

SUBJECT: LOCAL HOUSING MARKET ASSESSMENT

MEETING: CABINET

DATE: 16th December 2020

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 The purpose of this report is to seek Cabinet's adoption of the Local Housing Market Assessment (LHMA) (**Appendix 1**) December 2020 and to seek approval for submission of the LHMA to Welsh Government.

2. RECOMMENDATION:

- 2.1 To adopt the Local Housing Market Assessment, December 2020 and to submit it to the Welsh Government.

3. KEY ISSUES:

- 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. Local Housing Market Assessments are a crucial part of the evidence base for preparing Local Development Plans and Local Housing Strategies.

- 3.2 This LHMA has identified the potential need for 467.81 affordable homes per year over the next 5 years. This number can be further broken down as:

Tenure	Number of Dwellings
Social Rent	319.61
Low Cost Home Ownership	115.20
Intermediate Rent	33
Total	467.81

This provides a tenure split of 68% social rent and 32% intermediate (LCHO and intermediate rent) need.

- 3.3 It is important to note that these figures are not an annual delivery target as new build homes are not the total solution to the supply of affordable homes in the county. The Council's target remains 960 affordable homes (96 per year) over the period of the current Local Development Plan (LDP) 2011 – 2021. The LHMA will form part of the evidence base for the replacement LDP and a new delivery target.

- 3.4 Housing's Private Sector Housing Team has a lettings agency, Monmouthshire Lettings Service (MLS), and is working with private sector landlords to increase the availability of

homes for private rent. This work has continued throughout the COVID-19 period with both the Private Sector Liaison Officer and Strategy & Policy Homelessness Officer working to support existing landlords and recruit additional landlords through a repeated marketing plan.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING) (Appendix 2)

4.1 The LHMA provides an assessment of the current housing market and helps to identify emerging trends in house prices and affordability. In addition to assessing the need for all types of affordable housing, the report also assesses housing need against the committed supply of affordable housing over the next 5 years. Information contained in the LHMA will be used in the preparation of the replacement LDP.

4.2 There are no negative implications with this proposal. Understanding affordable housing need and then taking steps to deliver affordable housing has a positive impact on equalities and future generations, with particular regard to reduced poverty and improved health and educational attainment associated with having a safe, secure and suitable home. However, should it not be possible to implement the proposed recommendation it could possibly impact on the Council's abilities to meet its safeguarding responsibilities. **See Appendix 2**

5. OPTIONS APPRAISAL

The following options are available.

	Benefit	Risk	Comment
Option 1: The <u>recommended option</u> is to agree the contents of the LHMA.	<p>An up to date assessment of affordable housing need which has been undertaken with due regard to Welsh Government guidance.</p> <p>An assessment that has been reviewed within the recommended time scale (2 years) and meets the Council's statutory duties.</p> <p>An up to date and accurate assessment of affordable housing need which will form part of a robust evidence base for a range of Council plans and policies.</p>	There are no risks to this proposal.	The LHMA is a complex piece of research, which has been undertaken using the suggested Welsh Government methodology and is the most accurate indicator of affordable housing need within Monmouthshire.
Option 2: Do nothing and rely on the existing LHMA.	There are no benefits to this option.	The LHMA is an integral part of the evidence base for a range of housing and planning related policies. To ensure the policies are	The LHMA is a complex piece of research, which has been undertaken using the suggested

		<p>fit for purpose and meet local need, the evidence base must be robust and up to date.</p> <p>It is a requirement to review the LHMA every two years, to disregard the findings of the most recent assessment could leave the Council at odds with Welsh Government recommendations.</p>	<p>Welsh Government methodology and is the most accurate indicator of affordable housing need within Monmouthshire.</p>
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6. EVALUATION CRITERIA

6.1 It is a requirement to update the Local Housing Market Assessment and submit the document to the Welsh Government every two years

7. REASONS:

7.1 Under the Housing Act 1985, Local Authorities have a statutory duty to assess the County’s housing need. The authority must submit the LHMA to Welsh Government.

- The production of the LHMA has been specified by the Welsh Government in two main documents: ‘The Local Housing Market Assessment Guide’, produced in March 2006 and ‘Getting Started with your LHMA’, produced in March 2014
- The guidance enables authorities to derive overall figures for the number of households requiring additional housing in their areas and to determine what this means in terms of affordable housing provision.
- The information in the LHMA will allow the authority to develop sound planning policies to deliver the right mix of housing in terms of tenure and house type.
- The analysis takes account of household projections, homeless data, housing register data, house prices, rental prices, household incomes, dwelling stock turnover and housing supply data

8. RESOURCE IMPLICATIONS:

8.1 There are no resource implication associated with completion of the LHMA. Delivery of affordable housing is primarily achieved via planning permissions requiring a proportion of new homes approved to be affordable homes, or securing commuted sums from small-scale developments to provide affordable housing elsewhere. The Council works with Registered Social Landlords to deliver additional affordable housing via their development programmes often with Welsh Government funding such as Social Housing Grant or the Innovative Housing Fund. Delivering on this Council’s ambitions and those of the Welsh Government will undoubtedly need public sector subsidy to supplement delivery via the housebuilding industry.

9. CONSULTEES:

Head of Placemaking, Housing, Highways & Flooding; Housing & Communities Manager; Head of Planning; Planning Policy Manager; Chief Officer Enterprise.

Comments arising from scrutiny of the LHMA by the Joint Adults and Economy & Development Select Committee on 10th December 2020 will be verbally reported to Cabinet.

10. BACKGROUND PAPERS:

- Local Housing Market Assessment Report; Getting Started with your Local Housing Market Assessment, Welsh Government, November 2014.
- Local Market Housing Assessment guide, Welsh Government, March 2006
- Housing Act 1985
- Housing (Wales) Act 2014
- The Well-being of Future Generations (Wales) Act 2015

11. AUTHOR: Strategy & Policy Officer – Affordable Housing

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