Development of 123 Affordable Homes on Land to the North of St George's Road, Abergele

Affordable Housing Statement

By George Venning

Director

Bailey Venning Associates Limited on behalf of

Client: Castle Green Homes

November 2026

Content

1.0 Introduction and Executive Summary 3

2.0 Policy 8

3.0 Housing Market Portrait 12

4.0 Assessed Need – the LHMNA 21

5.0 Output 24

6.0 Waiting List, Lettings and Benefit Data 27

Report prepared by Bailey Venning Associates Limited

Tayfield House

38 Poole Road

Bournemouth

BH4 9DW

01202 639 444

www.bailey-venning.com

1.0 Introduction and Executive Summary.

BVA has been instructed by Castle Green Homes to compile and Affordable Housing Statement in respect of the land to the North of St George's Road, Abergele.

The site is allocated within the adopted plan – being part of a wider mixed use allocation known as Abergele South East. The site is allocated for 5.7 ha of employment land as well as 600 dwellings and is the subject of a Development Brief (LDP28) adopted in 2016.

1.1

This parcel of the site will deliver 123 homes – in a mix of flats and houses.

1.2

The adopted Local Plan Policy (HOU/2) suggests that 10% of all homes provided on sites in Abergele should be affordable of which 50% should be for rent and the remainder intermediate. The emerging plan (via policy HS/3) increases that quota to 20% although it has not yet been submitted for examination.

1.3

1.4

However, the proposal is that this parcel will, in fact be built out as 100% affordable housing and that all of the dwellings will be for Rent at Social or Affordable Rent levels.

1.5

The purpose of this document is three-fold.

1.6

- First, it will summarise the nature of what is actually proposed,
- Second, it will address the available evidence as to the extent and nature of the need for additional affordable homes in this location.
- Finally, it will for a judgement as to the benefit arising from the delivery of those homes as affordable with a view to ensuring that an appropriate degree of weight is attributed to this aspect of the development in the determination of the overall planning balance.

The Proposed Mix

Size	Type	Units	Sqft	m²
1 Bed 2 Person	Walk Up Flat	4	562	52.2
1 Bed 2 Person	Walk Up Flat	4	652	60.6
2 Bed 4 Person	2 Stoey Mid Terrace	5	884	82.1
2 Bed 4 Person	2 Storey End Terrace/Semi	56	884	82.1
3 Bed 4 Person	2 Storey End Terrace/Semi	34	1,004	93.3
3 Bed 4 Person	2 Storey End Terrace/Semi	10	1,004	93.3
4 Bed 6 Person	2 Storey Semi	8	1,186	110.2
4 Bed 6 Person	2 Storey (Corner)	2	1,197	111.2
Total		123		

	Units	Proportion
1 Bed	8	7%
2 Bed	61	50%
3 Bed	44	36%
4 Bed	10	8%
Total	123	

1.7 In our view, the mix of unit sizes proposed reflects the identified needs for the area with the bulk of provision having two or three bedrooms. The number of four bedroom homes proposed is not quite as high as the proportion identified by the LHNA, although the mix is outside of expectation and we are unable to interrogate it further because the underlying data form the housing register is not public. The proposal that over 8% of the total affordable homes should have four bedrooms nonetheless represent double the prevalence of such homes in the stock at present.

Evidence of Need

1.8 The lack of sufficient affordable housing to accommodate all of the identified need is a national issue across Wales and the UK more widely. Conwy is no exception.

1.9 Indeed, there are some particular struggles which are more acute here than elsewhere. Notably, at just 11% of the housing stock, Conwy has the smallest share of Social Rented homes in Wales – compared to 17.5% across Wales as a whole.

1.10 It also sees the lowest rate of vacancies per 1,000 properties in the Social Rented Stock (just 6.5%) and, perhaps as a consequence, one of the highest rates of lettings made to homeless households – leaving fewer vacancies for households in other forms of need.

1.11 A review of the Census data found that, since 2001, the housing stock of Conwy has changed significantly. The Social Rented and Owner Occupied sectors have both remained roughly the same size whilst the Private Rented Sector has absorbed almost all of the total growth in household numbers.

1.12 Even within the owner occupied sector, important changes are on-going. The number of households who own their homes outright has continued to grow, even as the number of households who own with a current mortgage has shrunk by almost 20%. This pattern is not unusual and reflects historic trends in the housing market over time.

1.13 Whilst it is certainly true that house prices have generally risen in nominal terms, a consideration of *real* house prices (net of CPI inflation) reveals a very different picture –

whereby real prices exploded by a factor of 2.5 over the course of the decade prior to the financial crisis and then stagnated ever since. This means that average values have stabilised at a multiple of average incomes which is well outside normal, mortgagable ranges (the figure in Conwy being around 6.7x). This has created a divide between an older cohort for whom home ownership was accessible and affordable and a younger cohort for whom it is much less so. Since the social sector has not grown to accommodate those priced out by the explosive growth, an increasing proportion of working age households have ended up confined to the private rented sector – which explains the growth of the sector.

Whilst rents in the Private Rented Sector were at least comparatively affordable for a long while – with both low costs and little inflation, that picture has changed dramatically since the pandemic, with rents rising by around 40% since that time.

1.14

This has created enormous pressure on households. Our review of the benefit rolls in Conwy found that around 40% of all households renting in the Private Rented Sector had a valid claim for one or other of the available benefits and that over 2,400 households in Conwy are unable to claim sufficient benefit support to cover their actual housing costs. This is a significantly larger group of households than the entire housing register (around 1,700 households). Such households may not be classed as formally in need but they are trapped in a *de facto* benefit sanction through no fault of their own and they consequently experience a form of poverty, which is directly linked to their housing circumstances and the lack of more suitable homes available to them.

1.15

1.16

These features of the market form the background of the formal evidence of need published by the Council in collaboration with the Welsh Government – the LHMNA (2022-37). This document found that, in order to address all of the need identified over the plan period, it would be necessary to deliver over affordable 2,500 homes. This overall target is separated into requirements over the first five years and over the remaining 10. Over the first five years of the study period, it would be necessary to deliver 358 affordable homes per annum. Since this notably exceeds planned housing output of all tenures, it is clear that this will not occur. A more reasonable expectation might be to address all of identified need over the 15 year study period. But, in fact, even that would require the provision of 164 affordable homes per annum.

1.17

1.18

This too appears unlikely – representing as it does, around two thirds of total planned housing output.

We should also consider this requirement in the context of recent output. There are two different sources here – the Council's own Topic Papers or data from StatWales – and there is small discrepancy between them but the annual output of affordable homes in

Conwy would appear to be between 72 per annum and 85/annum depending upon which source one uses. In other words, current output may be less than half of identified need – a step change is therefore required.

We acknowledge that there are a number of sites currently proposing to deliver affordable housing at rates far in excess of the quota sought in policy – in a similar way to this one but - even if all of those homes were built out as affordable housing, housing need would only just be addressed and the total level of affordable housing in Conwy would rise only to around 14% of the stock – it would still be far smaller than the average for Wales.

1.19

It would appear that there is no danger associated with the over-provision or even over concentration of affordable housing in the foreseeable future.

1.20

The Need for Low Cost Home Ownership Housing (Shared Ownership)

The LHMNA suggests that a significant proportion of total affordable housing need is for LCHO products (a sector dominated by Shared Ownership). Unfortunately, the calculations behind the LHMNA are not entirely transparent and we have struggled to identify the full basis of that estimate.

1.21

It would, however, somewhat surprise us if need were that great. One reason for this is that assessments of the affordability of such units are typically based upon assessments carried out based upon a discount to second hand property values.

1.22

But the actual cost of LCHO is almost always a function of the value of a new build home. New build homes are, themselves typically more expensive than second hand properties in the market. And that is especially true in more affordable markets like Conwy.

1.23

For would-be buyers, the cost of acquiring a new shared ownership home can be surprisingly close to that of buying an older, second hand property outright. Whilst there are certainly advantages to having a new home compared to an older one, they are mitigated by the structure of Shared Ownership itself. Buyers typically acquire between 40% and 50% of the equity in their home for a cost equivalent to 70% of the open market cost. The remainder goes to rent.

1.24

What this means is that buyers are choosing between 50% of the equity in their home or 100% of the equity in their home *for around the same price*. The former is not always an attractive proposition and we understand that Registered Providers in the area have little appetite for the delivery of Shared Ownership precisely because they can be hard to market on this basis.

1.25

For this reason, the proposal for this site is that 100% of the homes will be offered for rent – either Social Rent or Affordable Rent. Both products are available to all households on the basis of need because both are made available at rent levels whose cost can be fully offset by Housing related benefit.

1.26 Benefit and Planning Weight

Where a development contributes towards the resolution of an identified need, it will leave the community better off (in that respect) than it was prior to the development taking place. To the extent that it does so, this facet of the development must attract
1.27 positive weight in the determination of the overall planning balance.

In this case, it is clear not only from the formal evidence of the LHMNA but also from a review of the wider housing context, that there is an acute need to be addressed. To its
1.28 credit, the Council seems to be engaging with that need. Not only applying affordable housing quotas through policy but also supporting the delivery of 100% affordable housing schemes wherever possible.

1.29 The application site in this case is allocated – suggesting that this has been found to be a suitable location for housing - but the minimum quota of affordable housing for sites in this area is just 20%. That quota is, of course, based upon the viability of development economics rather than need and it is explicitly framed as a minimum.

1.30 The decision on the part of the promoters to instead deliver this phase of the allocation as 100% affordable housing would therefore align the output far more closely with the identified needs of the community than a development which was subject to the quota. This over-provision of housing (which is proposed without prejudice to the tenure balance of other phases within the allocation) must surely be attributed significantly greater positive weight in the determination of the overall balance of planning merit.

2.0 Policy

Current Plan for Conwy

The most recently adopted Local Plan is the Conwy Local Development Plan 2007-2013. It was adopted in 2013 and is, at the time of writing, out of date.

The Strategic Housing policy was designed around a need for a maximum of up to 6,520 houses over the 15 years of the plan (an implied 434/annum). Within that, the Council aimed to address an overall affordable housing requirement of 1,875 through the provision of 1,000 new build affordable homes as well as a range of other measures.

2.1

2.2

Although the affordable housing target represented only 28% of the total housing requirement, it was clearly understood to be challenging and the Council stated that it "will take every opportunity through its policies to maximise AHLN provision"[1]

2.3

It is within this context that policy HOU/2 Affordable Housing for Local Need sets out the following target quotas:

2.4

"Giving AHLN provision a high priority through negotiating with developers to include AHLN on-site in all housing developments within the settlement boundaries of the Urban Development Strategy Area and Tier 1 Main Villages, according to the following distribution:

2.5

- Llandudno and Penrhyn Bay, Rhos on Sea 35%
- Conwy, Llandudno Junction, Glan Conwy, Llanrwst 30%
- Llanfairfechan, Penmaenmawr, Colwyn Bay, Dwygyfylchi, Llanddulas & Llysfaen 20%
- Abergele, Towyn and Kinmel Bay 10%

The fact that the lowest quotas are set for Abergele and the neighbouring towns suggests that the viability of development is at its weakest in the North East of the County.

Policy HOU/5 deals with the mix of housing to be provided stating that:

"Development proposals should reflect the requirements for tenure, house types and sizes as set out in the Local Housing Market Assessment and the Conwy Affordable Housing and First Steps Registers, unless it can be demonstrated by evidence that the local

[1] Para 4.2.2.2

circumstances of the particular settlement or location suggests a different mix of housing which would better meet the local needs"

Plainly though, given the age of the Plan the LHMA referred to in the plan would by now be very out of date and such references should be assumed to refer to the 2022-2037 update reviewed below. But, in any case, neither the policy nor its supporting text provides a detailed mix. The only tenure direction we were able to find was in paragraph 4.2.2, which stated that the "identified need of 1,875… comprises a split of 50% social and intermediate housing".

2.6

Policy HOU/6 deals with Exception Sites for affordable housing for local need, noting that sites which provide 100% affordable housing may be permitted as exceptions to normal policy, whilst not directly relevant to the subject scheme. The existence of the policy does suggest that the Council would value the contribution that the affordable homes represent.

2.7

Emerging Plan

2.8 The council is in the process of producing a new local plan. The Conwy Replacement Development Plan 2018- 2033 is not yet adopted and, as such, only limited weight may be attributed to it although it does set out the Council's understanding of the latest evidence available and is therefore pertinent to this Statement.

2.9 Policy PL/2 – sustainable housing strategy sets out the Council's primary housing ambitions: to plan, monitor and manage the delivery of approximately 3,600 homes over the 15 years (240/annum). In support of that goal, it will plan for 4,300 homes – providing a contingency of 20%.

2.10 Of those homes, 15% are to be located in the East Subregion, which includes the application site. The intention is to deliver 1,760 affordable homes over the plan period by:

a. Allocating affordable led sites; and

b. Setting Targets for affordable housing provision of residential sites.

2.11 1,760 affordable homes would, of course, represent around 40% of total output. Although this is a substantially increased overall quota it seems to be in line with historic rates of affordable housing delivery (see para 5.3). But, even then it is notably lower than the total requirement of 2,460 affordable homes, recognised over the life of the plan by the LHMNA (para 4.4).

Furthermore, of course, the target of 4,300 homes has itself been uplifted by 20% to reflect the possibility that some sites do not come forward. It is therefore reasonable to assume that the goal of 1,760 should be discounted by a similar amount in order to arrive at an estimate of actual output. This would take us to 1,467 affordable homes, or 98 per annum. This represents an increase on current output (see below) but a modest, rather than a transformative one.

2.12

Tables 12 and 13 in the plan, set out the anticipated delivery across different plan areas. We have combined them to show affordable housing delivery as a share of total output and have focussed on the East Sub-Region and the County total only.

2.13

	East			Conwy		
	All	Affordable	%	All	Affordable	%
Completions to Date	375	120	32%	1,425	430	30%
Under Construction	65	45	69%	375	215	57%
Units with Permission	175	130	74%	450	300	67%
New Allocations	275	110	40%	1,320	680	52%
Large Windfall (10+)	0	0	0%	270	85	0%
Small Windfall (<10)	45	0	0%	460	50	11%
Total	935	405	43%	4,300	1,760	41%

2.14

In all sub areas, there would appear to be an on-going shift towards affordable housing provision. But that shift is slightly more pronounced in the East sub-area.

2.15

Affordable housing policy is set out at HS/3 and HS/4. HS/3 states that:

"Affordable housing will be sought from unallocated residential developments within the settlement boundaries of urban settlements, Tier 1 Main Villages and the Key Service Centre where there is a net gain of dwellings from the scheme, according to the following target percentages:…

2.16

East strategy area:

2.17

Llanddulas, Abergele: 20%"

20% is one of the lowest quotas set for any area – only the nearby settlements of Pensarn, Towyn and Kinmel Bay are subject to lower quotas (0%)

HS/4 states that:

"*All large sites within the settlement boundaries of the urban settlements, Tier 1 Main Villages and the Key Service Centre, as defined in policy PL/4 growth distribution and*

hierarchy of settlements, must be affordable housing led sites, where at least 50% of the new homes on the site will be affordable."

It then goes on to set out a number of circumstances under which lower quotas would be considered although these are not, of course, strictly relevant to the current application, which is proposing to go much further.

2.18 Overall though it is clear that both the adopted and emerging plans recognise a large need for additional affordable homes across all areas of the County and sets out the Council's desire to maximise output from all possible sources.

2.19 The policies in the plan are ambitious in seeking additional affordable homes is resolution of that need and yet it is clear that even then, total output is likely to undershoot need.

2.20 In these circumstances, the delivery of an allocated site in the form of 100% affordable housing would appear to be in conformity with the aims of the plan.

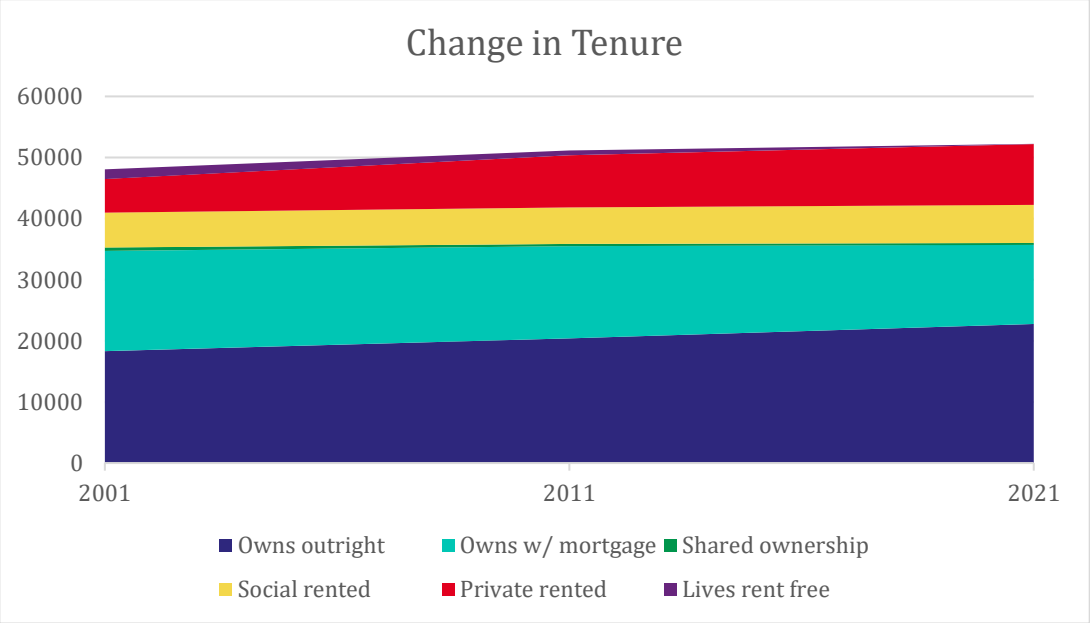
2.21

3.0 Housing Market Portrait

Between the last three censuses, that is between 2001 and 2021, the total number of households in Conwy has grown relatively slowly. Over that 20 year period, the total number of households increased by around 9%, of which the majority occurred between 2001 and 2010.

3.1 Over the same period the tenure of the housing stock has undergone significant change as well. The following table shows the absolute change.

3.2



Source: Census

3.3

3.4 As is apparent, there was only a very modest change in the total number of homeowners (an increase of just over 1,000 households – or an increase of 2.9%) but within that overall change, the number of outright owners increased significantly whilst the number of owner occupiers with mortgages collapsed, shrinking by 3,400 households (or 20%).

This process is the result of two concurrent and inter-related processes. The first is that an ageing cohort of older households – those who benefitted from the home-ownership boom of the 80s and 90s – paid off their mortgages and are now living at low cost. They are also enjoying notably longer retirements than earlier cohorts because of the increases in longevity relative to their parents. At the same time, rates of home ownership collapsed among younger, working age households. As we shall see in the

section on values, this is because of the very different housing market that they encountered in the early decades of their working lives.

In the rented sectors, the Social rented and Private Rented Sectors began the 21st century at about the same size (c.5,500 households) but, whilst the Social Rented Sector barely kept pace with the growth in the number of households (increasing by only 542 households in total (or 25/annum), the Private Rented Sector almost doubled in size, growing by an average of 220 households per annum.

3.5

The stock of social housing in Conwy is one of the smallest, relative to the total number of households, in Wales representing just 12% of all households. In Wales as a whole, the figure is 17.5%.

3.6

As to the mix of home sizes in the sector, we note that the proportion is roughly in line with the pattern across Wales and England and Wales more broadly – with just under a third of social rented homes having 1, 2, and three bedrooms and a notably small number having four or more bedrooms. This makes sense: to eligible for a four bedroom home, a households would normally need to have at least four, and often rather more children. Such households are rare

3.7

	England & Wales	Wales	Conwy
1 bedroom	29.1%	23.4%	29.9%
2 bedrooms	35.6%	35.3%	31.1%
3 bedrooms	30.9%	37.5%	34.9%
4+ bedrooms	4.4%	3.8%	4.0%

3.8

However, whilst Conwy has the same proportion of four bedroom homes in its stock as elsewhere, the stock itself is notably smaller. The total number of social rented homes with four bedrooms is actually just 252.

3.9

Intriguingly, both of the minor tenures shrank. The number of households living in Shared Ownership homes (always a modest component of the stock) fell by almost half, from 549 to 291 and the modest number of households living rent free almost vanished, falling from 1,600 in 2001 to just 41 in 2021. This last figure would track with common sense. As houses became more valuable, fewer owners would be willing to see them occupied for free.

3.10

However, a more nuanced picture is obtained by means of a comparison between the number of households in Conwy (as recorded by the Census) and the size of the dwelling stock estimated by StatsWales.

	Dwellings	Households	Dwellings as % of H/holds	"Excess" Dwellings	"Excess" Dwellings as % of stock
2001	51,400	48,062	106.9%	3,338	6.5%
2011	56,100	51,177	109.6%	4,923	8.8%
2021	58,000	52,235	111.0%	5,765	9.9%

The direction of the change is not unusual. Across England & Wales as a whole, the "excess" grew from 3.6% of stock to 6% over the same period. The striking point is not the direction of the change but its magnitude.

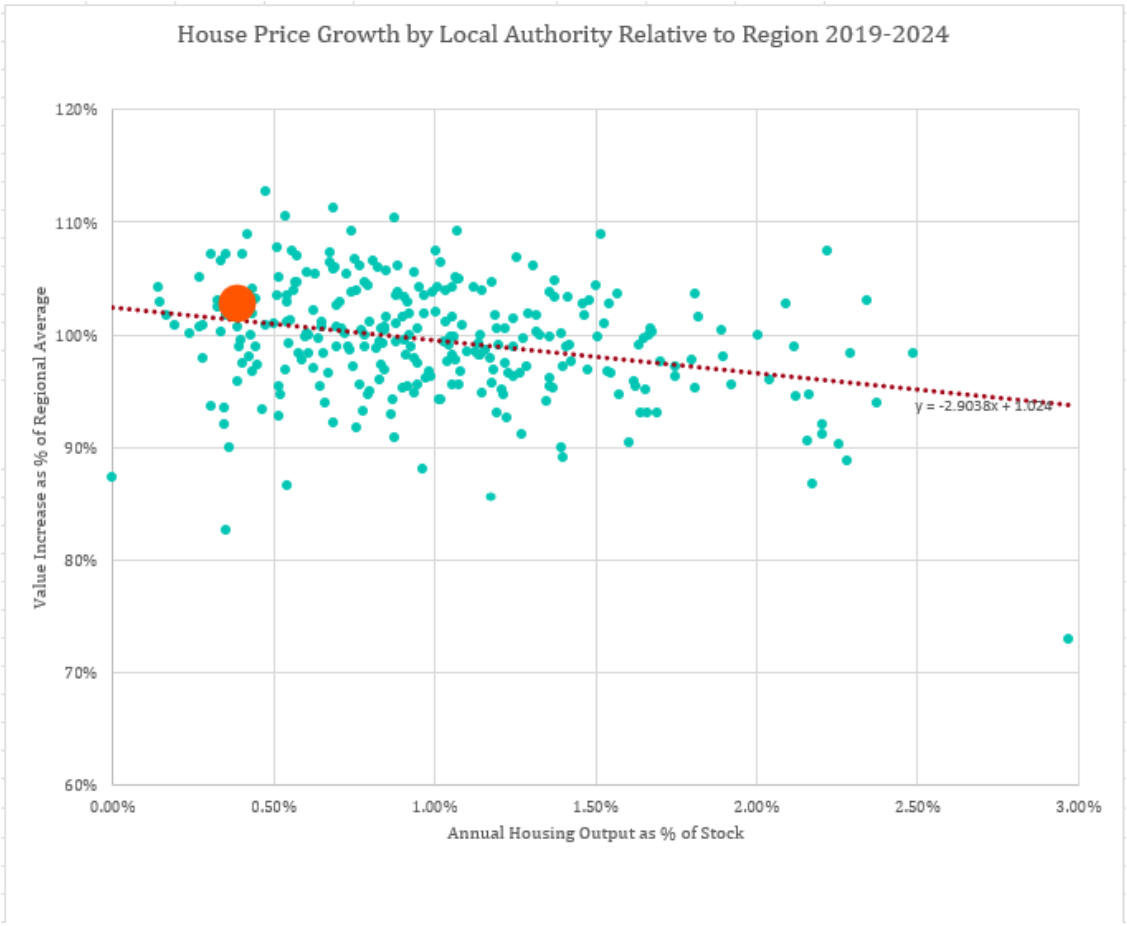
3.11 What this would appear to point to is a growing polarisation of the housing market – between those who have enough money to own more than one property and who may

3.12 therefore choose either to operate it as a holiday let or a second home for themselves, and those who are unable to afford any homes at all.

This finding is further illustrated by Conwy's location within the following table, which

3.13 shows the relationship between house building activity and the relative increase in house prices in that location relative to regional trend.

3.14 On the face of it, we might expect that local authorities which build more homes (relative to the size of their stock) would see less growth in values (relative to neighbouring authorities in their region.



Source: BVA analysis of ONS/Stats Wales data

3.15

As we can see, the correlation is, in fact, extremely weak (in Conwy's case doubling output over 5 years might have led to house prices around 2% lower than they were *relative to regional trends).* Besides, what relationship there is, is unlikely to be causal. It is far more likely that output has been low because the market has been too weak to absorb more.

3.16

3.17

The relevance here is that Conwy (plotted as a large orange dot within the scatter) has built far fewer homes (relative to its overall stock) than most authorities in the country and yet its excess of homes over households is larger and has grown faster than elsewhere.

This suggests that the answers to any affordability difficulties observed in the market locally are unlikely to be solved through additional house building activity in the market sector.

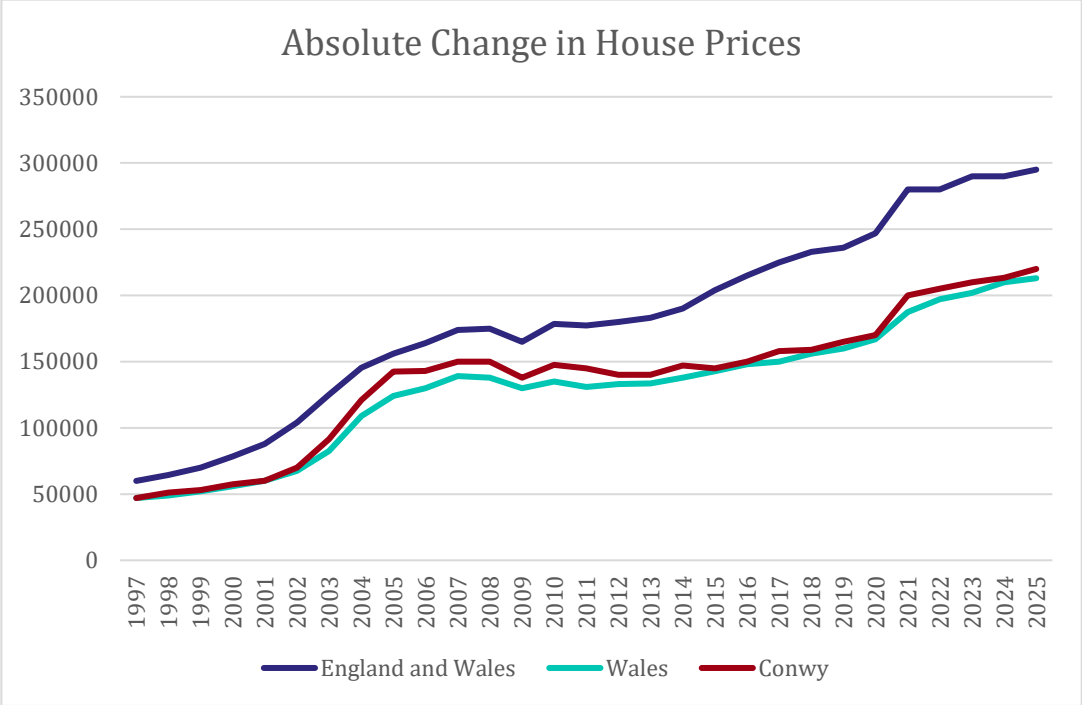
House Price Growth

Conwy is not an especially expensive place to live. According to the Land Registry, the median house price in the area in 2025 was £220,000 – roughly on a par with the average for Wales as a whole and far lower than the average for England and Wales.

However, prices have risen strongly and there are certainly concerns in relation to affordability.

3.18

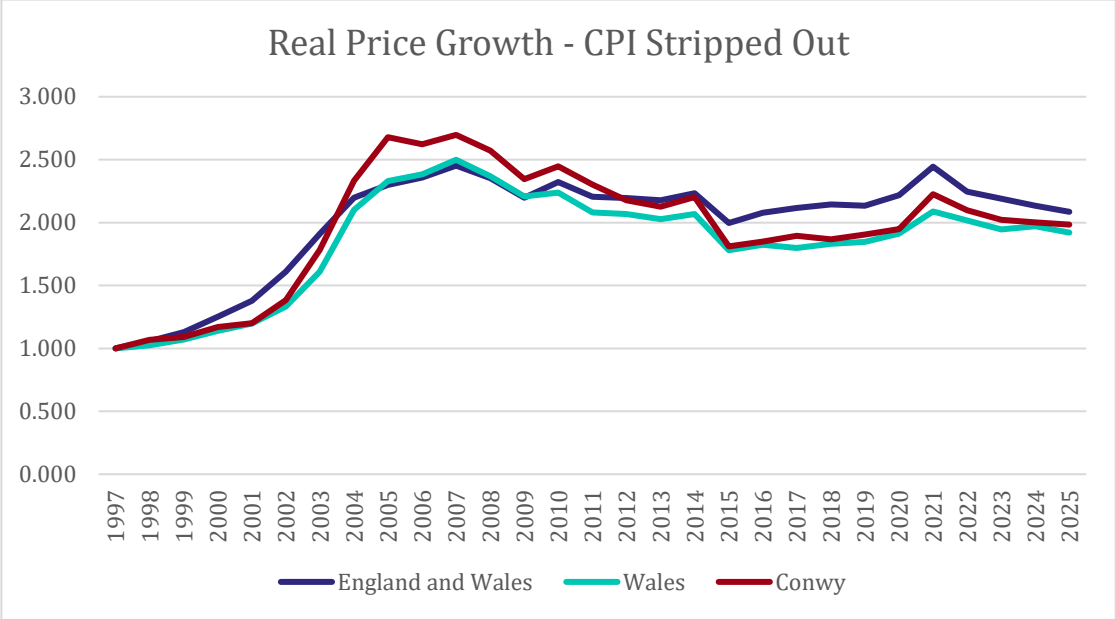
3.19



Source: Live Tables

3.20

But the overall impression that this chart gives – of relentlessly rising prices – is a somewhat misleading one. A clearer picture can be obtained by stripping out inflation (CPI) to get at real house prices. Visualised like this we see a totally different picture – of runaway increases in real house prices over a very distinct period (1997-2007) followed by flat or falling real values ever since. During the growth phase, real values increased by a factor of 2.5 and, since then they have declined by a factor of about 0.8.



Source: Live Tables and BoE

3.21 It is this that creates the characteristic issues of the housing market. Older households, who were able to purchase significantly prior to 2007, have benefitted enormously from the increases in the nominal value of their homes. But younger households and older ones who were unable to purchase a home prior to that date, have experienced a totally different housing market – with a higher price of entry and far lower capital returns for

3.22 those who have been able to purchase.

Moreover, a much larger share of households has been unable to afford housing to purchase and unable to access social rented housing. Such households have found

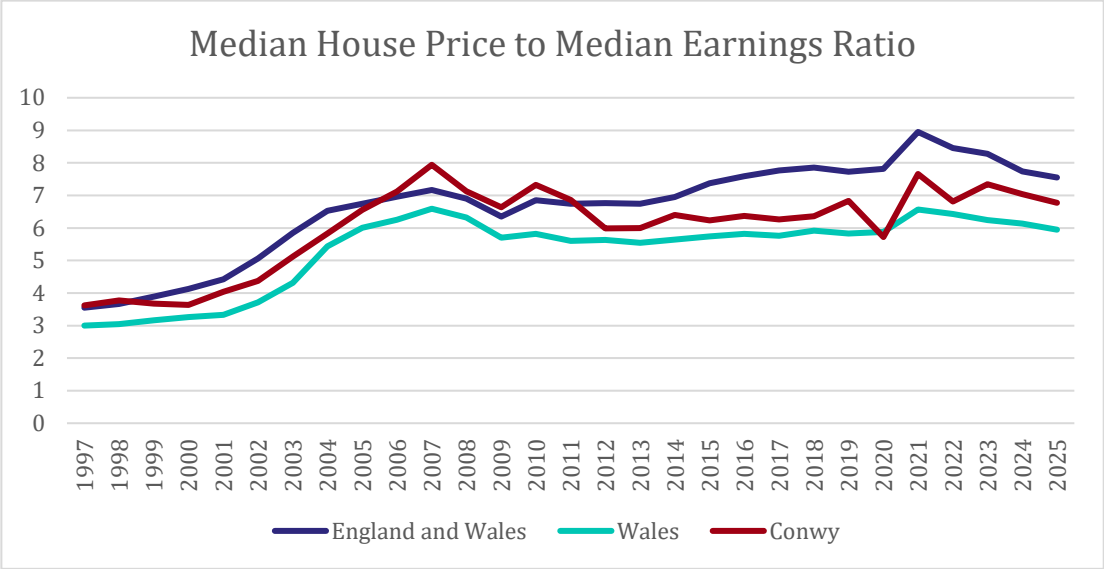
3.23 themselves living in the private rental market. But, with rents ultimately linked to capital values, those rents too have crept up (see below).

3.24 It is worth noting that we can also consider the housing market from the point of view of affordability – i.e. in terms of the relationship between median capital values and median full time incomes.

On that basis (see overleaf) although real house prices have fallen, the ratio between prices and incomes continues to worsen. Moreover, the relationship in Conwy is significantly worse than that in Wales as a whole, with average values accounting for 6.8 times median earnings in 2025 compared to 6.0 times earnings in Wales more generally.

But the divergence between the relationship between real prices (down) and the affordability ratio (up) implies that incomes have fallen behind general inflation[2] *as well as* housing costs; the clear implication being that living standards have fallen as a result of housing costs.

3.25



Source: Live Tables

3.26

As noted however, this experience is not universal – because it does not occur in real time. Households' individual experience is governed by when they initially bought and what they paid for their first home. What is instead occurring is that successive age cohorts spend more on housing and have less money to pay for everything else.

3.27

And even this assumes that they are able to access housing to purchase which, as we have seen, at paragraph 3.2, increasingly, they can't.

3.28

Rental Growth

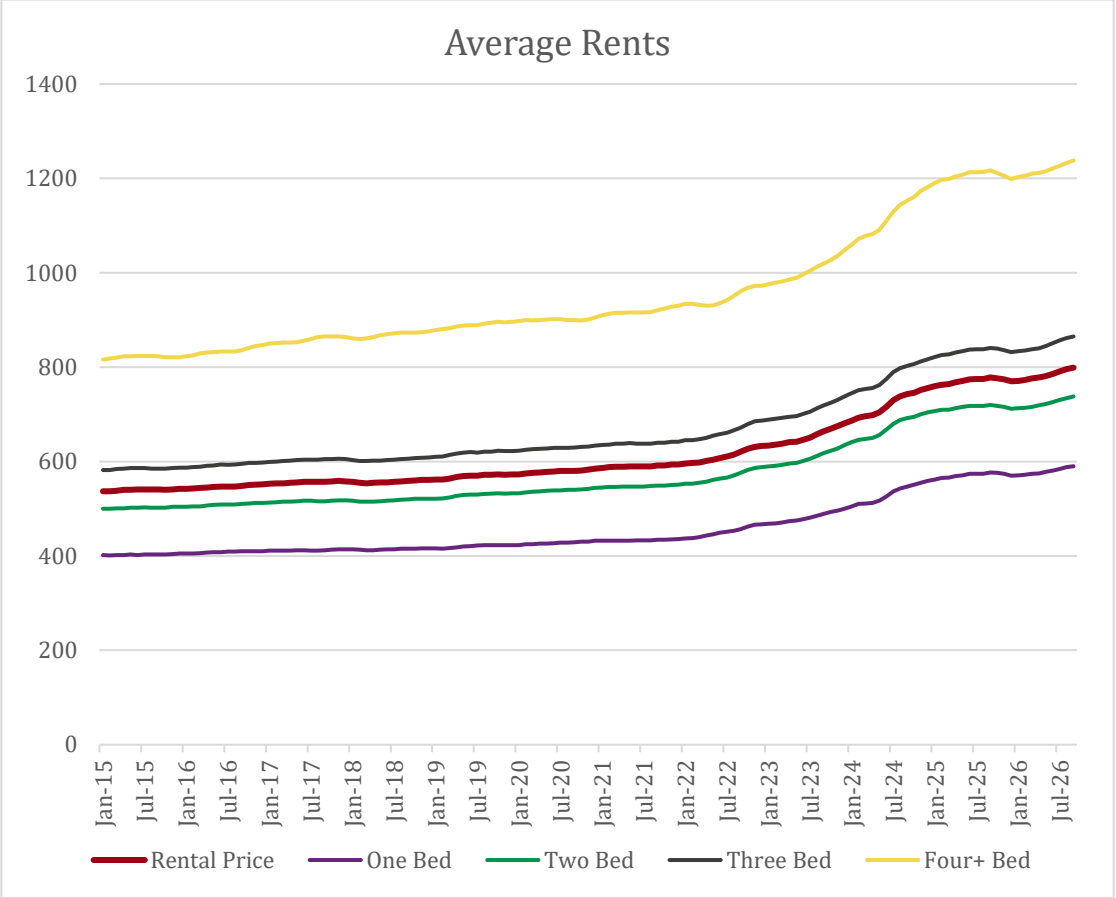
3.29

For the reasons, set out above, the front line in the housing crisis is not the market for housing to purchase but the private rented sector.

As the LHNA notes, it is harder to find reliable data on values in the private rented sector although the best available data is generally reckoned to be from the Private Index of Private Rents (PIPR). This study aims to sample around 20% of the entire sector and

[2] CPI largely excludes housing costs

whilst flawed, it is the most comprehensive available. The following table shows the rise in the average cost of renting properties of different sizes in Conwy since January 2015.



Source: PIPR

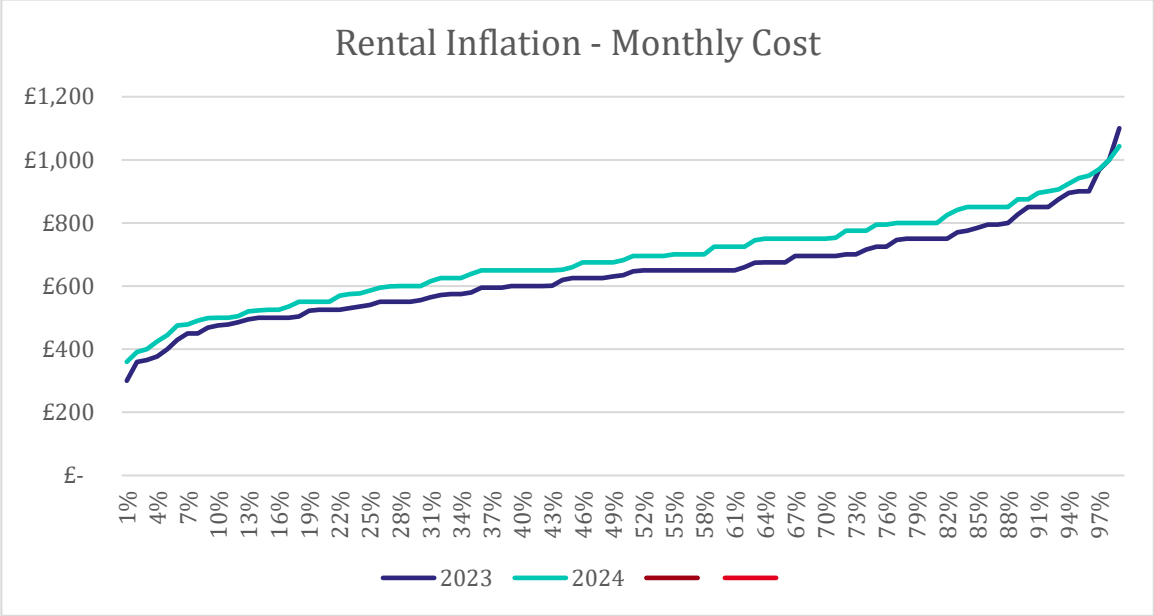
3.30

3.31 As we can see, there was relatively modest growth in rental prices from January 2015 until the end of the pandemic. But, after that, rents spiked sharply, rising from around £540/month in March 2022 to £799/month by July 2026.

3.32 This broadly tracks the increase in the median house price since that time.

3.33 To obtain a slightly more detailed look at the rents, we also accessed the underlying data of the survey (the List of Rents) in the two years for which data has been released. This is the information used to set the Local Housing Allowance each year. The table below shows the overall distribution of the data for homes with two bedrooms in the North Clwydd BRMA in the two years Oct 2022-Sept 2023 and Oct 2023-Sept 2024.

As we can see, the extent of the inflation over that period varies at different points in the distribution but it averages around 8%.



Source: Rent Officers Wales LoR

The data labelled 2023 was the basis of the Local Housing allowance for the year commencing April 2024. In each of the two subsequent years, it has remained frozen. As we shall see in the section on the use of Benefits in the Private rented Sector, this means that the Local Housing Allowance will not have kept up with real rents. The rates are theoretically set annually but, in practice, often frozen.

At the mid-pont of that period, the median rent recorded for a two bedroom property in Conwy was £593/month (See PIPR data on previous page). It is now £738/month – almost 25% higher. The market recognised by the benefit system is completely different from the market as it now stands.

We have made a request under FoI for the LoR data for the year ending Sept 2025. The 2026 date will not be available for some months.

4.0 Assessed Need – the LHMNA

Local Authorities in the UK are required to maintain an up to date assessment of the extent of their need for additional housing and affordable housing. The approach taken to this matter in Wales is distinctive in that the process relies upon a standard toolkit, updated from time to time by the Welsh Government.

4.1 The current Local Housing Market Needs Assessment (the LHMNA) is the Conwy Hosing Market Assessment 2022-2037. Such studies are undertaken every five years and should be refreshed once over the course of that five year period. In view of its base date, it may

4.2 appear that the study is four years old and due for refreshment but we understand that the study was actually formally published in late 2024 and that this is the most recent edition currently available.

The approach set out in WG guidance provides two different assessments of need, one

4.3 for the first five years and one for the remainder of the study. The reason for this is to recognise two different types of need: the backlog arising from households in need of housing (or more suitable housing) now and an estimate of the rate at which additional need is likely to arise in the future.

4.4 In the assessments undertaken for the first five years of the study period, it is assumed that the future need should be addressed as it arises and also that one fifth of the backlog should be met each year. This gives rise to the format of the central projection of need.[3]

	Social Rent	Intermediate Rent	LCHO	Total AH
First 5 years	145	135	78	358
Remaining 10 years	47	20		67
Annualised	80	84		164

4.5

The implication here is that the Council should plan to clear the backlog of affordable housing need as soon as reasonably possible – i.e. within the first five years. However, since the level of output required to do so is substantially greater than the planned output of housing of all tenures (240p.a.) this is unlikely to happen.

[3] Note that the table below combines information in tables 95 through 98 of the LHMNA. No such summary appears in the separate Executive Summary document and the tables jump between gross need and net need without stating the level of supply which is being discounted form the gross in order to arrive at the net. This makes the results herder to interpret than they might otherwise have been.

Helpfully, the totals provided for the remaining 10 years provide an estimate of the level of need with the backlog stripped out, which gives us a convenient way to see what level of output is required in order to keep pace with need – i.e. for the backlog to grow no worse.

4.6 As we shall see in the next section, this total (67 homes per annum) is, in fact, quite close to the annualised output since the base date of the plan – which is either 72 or 85/annum depending on the source used.

4.7 On this basis, it is unlikely that substantial inroads will be made into the current backlog unless something substantive changes – either in respect of the amount of grant available to deliver 100% affordable housing schemes or a transformative change in the level of affordable housing that market oriented developments can support through planning obligations.

4.8 Even at the higher estimate of output, it would take almost 200 years to clear the accumulated backlog of 3,135 households in need[4].

4.9 From this it is reasonable to characterise the level of need in Conwy as acute and the social value of providing additional affordable housing as very great indeed.

4.10 Turning to the distribution of that need, table 98 shows us that the great bulk of need is concentrated in the three sub-areas, Creuddyn (40%), Central (26%) and East (20%), with only limited additional needs in the West and Rural sub areas (c.7% each).

4.11 In terms of mix, table 95 indicates that the net annual need for Social Rented housing in the East sub-area, where the site is located amounts to 27 units per annum, with a further 32 units for intermediate rent and 18 for LCHO.

4.12 The need for Social Rented housing is then further broken down into a mix of bedroom sizes (the other two tenures are not). In general, and at the level of Conwy, the identified mix follows a common trend with the greatest need for the smallest properties with diminishing requirement for successively larger homes but the mix identified for the East Region is distinctive, with a low requirement for homes with one and three bedrooms and 40% of need being for homes with two bedrooms.

4.13

	One Bed	Two Bed	Three Bed	Four Bed
East	9%	41%	14%	36%
Conwy	40%	18%	13%	29%

[4] Implied figure derived from the Existing Unmet Affordable Need (627) set out in table 94 (Annual additional need estimates for the first 5 years of the LHMA)

The numbers upon which these proportions are based are, however, somewhat small (22 and 23 respectively).

5.0 Output

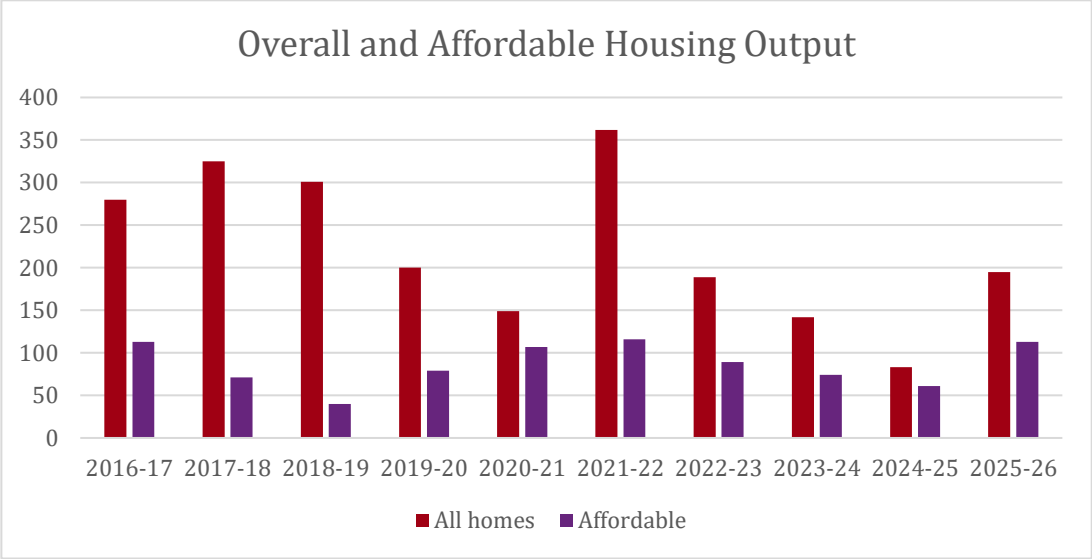
We have found it somewhat difficult to obtain a clear picture of the overall supply of housing and affordable housing in Conwy over time.

The figures for overall housing completions, in the chart below are drawn from the topic papers supporting the local plan – primarily BP7 although this looks back only as far as
5.1 the base date of the plan. i.e. to the year 2018/9[5]. To go further than this, we looked to figure 5 of BP2 – although this provides only a graph rather than precise figures. The
5.2 early figures in the chart below are therefore estimates.

In respect of affordable housing delivery, the only statement of output we were able to find was in paper BP11, where we are informed at table 4 that there were 430 affordable
5.3 completions in the plan period up to April 2025. We were unable to find year by year totals.

We therefore went to StatWales, and obtained year by year estimates.

5.4 Because the sourcing is different, and the figures inconsistent (StatWales actually
5.5 recorded 566 affordable completions between April 2018 and March 2025), we have set the columns alongside one another, rather than assume that the difference between the total and the affordable element must reflect the open market element.



Sources: Conwy Topic Papers and StatWales

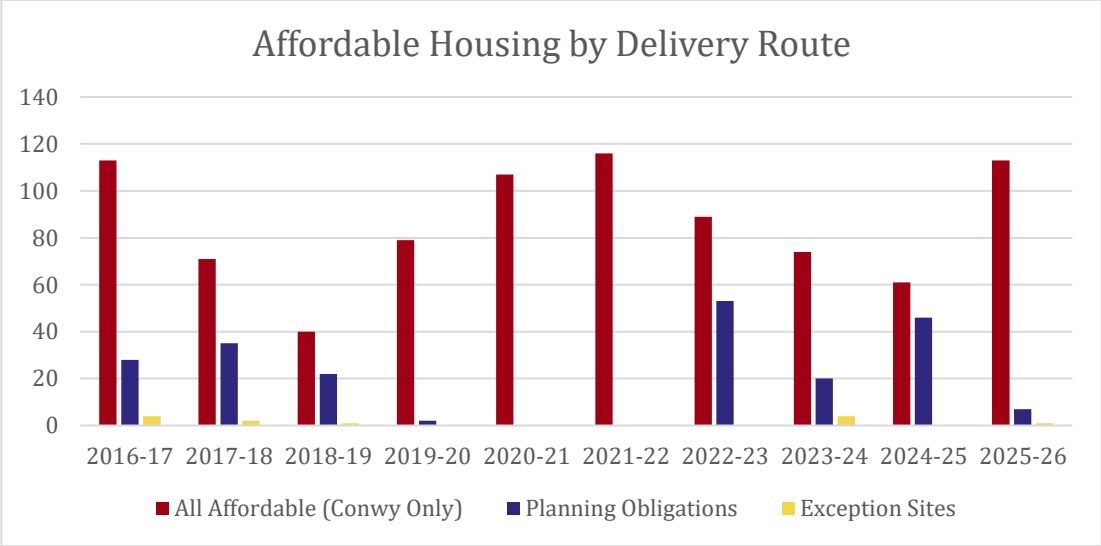
[5] Note also that the paper was published in November 2025 – implying that the figure for 2025/26 is a projection, although the paper does not say so.

Based on StatWales' figures, which are significantly higher than those in the Topic Paper, the annualised output since the base date of the plan is 85/annum. Based on the figures in the topic paper, it is 72/annum.

5.6 Presented in this way there is very little correlation between the overall output of housing and the output of affordable housing. Over the seven years to 2025, affordable homes seem to have represented about 40% output but in-year proportions vary very widely indeed – from 13% to over 70% of total completions.

5.7 In much of the country, this finding would be surprising. But an explanation is to be found in further data from StatWales which records the number of affordable homes recorded by planning obligations and on rural exception sites. Frustratingly, there is,

5.8 once again a difficulty in correlating the statistics because it treats Eryri National Park as a distinct location – even though the majority of the park is within Gwynedd. For the purposes of the table below then, we have combined the output of affordable housing delivered via planning obligations and exception sites across Conwy (outside the park) with the figures for the entire national Park Area. We have then compared them to the total output of affordable homes across the whole of Conwy as reported above.



5.9

Source: StatWales

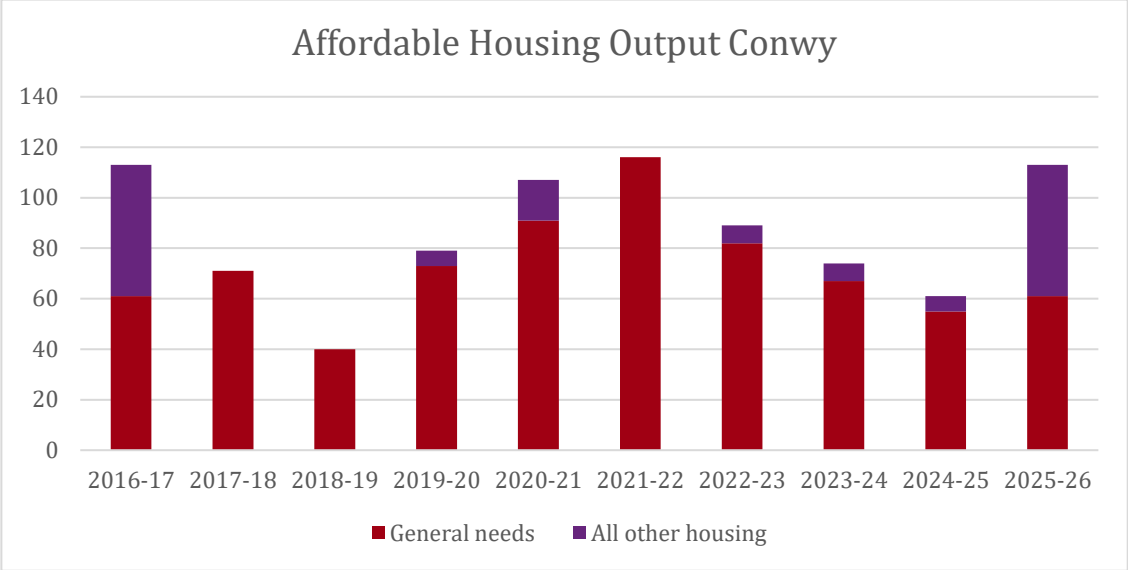
5.10

The results suggest that only a small minority of affordable housing output is delivered via planning obligations – the great majority being delivered by Housing Associations and other RPs undertaking direct development, supported by housing grant.

This is, of course, the development route proposed here.

Finally, we undertook an analysis of the output of affordable housing by type – general needs or the various types of supported housing.

5.11



Source: StatWales

5.12 Unsurprisingly, the majority of delivery is general needs in nature although when supported homes *are* delivered, they are typically delivered in substantial blocks.

6.0 Waiting List, Lettings and Benefit Data

As noted in section 3.0, Conwy has a relatively small stock of social housing. Its stock of 6,390 social rented homes accommodated just 12.2 of all households and make up around 11% of the housing stock. It also experienced the lowest level of turnover of any local authority in Wales[6] at just 6.5%. This implies just 415 vacancies per annum.

6.1

Note also that this snapshot would include lettings from newly built affordable homes and that it dates from 2021/2, which coincided with the highest output of affordable homes in the decade reported above (at 116 new homes).

6.2

Set against that, the Council reports a housing waiting list which hovers between 1,600 and 1,700 households.

6.3

Unsurprisingly, the stock is under considerable pressure and, as a result, only the highest priority households on the Waiting List are likely to be housed quickly. Welsh Government data suggests that, on 2021/2 Conwy had the highest proportion of lettings going to households whose applications were considered high priority due to homelessness.

6.4

Waiting List data is inherently unreliable as it is very susceptible to management practices and, indeed, the expectations of households. Counter-intuitively, where the likelihood of getting housed is very low, many households in need may become disheartened and cease bidding or disappear from the register altogether.

6.5

This being the case, one of the more reliable metrics of need may be the operation of the benefit system within both the Private and Social Rented Sectors.

6.6

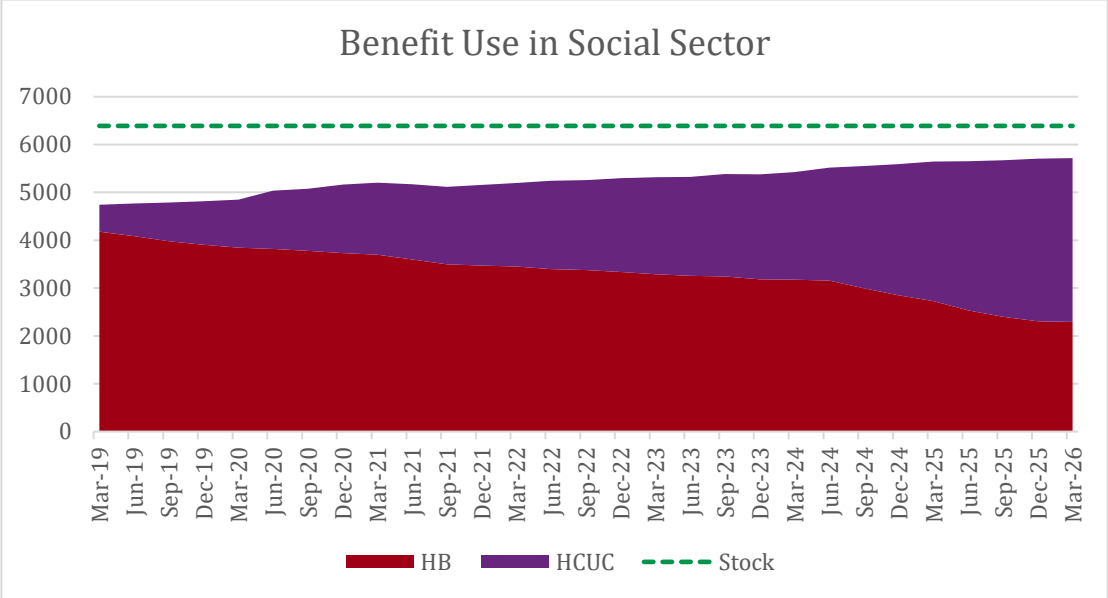
To complicate matters, there are two benefit systems in place. Whilst most working age households have long-since been moved over to Universal Credit, the older Housing Benefit system remains in place and is used by many (particularly older) households. No households should be able to claim both benefits. The chart below shows the number of households claiming either Housing Benefit or the Housing Component of Universal Credit.

6.7

I have added a dotted line as an indication of the overall size of the sector.

6.8

[6] Welsh Government 2021/2



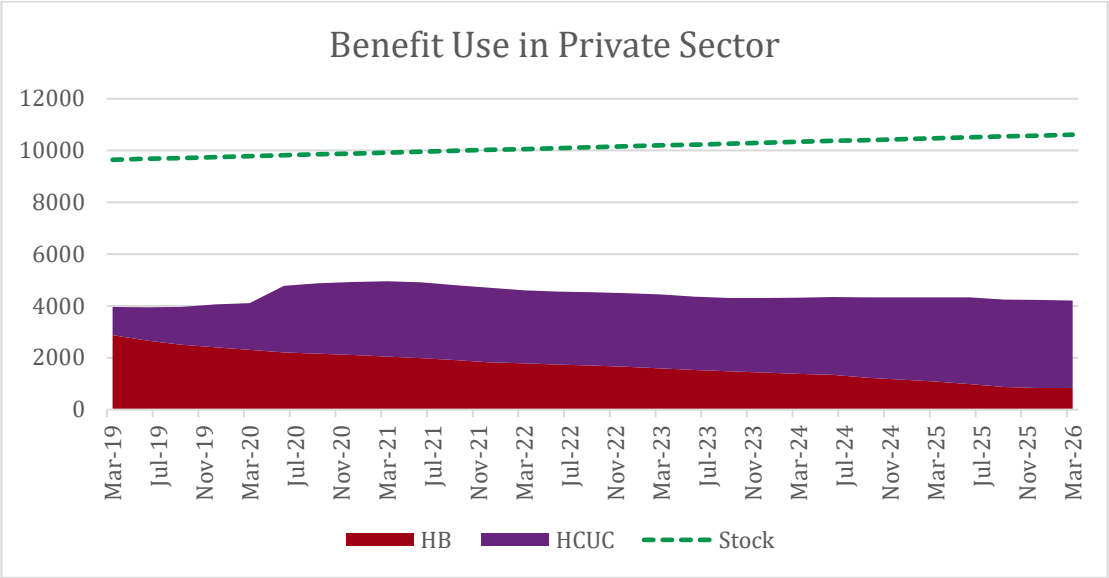
Source: DWP via StatXplore

6.9 Over a relatively short period, since March 2019 the number of claimants has grown by 20%. As a result, the number of households who require income support in order to be able to manage even the modest cost of social housing, have gone form representing 74% of all tenants to almost 90%. That is, in itself, striking.

6.10 In the Private Sector the growth is less dramatic. Discounting the large increase in the claimant count which arose from the pandemic, the increase in the count has grown by just 6% and notably slower than the historic trend in the overall growth of the sector. (Which we have estimated by projecting growth between 2011 and 2021 forward).

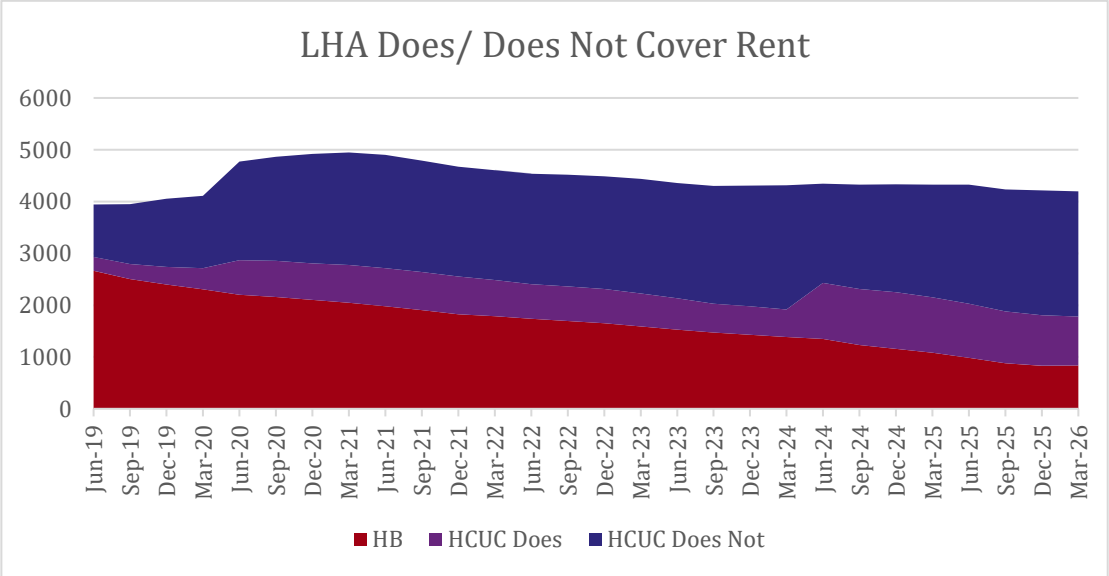
6.11 However, even with that (rather ambitious) estimate of the growth of the PRS, the claimant count in March 2026, still accounts for almost 40% of all tenancies in the Private Rented Sector.

6.12 That number should prompt immediate cause for concern because the LHA is ostensibly intended to cover the cost of renting at the 30th centile point of the market. If 40% of all tenancies have a valid claim then it is inevitable that a significant number of households will be unable to find housing at an appropriate cost.



Source: DWP via StatXplore

6.13 We can access this information directly because DWP actually publishes figures on the number of households whose actual housing costs are within the cap established by the LHA and how many are not.



6.14

Source: DWP via StatXplore

It is immediately obvious that this is a huge issue. At the most recent date for which we have figures, over 70% of all the households with a valid claim for the Housing component of Universal Credit were unable to find a home at a cost lower than the cap

established by the Local Housing Allowance. (No equivalent figures are published for households in receipt of Housing Benefit).

In March 2026, there were over 2,400 households in this situation – up from 1,000 in June 2019 when DWP started publishing the data.

The reason for this is not a mystery. In theory, the LHA is pegged to the 30th centile of local rents but, in reality, the survey is imperfect (as the Council itself has acknowledged)

6.15 and it is always out of date because the LHA for any given financial year (April to March)

6.16 is based upon a survey conducted by means of a survey conducted over the course of the year up to the end of the preceding September. This means that the data is, on average 18 months out of date.

In reality, though, the situation is worse still because, in most years and in an attempt to manage the rising benefit bill, the Government simply freezes the LHA. In fact, the rates

6.17 have been increased only twice over the seven years illustrated here. The first time was in April 2020 – when the effect was obscured by a massive influx of claimants arising from the pandemic – and the second was in April 2024.

6.18 We can see the effect clearly in the data. The number of households whose benefit support is insufficient to meet their rent fell immediately from 82% to 64% - almost 400 households removed from poverty overnight. But, as rents continued to rise relative to the frozen LHA, the proportion steadily climbed again.

6.19 It is worth noting that the decision to structure the benefit in this way was deliberately coercive. First of all, the decision in 2013 to move the peg for LHA from the median rent to the 30th centile was designed to put downward pressure on rents by limiting the public money flowing to private landlords. It was, in this sense, a form of rent control – albeit a very inefficient one. Second, the reduction in the allowance was designed to encourage tenants to seek out the cheapest available accommodation. The system ensures that, for tenants whose rent is within the cap, their residual household income

6.20 (after housing costs) is just sufficient to maintain a decent standard of living. It therefore follows as a matter of logic that households whose rents are in excess of the cap will have

6.21 a residual income below that level.

Such households will experience what amounts to a benefit sanction and find themselves with a residual income inadequate to their circumstances – in poverty.

This situation was intended to motivate households to move to cheaper accommodation. But, of course, where 40% of all households have a valid claim and the LHA is out of date, that is impossible.

Given the political and economic salience of the scale of the bill for housing benefits (currently over £30bn a year and rising significantly faster than inflation) it is profoundly unlikely that the government will commit to reforms which bring an end to this situation in the near term.

6.22 But it creates a situation in which 2,400 households in Conwy (140% of the number of households on the housing register) find themselves in a form of poverty directly attributable to the lack of affordable homes and the structure of the benefit system.

6.23 The only long-term solution is the provision of significantly more affordable homes.

6.24