people living in the rural area were in the 45-64 age range closely followed by those aged over 65. These groups made up 57% of the population;
- the age distribution of the population differs considerably across the rural wards;
- the highest proportion of older people (aged 65 and over) was found in the wards of Llangunnor (32.3%) and St. Ishmael (31.3%). The largest proportion of younger people (aged 15-44) lived in St Clears ward ((33%), (older persons 23%)) and Whitland ((32%), (older persons 23%))
- the number of residents aged under 65 will decrease by 6.4% from 141,659 in 2018 to 132,549 in 2033. The number aged 65 or more will increase by 27.7% from 44,457 in 2018 to 56,769 in 2033;
- the total number of households in Carmarthenshire is expected to increase by 6,780 by 2033, from 82,751 in 2018 to 89,531, an increase of 8.7%;
- the main increase is within the one-person household group (+14.3% increase), followed by the couple only household group (+7.0% increase). The number of households with children also increase but to a lesser degree.

House prices and affordability

- Carmarthenshire as a whole has lower house prices than the Welsh average;
- even at these lower prices some housing is not affordable to local households;

- most rural wards have higher average price than Carmarthenshire as a whole;
- rural ward areas vary significantly in price. A key factor in this is the degree to which larger detached homes are present;
- the average lower quartile house price was £97,000 in the year 2018; and
- the household income required to service a mortgage when purchasing a home at this price, assuming a 10% deposit, is £24,943. This approximates to the median income across the County.

Household and housing stock characteristics

- 7.3 The rural wards that form the study area contain around 29% of Carmarthenshire's housing stock.
- 7.4 The profile of the housing stock differs significantly between the rural area and Carmarthenshire as a whole.
- 7.5 The rural area has a significantly *larger* proportion of:
- detached houses (38.7%), which in some wards represent 50% of all homes, compared to a Carmarthenshire average of 25.6%;
 - bungalows (27.2%) which in most wards account for 25% of the dwelling stock, compared to the average for Carmarthenshire as a whole (17.3%);
 - 4-bedroom homes (23.2%) – over 30% in 2 wards, compared to the average for Carmarthenshire as a whole (17.2%);
 - owner occupation (76.2%) compared to the average for the County as a whole (71.5%);
- 7.6 The rural area has a significantly *smaller* proportion of affordable housing; It formed 10.6% of the rural housing stock in year 2011 compared to Carmarthenshire as a whole (16%).
- 7.7 In 2011 the private rented sector formed roughly the same proportion of the housing stock in the rural area and Carmarthenshire as a whole (13.2% and 13.5%) respectively.
- 7.8 The rural area has a significantly *higher* proportion of households that were married with no children and households all aged over 65.
- 7.9 The rural area has a *lower* proportion of households that are lone parents with dependent children if in the private rented sector and younger single person social renters.

The level of affordable housing need

- 7.10 The household survey found that across the rural area:
- 1,035 existing households are currently in housing need (approximately 4% of all households);

- the most frequent reasons being ‘present accommodation too difficult to maintain’ and ‘is too expensive’ and or ‘someone in the household has illness or disability’ and ‘is living in unsuitable housing’;
 - of these 484 households are in affordable need. They cannot afford to resolve their own housing problems;
 - this results in 69 households in affordable need annually; and
 - 298 households are estimated to form and be in affordable need every year.
- 7.11 Taking into account estimated annual supply, there is a net affordable shortage of 171 affordable homes a year. This is equivalent to a 5 year need of 855 affordable homes.
- 7.12 Household survey data would suggest that a proportion of the future affordable supply should be at accessibility or wheelchair standard.
- 7.13 Detailed analysis was undertaken at ward level. It is apparent that gross need (before supply is factored in varies considerably from ward to ward:
- affordable need from existing households occurs in every ward with the largest need being recorded in Llandeilo, Llanddarog and Llangelier which account for one third of the affordable need for this group.
 - Affordable need from newly forming households is greatest in Llangelier by some margin followed by and Llanddarog.
 - net need takes into account the anticipated supply of affordable housing in each ward which is greatest in Llangunnor and Llangelier
 - total need minus total supply means that the greatest levels of net need are found in Llanddarog and Llangelier.

Market and intermediate housing demand

- 7.14 There is a clear difference in the profile of the current housing stock and the demand profiles based upon the preferences of households moving over the next 5 years. In the market sector interest is apparent across all dwelling types and sizes however the demand for 3 and 4-bedroom homes is lower and demand for bungalows is higher than the dwelling stock profile. This is consistent with an ageing population.
- 7.15 Demand for intermediate housing mostly takes the form of 2 and 3-bedroom houses.

Respondent perceptions of priorities for additional housing should it be provided

- 7.16 Respondents told us that that the highest priority household groups for additional housing, should it be built, was perceived to be ‘affordable housing for low income households’ followed by ‘housing for first time buyers’ and ‘sheltered housing for older / disabled people’. The highest scoring ‘no priority’ groups were ‘people seeking to commission to build their own home’ followed by ‘people seeking private landlord rentals’ and ‘people seeking shared ownership’.

- 7.17 the highest priority for dwelling types, was perceived to be ‘small family homes 2/3 bedrooms’ followed by ‘small homes for singles and couples’. The highest scoring ‘no priority’ groups were ‘town houses 3 storeys’ followed by ‘detached houses’.

Farming households

- 7.18 A majority of existing households sought to move away from the farm and live in a nearby town or ‘elsewhere’. However, half of newly forming households sought to live on or near the farm.

Conclusions

- 7.19 The evidence suggests that, in the rural area, the relationship between housing and households is unbalanced. This is because there is a higher proportion of detached houses and 4-bedroom houses that are mostly owner occupied than the County as a whole. The households occupying them tend to be households that were married with no children and households all aged over 65.
- 7.20 The population and household trends for the county show that this imbalance is likely to worsen as the number of residents aged under 65 will decrease and the number aged 65 or more will increase.
- 7.21 The total number of households in Carmarthenshire is expected to increase by 6,780 an increase of 8.7% to the year 2033 and the main increase is within the one-person household group followed by the couple only household group. The number of households with children also increase but to a lesser degree. A further consequence of this trend is a reduction in the number and proportion of the working age population.
- 7.22 These large, detached houses set in Carmarthenshire’s rural landscape attract high prices compared to the urban areas. Their presence and pricing mean that the market for these homes mostly incomers and returners to the area that can afford the prices.
- 7.23 The rural population will age and as people live longer this housing will become increasingly unsuitable. There is the potential for some households to self-fund more suitable housing in the rural area as a large proportion of the rural housing stock is in the form of bungalows.
- 7.24 A further feature of the imbalance is that the rented tenures are small in comparison to the owner occupier tenure in the rural area.
- 7.25 However, whilst the County population overall is projected to grow by 1.7%, the number of households will increase by 8.7%.
- 7.26 Unless there is increased supply of smaller, less expensive homes, whether at market, intermediate or affordable tenures, this imbalance is likely to get worse..
- 7.27 Having established the drivers and characteristics of the market we can consider the research findings regarding need for additional affordable housing in the rural area.
- 7.28 The evidence suggests that there is significant affordable need both from existing and newly forming households on the basis that these households cannot afford the

market housing that is available. This varies ward by ward as the household income and house prices vary on a ward by ward basis (appendix B tables 2 and 3) with newly forming households particularly badly placed to participate in the market. The evidence suggests that the 5-year need is some 855 additional affordable homes but distributed unevenly across the rural wards.

- 7.29 The characteristics of Carmarthenshire’s rural housing market and the level of need identified by the survey provides compelling justification for investment in affordable housing in the area.

Appendix A: Relative affordability by rural ward

Tenure option	Price (2016)																					Carmarthenshire Total		
	Abergwili	Cenarth	Clycwm	Cynwyl Elfed	Laugharne Township	Llanboidy	Llanddarog	Llandeilo	Llandovery	Llanegwad	Aberbythych	Llanfihangel el-ar-Arth	Llangadog	Llangeler	Llangunnon	Llangydeyrn	Llansteffan	Llanybydder	Manordeilo and Salem	St. Clears	St. Ishmael		Whitland	
Social Rent (average)	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377	£377
Affordable Rent (80% of median private rent)	£440	£397	£440	£419	£440	£402	£440	£394	£286	£520	£478	£419	£440	£398	£409	£388	£477	£440	£398	£419	£440	£440	£440	£398
Market Rent - Lower Quartile	£481	£438	£498	£451	£459	£329	£498	£425	£316	£572	£451	£451	£524	£425	£494	£451	£550	£498	£477	£429	£477	£488	£451	
Market Rent - Median	£550	£496	£550	£524	£550	£503	£550	£492	£358	£650	£598	£524	£550	£498	£511	£485	£596	£550	£498	£524	£550	£550	£498	
Market Rent - Upper Quartile	£676	£546	£572	£650	£693	£698	£750	£537	£420	£750	£650	£594	£750	£574	£624	£594	£702	£624	£524	£650	£724	£598	£594	
Market Sale - Lower Quartile	£166,000	£123,000	£128,000	£129,950	£105,000	£151,000	£124,000	£111,000	£102,500	£140,000	£135,000	£100,250	£125,000	£135,000	£154,000	£103,000	£132,500	£134,750	£177,000	£113,500	£95,000	£119,000	£97,000	
Market Sale - Median	£193,500	£167,475	£227,500	£180,000	£160,000	£196,500	£198,000	£158,750	£156,000	£193,000	£183,000	£162,500	£232,000	£170,000	£195,750	£129,995	£154,000	£175,500	£230,000	£139,000	£126,000	£136,500	£135,000	
Market Sale - Average	£249,966	£186,237	£264,145	£298,207	£202,937	£229,193	£228,393	£184,067	£201,187	£229,757	£203,632	£183,534	£267,602	£191,814	£208,007	£142,948	£175,815	£211,516	£276,364	£153,076	£157,793	£176,656	£164,717	
Starter Home	£154,800	£133,980	£182,000	£144,000	£128,000	£157,200	£158,400	£127,000	£124,800	£154,400	£146,400	£130,000	£185,600	£136,000	£156,600	£103,996	£123,200	£140,400	£184,000	£111,200	£100,800	£109,200	£108,000	
Shared ownership (50%)	£96,750	£83,738	£113,750	£90,000	£80,000	£98,250	£98,000	£79,375	£78,000	£96,500	£91,500	£81,250	£116,000	£85,000	£97,875	£64,998	£77,000	£87,750	£115,000	£69,500	£63,000	£68,250	£67,500	
Shared ownership (25%)	£48,375	£41,869	£56,875	£45,000	£40,000	£49,125	£49,500	£39,688	£39,000	£48,250	£45,750	£40,625	£58,000	£42,500	£48,938	£32,499	£38,500	£43,875	£57,500	£34,750	£31,500	£34,125	£33,750	
Help to buy	£193,500	£167,475	£227,500	£180,000	£160,000	£196,500	£198,000	£158,750	£156,000	£193,000	£183,000	£162,500	£232,000	£170,000	£195,750	£129,995	£154,000	£175,500	£230,000	£139,000	£126,000	£136,500	£135,000	
Tenure option	Income required (2018)																					Carmarthenshire Total		
	Abergwili	Cenarth	Clycwm	Cynwyl Elfed	Laugharne Township	Llanboidy	Llanddarog	Llandeilo	Llandovery	Llanegwad	Llanfihangel Aberbythych	Llanfihangel el-ar-Arth	Llangadog	Llangeler	Llangunnon	Llangydeyrn	Llansteffan	Llanybydder	Manordeilo and Salem	St. Clears	St. Ishmael		Whitland	
Social Rent	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	£18,096	
Affordable Rent (80% of median private rent)	£21,120	£19,046	£21,120	£20,122	£21,120	£19,315	£21,120	£18,893	£13,728	£24,960	£22,963	£20,122	£21,120	£19,123	£19,622	£18,624	£22,886	£21,120	£19,123	£20,122	£21,120	£21,120	£19,123	
Market Rent - Lower Quartile	£23,088	£21,024	£23,904	£21,648	£22,032	£15,792	£23,904	£20,400	£15,168	£27,456	£21,648	£21,648	£25,152	£20,400	£23,712	£21,648	£26,400	£23,904	£22,896	£20,592	£22,896	£23,424	£21,648	
Market Rent - Median	£26,400	£23,808	£26,400	£25,152	£26,400	£24,144	£26,400	£23,616	£17,160	£31,200	£28,704	£25,152	£26,400	£23,904	£24,528	£23,280	£28,608	£26,400	£23,904	£25,152	£26,400	£26,400	£23,904	
Market Rent - Upper Quartile	£32,448	£26,208	£27,456	£31,200	£33,264	£33,504	£36,000	£25,776	£20,160	£36,000	£31,200	£28,512	£36,000	£27,552	£29,952	£28,512	£33,696	£29,952	£25,152	£31,200	£34,752	£28,704	£28,512	
Market Sale - Lower Quartile (assumes 10% deposit)	£42,686	£31,629	£32,914	£33,416	£27,000	£38,829	£31,886	£28,543	£26,357	£36,000	£34,714	£25,779	£32,143	£34,714	£39,600	£26,486	£34,071	£34,650	£45,514	£29,186	£24,429	£30,600	£24,943	
Market Sale - Median (assumes 10% deposit)	£49,757	£43,065	£58,500	£46,286	£41,143	£50,529	£50,914	£40,821	£40,114	£49,629	£47,057	£41,786	£59,657	£43,714	£50,336	£33,427	£39,600	£45,129	£59,143	£35,743	£32,400	£35,100	£34,714	
Market Sale - Average (assumes 10% deposit)	£64,277	£47,890	£67,923	£76,682	£52,184	£58,935	£58,730	£47,332	£51,734	£59,080	£52,363	£47,194	£68,812	£49,324	£53,488	£36,758	£45,210	£54,390	£71,065	£39,362	£40,575	£45,426	£42,356	
Starter Home	£39,806	£34,452	£46,800	£37,029	£32,914	£40,423	£40,731	£32,657	£32,091	£39,703	£37,646	£33,429	£47,726	£34,971	£40,269	£26,742	£31,680	£36,103	£47,314	£28,594	£25,920	£28,080	£27,771	
Shared ownership (50%)	£36,721	£31,944	£42,963	£34,243	£30,571	£37,272	£37,547	£30,342	£29,837	£36,629	£34,794	£31,030	£43,789	£32,407	£37,134	£25,063	£29,470	£33,417	£43,421	£26,716	£24,330	£26,258	£25,982	
Shared ownership (25%)	£30,294	£26,381	£35,406	£28,264	£25,257	£30,745	£30,971	£25,069	£24,656	£30,219	£28,715	£25,633	£36,083	£26,761	£30,632	£20,746	£24,355	£27,588	£35,782	£22,100	£20,145	£21,724	£21,498	
Help to buy	£41,464	£35,888	£48,750	£38,571	£34,286	£42,107	£42,429	£34,018	£33,429	£41,357	£39,214	£34,821	£49,714	£36,429	£41,946	£27,856	£33,000	£37,607	£49,286	£29,786	£27,000	£29,250	£28,929	

Source: Data produced by Land Registry © Crown copyright 2019, Zoopla 2019, HCA

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 rural Carmarthenshire and rural ward level. Modelling has used 2018 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 1,030 existing households in need of alternative housing within the rural area.

Table B1 Summary of current housing need across Carmarthenshire Rural Area		
Category	Factor	Carmarthenshire Rural Total
Homeless households or with insecure tenure	N1 Under notice, real threat of notice or lease coming to an end	161
	N2 Too expensive, and in receipt of housing benefit or in arrears due to expense	274
Mismatch of housing need and dwellings	N3 Overcrowded according to the 'bedroom standard' model	126
	N4 Too difficult to maintain	400
	N5 Couples, people with children and single adults over 25 sharing a kitchen, bathroom or WC with another household	35
	N6 Household containing people with mobility impairment or other special needs living in unsuitable accommodation	254
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	80
Social needs	N9 Harassment or threats of harassment from neighbours or others living in the vicinity which cannot be resolved except through a move	16
Total no. households in need (with one or more housing need)		1,030
Total Households		26,334
% households in need		3.9%

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

Source: 2018 Household Survey

Step 2. Removing those that can afford to meet their housing needs in the open market.

- B.7 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.8 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.

Ward	Lower quartile price (£)
Abergwili	£166,000
Cenarth	£123,000
Cilycwm	£128,000
Cynwyl Elfed	£129,950
Laugharne Township	£105,000
Llanboidy	£151,000
Llanddarog	£124,000
Llandeilo	£111,000
Llandoverly	£102,500
Llanegwad	£140,000
Llanfihangel Aberbythych	£135,000
Llanfihangel-ar-Arth	£100,250
Llangadog	£125,000
Llangeler	£135,000
Llangunnor	£154,000
Llangyndeyrn	£103,000
Llansteffan	£32,500
Llanybydder	£134,750
Manordeilo and Salem	£177,000
St. Clears	£113,500
St. Ishmael	£95,000
Whitland	£119,000
Carmarthenshire Rural Area average.	£97,000

Source: Land Registry Price Paid Data: 2018

Table B3 Lower quartile private rents 2018 across Carmarthenshire Rural Area	
Ward	Lower quartile rents per month (£)
Abergwili	£481
Cenarth	£438
Cilycwm	£498
Cynwyl Elfed	£451
Laugharne Township	£459
Llanboidy	£329
Llanddarog	£498
Llandeilo	£425
Llandovery	£316
Llanegwad	£572
Llanfihangel Aberbythych	£451
Llanfihangel-ar-Arth	£451
Llangadog	£524
Llangeler	£425
Llangunnor	£494
Llangyndeyrn	£451
Llansteffan	£550
Llanybydder	£498
Manordeilo and Salem	£477
St. Clears	£429
St. Ishmael	£477
Whitland	£488
Carmarthenshire Rural Area average	£447

Source: Zoopla 2018

- B.9 An analysis of incomes and equity/access to savings identifies that **88** households could afford open market solutions.

Step 4. Total current housing need

- B.10 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 **80** 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.11 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 **9**.

Step 6. Surplus stock

- B.12 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 103 social rented dwellings were vacant in Carmarthenshire and available for letting which equates to around 0.4% of dwelling stock, therefore no surplus stock is assumed in this analysis.

Step 7. Committed supply of new affordable housing

- B.13 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 at Local Authority level shows that 188 affordable housing units were delivered between 2013-2018 in Carmarthenshire (0.2% of stock). If we apply this proportion to the Rural Carmarthenshire stock (26,334) the total affordable housing over five years equates to 53 units. The Affordable Homes Delivery Plan 2016-2020 indicates that over the five-year-period there is a plan for 75 affordable dwellings for Carmarthenshire Rural and Market Towns (this includes utilising some of the existing stock). The modelling assumes a blended rate of development over the next five years of the StatsWales data and the AH DPD data (i.e. **64** dwellings).

Step 8. Units taken out of management

- B.14 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.15 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 **73**.

Step 10. Total unmet need

- B.16 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 **7**.

Step 11. Quota to reduce levels of current need

- B.17 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.18 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 **1** dwelling.

Stage 3: N: Newly arising need

Step 13. New household formation

- B.19 The needs analysis assumes an annual household formation rate of **42**. This is based on the number of households actually forming in the five years preceding the 2018 household survey and the number of newly forming households over the next five years.

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

- B.20 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 87.7% could not afford lower quartile house prices or private sector rents.
- B.21 Therefore, the total number of newly-forming households who could not afford open market prices or rents in the Rural area is calculated to be 37 each year.

Step 15. Existing households falling into need

- B.22 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 **2** households.

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

- B.23 The household survey identifies in-migrant households who have moved into the rural area and into affordable housing in the last five years (A total of **9** each year). The survey also identifies those households who are planning to move out of the Rural area and cannot afford market prices (**4** each year).

Step 18. Total newly arising need

- B.24 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. Total newly arising need is calculated to be **44** each year.

Stage 4: S: Supply of affordable units

Step 19. Net supply of social re-lets

- B.25 A total of **37** lettings were recorded annually for the rural area (Council Data).

Step 20. Annual supply of intermediate housing

- B.26 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.27 This is the predicted sum of annual supply of affordable units (i.e. both social rented and intermediate housing). Total affordable supply is **37** dwellings each year.

Net shortfall or surplus

- B.28 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 **8** affordable dwellings across the Rural area of Carmarthenshire.
- B.29 Tables B1 and B2 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 Carmarthenshire Rural Area and for each ward area within the rural area.

Outputs at Rural Area level

Table B4 Rural area summary of net affordable need using unweighted data		
Element and step in calculation	Calculation	Carmarthenshire
Total households >>>		5,109
C. CURRENT NEED		
1. Existing households in need of alternative housing		164
2. plus Current non-households in need		4
3. minus cases where they can afford to meet their needs in the market		88
4. equals Total current housing need	C1+C2-C3	80
A. AVAILABLE STOCK TO OFFSET NEED		
5. Current occupiers of affordable housing in need		9
6. plus Surplus stock		0
7. plus Committed supply of new affordable homes	Over 5 years	64
8 minus planned homes to be taken out of management		0
9. equals Total available stock to meet current need	5+6+7-8	73
10. equals Total Current Need	4-9	7
11. times quota progressively to reduce level of current need		20%
12. equals Annual need to reduce level of current need	10x11	1
N: NEWLY ARISING NEED		
13. New household formation (gross p.a.)	annual	42
14. times proportion unable to buy or rent in the market		87.7
15. plus existing households falling into need	annual	2
16. minus potential out-migrants unable to afford market housing	annual	4
17. plus in-migrants unable to afford market housing		9
18. equals newly-arising need	(13x14)+15-16+17	44
S. SUPPLY OF AFFORDABLE HOMES per year		
19. Net supply of social re-lets	annual	37
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0
21. equals Affordable supply		37
NET SHORTFALL OR SURPLUS		
22. Overall shortfall or surplus (annual imbalance)	12+18-21	8

Table B5A Rural area summary of net affordable need using unweighted data by ward

		Abergwili	Cenarth	Cilycwm	Cynwyl Elfed	Laugharne Township	Llanboidy	Llanddarog	Llandeilo
C. CURRENT NEED									
1. Existing households in need of alternative housing		5	6	4	4	5	7	9	14
2. plus Current non-households in need		0	0	0	0	0	1	0	0
3. minus cases where they can afford to meet their needs in the market	%	69.7	50.7	34.6	82.3	64.0	62.5	44.1	54.2
	No.	3	3	1	3	3	4	4	8
4. equals Total current housing need	C1+C2-C3	2	3	3	1	2	4	5	6
A. AVAILABLE STOCK TO OFFSET NEED									
5. Current occupiers of affordable housing in need		0	1	0	0	2	0	0	0
6. plus Surplus stock		0	0	0	0	0	0	0	0
7. plus Committed supply of new affordable units		3	3	2	4	3	2	3	3
8 minus planned units to be taken out of management		0	0	0	0	0	0	0	0
9. equals Total available stock to meet current need	5+6+7-8	3	4	2	4	5	2	3	3
10. equals Total Current Need	4-9	-1	-1	1	-3	-3	1	2	3
11. times quota progressively to reduce level of current need	Policy judgement	20%	20%	20%	20%	20%	20%	20%	20%
12. equals Annual need to reduce level of current need	10x11	0	0	0	-1	-1	0	0	1
S. SUPPLY OF AFFORDABLE UNITS per year									
13. New household formation (gross p.a.)		2	2	1	2	3	2	2	1
14. times proportion unable to buy or rent in the market		92.0	100.0	80.0	84.0	86.2	100.0	85.6	86.8
15. plus existing households falling into need and unable to afford market housing		0	0	0	0	0	0	0	0
16. minus potential out-migrants unable to afford market housing		0	0	0	0	0	0	0	0
17. plus in-migrants unable to afford market housing		1	0	0	1	0	0	2	0
18. equals newly-arising need	(13x14)+15-16+17	3	2	0	3	3	1	3	1
19. Net supply of social re-lets		0	2	1	1	2	0	1	2
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0	0	0	0	0	0	0	0
21. equals Affordable supply	19+20	0	2	1	1	2	0	1	2
NET SHORTFALL OR SURPLUS									
22. Overall shortfall or surplus	12+18-21	3	0	0	1	0	1	3	-1

Table B5B Rural area summary of net affordable need using unweighted data by ward

Llandovery	Llanegwad	Llanfihangel Aberbythych	Llanfihangel- ar-Arth	Llangadog	Llangeler	Llangunnon	Llangyndeyr n	Llansteffan	Llanybydder	Manordeilo and Salem	St. Clears	St. Ishmael	Whitland	Total
9	6	6	5	10	10	8	11	11	6	8	7	6	7	164
0	0	0	0	0	0	0	1	0	1	0	1	0	0	4
69.1	47.2	48.4	55.0	36.9	45.2	61.5	52.0	57.0	30.8	60.7	59.3	68.2	40.2	53.4
6	3	3	3	4	5	5	6	6	2	5	4	4	3	88
3	3	3	2	6	5	3	6	5	5	3	4	2	4	80
0	0	0	0	0	1	1	1	0	1	0	1	0	1	9
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	3	2	3	2	4	3	4	3	3	3	3	3	3	64
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	3	2	3	2	5	4	5	3	4	3	4	3	4	73
0	0	1	-1	4	0	-1	2	2	1	0	0	-1	1	7
20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
0	0	0	0	1	0	0	0	0	0	0	0	0	0	1
2	3	1	2	2	2	2	3	1	2	2	3	2	2	42
95.9	97.0	92.4	81.0	92.0	92.5	79.0	73.7	85.2	88.0	90.8	78.4	81.4	100.0	87.7
0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
0	0	0	0	0	0	0	1	0	1	0	0	0	0	4
0	0	1	0	0	1	1	0	1	0	0	1	0	0	9
2	3	2	1	2	3	2	1	2	1	1	3	1	2	44
3	0	1	3	1	4	4	3	1	2	0	2	1	2	37
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	0	1	3	1	4	4	3	1	2	0	2	1	2	37
-1	2	2	-2	2	-1	-2	-2	2	-1	1	1	0	0	8

Table B6A Rural area summary of net affordable need using weighted data by ward

C. CURRENT NEED	Wards Within Rural Area	Abergwili	Cenarth	Gilycwm	Cynwyl Elfed	Laugharne Township	Llanboidy	Llanddarog	Llandeilo
	1. Existing households in need of alternative housing		40	39	28	20	36	36	76
2. plus Current non-households in need		0	0	0	0	0	1	0	0
3. minus cases where they can afford to meet their needs in the market	%	69.7	50.7	34.6	82.3	64.0	62.5	44.1	54.2
	No.	28	20	10	16	23	23	34	64
4. equals Total current housing need	C1+C2-C8	12	19	18	4	13	15	43	55
A. AVAILABLE STOCK TO OFFSET NEED									
5. Current occupiers of affordable housing in need		0	5	0	0	10	0	0	0
6. plus Surplus stock		0	0	0	0	0	0	0	0
7. plus Committed supply of new affordable units		2	3	2	3	3	2	2	4
8 minus planned units to be taken out of management		0	0	0	0	0	0	0	0
9. equals Total available stock to meet current need	5+6+7-8	2	8	2	3	13	2	2	4
10. equals Total Current Need	4-9	10	12	17	0	0	12	40	51
11. times quota progressively to reduce level of current need	Policy judgement	20%	20%	20%	20%	20%	20%	20%	20%
12. equals Annual need to reduce level of current need	10x11	2	2	3	0	0	2	8	10
13. New household formation (gross p.a.)		11	12	7	14	14	10	9	16
14. times proportion unable to buy or rent in the market		92.0	100.0	80.0	84.0	86.2	100.0	85.6	86.8
15. plus existing households falling into need and unable to afford market housing		0	3	0	0	2	0	0	0
16. minus potential out-migrants unable to afford market housing		0	1	3	0	0	1	0	0
17. plus in-migrants unable to afford market housing		3	0	0	4	0	0	10	0
18. equals newly-arising need	(13x14)+15-16+17	13	14	3	16	14	8	18	14
S. SUPPLY OF AFFORDABLE UNITS per year									
19. Net supply of social re-lets		2	11	4	5	11	2	4	13
20. plus supply of intermediate housing available for re-let or resale at sub-market levels		0	0	0	0	0	0	0	0
21. equals Affordable supply	19+20	2	11	4	5	11	2	4	13
NET SHORTFALL OR SURPLUS									
22. Overall shortfall or surplus	12+18-21	13	5	2	11	3	9	22	11

Table B6B Rural area summary of net affordable need using weighted data by ward – cont'd.....

Llandovery	Llanegwad	Llanfihangel Aberbythych	Llanfihangel- ar-Arth	Llangadog	Llangeler	Llangunnor	Llangydeyrn	Llansteffan	Llanybydder	Manordeilo and Salem	St. Clears	St. Ishmael	Whitland	Total
59	34	34	35	45	86	35	59	61	30	37	46	33	43	1031
0	0	0	0	0	0	0	1	0	1	0	1	0	0	4
69.1	47.2	48.4	55.0	36.9	45.2	61.5	52.0	57.0	30.8	60.7	59.3	68.2	40.2	53.4
41	16	16	19	17	39	22	31	35	9	22	27	23	17	551
18	18	18	16	28	47	13	29	26	22	15	20	10	26	484
0	0	0	0	0	7	7	9	0	11	0	9	0	16	74
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	3	2	3	2	4	3	4	3	3	2	4	4	3	64
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	3	2	3	2	11	10	13	3	14	2	13	4	19	138
15	15	16	13	26	36	3	16	24	8	12	7	7	7	346
20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
3	3	3	3	5	7	1	3	5	2	2	1	1	1	69
13	12	9	14	10	17	13	18	11	14	10	15	16	12	276
95.9	97.0	92.4	81.0	92.0	92.5	79.0	73.7	85.2	88.0	90.8	78.4	81.4	100.0	87.7
1	0	0	0	1	3	0	0	0	0	0	2	0	2	15
0	0	1	0	1	1	1	3	0	5	2	1	3	0	23
0	0	8	0	0	16	7	0	4	0	0	12	0	0	64
14	12	15	11	9	34	16	10	14	7	7	26	10	13	298
17	2	5	17	4	21	19	20	4	9	2	10	3	13	196
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	2	5	17	4	21	19	20	4	9	2	10	3	13	196
0	13	14	-3	10	20	-2	-7	15	-1	8	17	8	2	171

Note:- This data has been weighted to accurately reflect the affordable need of the whole rural population not just those households who responded (raw data). A weighting factor has been applied to allow for non-responses and to bring the sample back to being representative of the rural population utilising a set of demographic characteristics