



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**CABINET**

**20<sup>TH</sup> MARCH 2023**

**A REPORT ON THE COUNCIL'S LOCAL HOUSING MARKET  
ASSESSMENT 2023 - 2028**

**REPORT OF THE DIRECTOR OF PROSPERITY AND DEVELOPMENT, IN  
DISCUSSIONS WITH THE RELEVANT PORTFOLIO HOLDER CLLR M  
NORRIS**

**AUTHOR: CLAIRE HUTCHEON – HEAD OF HOUSING STRATEGY AND  
INVESTMENT**

**Appendices:** Local Housing Market Assessment:  
Rhondda Cynon Taf 2023 – 2028

Appendix A

**1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to present to Members the findings of the Local Housing Market Assessment 2023 – 2028 seeking approval before submitting to WG and then and then publicise the document.

**2. RECOMMENDATIONS**

It is recommended that:

- 2.1 Members approve the Local Housing Market Assessment 2023 – 2028 as a key source of evidence to support the delivery of housing policies in the Council's Corporate Plan, Local Development Plan and Housing Delivery Plan.
- 2.2 Members approve the Local Housing Market Assessment 2023 – 2028 as a tool to negotiate affordable housing provision on planning applications and to identify how housing need translates to different sizes and types of affordable housing (e.g. social rent and low cost home ownership).
- 2.3 Members approve the Local Housing Market Assessment 2022 – 2037 for use to inform funding bids (including Social Housing Grant) and to influence residential development in the County Borough.

### **3. REASONS FOR RECOMMENDATIONS**

- 3.1 All local authorities have a requirement to consider the housing accommodation needs of their localities under Section 8 of the Housing Act 1985. This requirement is vital for Councils to have a comprehensive understanding of the intricacies of their local housing market(s) and to provide a robust evidence base for effective strategic housing and planning services.

### **4 BACKGROUND**

- 4.1 Within Wales, local authorities have a requirement to consider the housing accommodation needs of their localities under Section 8 of the Housing Act 1985. In order to fulfil this requirement, Welsh Local Authorities must formulate Local Housing Market Assessments (LHMAs). LHMAs should consider the state of the whole housing market, including assessment of the need for affordable homes of different tenures.
- 4.2 The Local Housing Market Assessment 2023 – 2028 has been completed in order to understand and investigate the nature and make-up of current and future housing needs across the area, providing robust evidence to support future planning. This document updates the findings of the last Local Housing Market Assessment completed in 2017/18. It has been produced in accordance with Welsh Government Guidance.
- 4.3 The Welsh Government’s methodology has been used to assess the housing market within Rhondda Cynon Taf in order to complete the Assessment. A range of socio-economic, demographic and property market data was used to inform the Assessment to provide a detailed insight into the mechanisms of the local residential markets.
- 4.4 The Assessment serves a number of purposes, including informing:
- The development and review of local development plans and local housing strategies
  - Decision-making in terms of negotiating the level, type and mix of affordable housing and other tenures
  - The provision of affordable homes of different tenures
  - Housing issues that are relevant to the authority’s duties under the Well-being of Future Generations (Wales) Act 2015.

### **5 LOCAL HOUSING MARKET ASSESSMENT SUMMARY FINDINGS**

- 5.1 The Local Housing Market Assessment 2023 – 2028 identifies the total housing need is **745 additional affordable housing units per annum**, comprising of 286 intermediate units (of which 229 need to be Low Cost Home Ownership) and 459 social rented units.
- 5.2 The Assessment indicates that for both market and affordable housing, overall, the need for 1 bedroom properties is higher than that of all other size properties with 409 units required per annum.
- 5.3 The Assessment also shows that South West Taf has the highest net need for affordable housing with 115 units needed per annum.
- 5.4 Furthermore, the Assessment revealed clear differences in the housing market across the County Borough; with demand in Taf being relatively higher than across the rest of the locality. Price to income ratios are far greater across Taf, meaning affordability is more of a significant issue in many parts of this area. Whilst other areas of the County Borough have a lower demand, there is evidence of housing market ‘hotspots’ in these other areas of the County Borough.
- 5.5 It is important to emphasise that this headline data should not be considered an annual delivery target or even the solution to the affordability issues within the County Borough. It instead indicates the level of housing need within RCT, which the Council will seek to address through a range of market interventions as far as practically possible. The housing need identified within the Assessment is best viewed at Housing Market Areas to ensure the needs of different types of housing in different markets are fully understood.
- 5.6 Furthermore, this figure (745) is based on the Council meeting all unmet need and forecasted additional need over a 5-year period as set out by Welsh Government. The term unmet need relates to people currently on the Common Housing Register waiting list and people who are registered on our Homestep mailing list. As such, this figure of 745 affordable housing units per annum differs from the Council’s Local Development Plan annual figure as the data is calculated equally over a 15-year period.

## **6 EQUALITY AND DIVERSITY IMPLICATIONS/ SOCIO-ECONOMIC DUTY**

- 6.1 In summary, there are many positive impacts to groups that are covered in the equality impact assessment. As the LHMA is an assessment of all housing need across RCT it naturally takes in to account all cohorts and it will inform future projects/strategies/policies

on key data points relating to current and future demand across the County Borough.

## **7 CONSULTATION/INVOLEMENT**

- 7.1 The Assessment has been produced in accordance with Welsh Government Guidance, which has already been subject to consultation. A draft of the Assessment forms part of the Local Development Plan consultation process.

## **8 WELSH LANGUAGE IMPLICATIONS**

- 8.1 In summary there are many positive impacts to groups that are covered in the equality impact assessment. As the LHMA is an assessment of all housing need across RCT it naturally takes in to account all cohorts and will be published in Welsh and English. This will not only allow speakers and learners access to the assessment data but also allow future strategies/projects/policies to be created in the Welsh Language.

## **9. FINANCIAL IMPLICATION(S)**

- 9.1 There are no financial implications aligned to this report.

## **10 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 10.1 The Assessment has been produced in accordance with the Welsh Government 'Local Housing Market Assessment Guide'. Publication will fulfil the Local Authority's requirements to assess housing need under Section 8 of the Housing Act 1985.

## **11 LINKS TO THE CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT.**

- 11.1 The findings of this Assessment can be used to support the delivery of all three of the Corporate Plan priorities; people, places and prosperity. Investment in housing provides ongoing stimulus to the local economy by supporting the construction industry and local supply chains. New housing development often provides apprenticeships and employment opportunities for the local area, whilst improving outcomes for local residents. New provision helps support a huge range of households in society that may not otherwise be able to meet their needs in the market, thereby promoting independence and positive lives for all.

- 11.2 Schemes delivered by Registered Social Landlords are constructed to Welsh Development Quality Standards, which result in quality homes designed to meet the needs of residents both now and in the future (based on Lifetime Homes principles). In addition, units secured through the planning system are clustered throughout private housing schemes, to help create integrated, sustainable neighbourhoods.
- 11.3 The Assessment will also continue to assist the Council to contribute to three of the seven wellbeing goals that 'The Well Being of Future Generations (Wales) Act 2015' puts in place as follows:
1. A healthier Wales
  2. A prosperous Wales
  3. A Wales of cohesive communities

## **12 CONCLUSION**

- 12.1 This report has provided Members with a summary of the Local Housing Market Assessment 2023 – 2028.
- 12.2 The Assessment has enabled the Local Authority to better understand the local housing markets in Rhondda Cynon Taf, building on past assessments. The findings will help ensure that the information underpinning the Corporate Plan, Local Development Plan and Housing Delivery Plan continues to be robust, comprehensive and up to date. The Assessment also sets out the nature and level of housing need in the County Borough in order to plan for effective housing services and deliver the right mix of housing to help develop sustainable communities.