

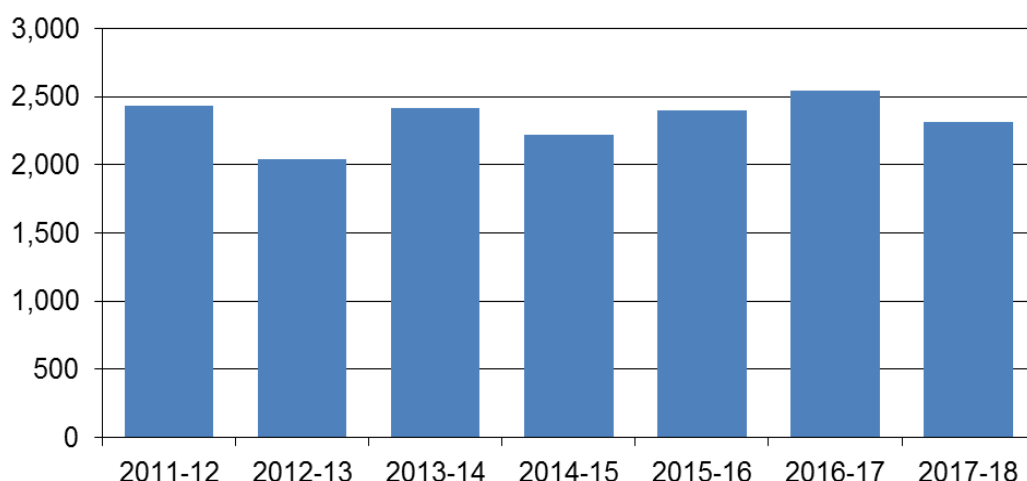


Affordable Housing Provision in Wales, 2017-18

18 October 2018
SFR 95/2018

Affordable housing applies to housing where secure mechanisms are in place to ensure that it is accessible to those who cannot afford market housing, both on first and subsequent occupation as defined in [Technical Advice Note \(TAN\) 2](#). The Welsh Government's current work programme '[Taking Wales Forward 2016-2021](#)' includes a commitment to deliver an extra 20,000 affordable homes during 2016-21, including supporting the construction of more than 6,000 homes through the Help to Buy scheme. Data on Help to Buy purchases are available on [StatsWales](#).

Additional affordable housing provision



- In 2017-18, local authorities reported 2,316 additional affordable housing units had been delivered across Wales, a decrease of 9 per cent on the previous year. An additional 10 housing units were delivered under the Rent to own – Wales¹ scheme introduced in February 2018.
- Welsh Registered Social Landlords (RSLs) continued to make the largest contribution to additional affordable housing in Wales, delivering 84 per cent of all additional affordable housing provision during 2017-18 (1,946 units).
- The number of affordable housing units delivered with capital grant funding decreased by 31 per cent during 2017-18 to 1,243 units whilst the number delivered without capital grant funding was up by 46 per cent to 1,073 units.
- During 2017-18, 531 affordable housing units were delivered on land made available by the public sector, down by 23 per cent on 2016-17.

About this release

This annual Statistical Release presents information about the number of additional affordable housing units delivered across Wales during 2017-18. The figures cover all additional affordable housing units, whether through new build, purchase, acquisition, leasing or conversion of existing dwellings. They do not take account of any loss of affordable housing stock through demolitions or sales during the year.

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¹ Rent to Own- Wales units do not conform to the TAN 2 definition of affordable housing and as such have not been included in the total additional affordable housing figure shown in this release. The figures do however contribute to the affordable homes target.

1. Additional affordable housing

1. In the context of this release, affordable housing applies to housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers as defined in Technical Advice Note (TAN) 2 Planning and Affordable Housing (2006).
2. The figures cover all additional affordable housing units, whether through new build, purchase, acquisition, leasing or conversion of existing dwellings. **They do not take account of any loss of affordable housing stock through demolitions or sales during the year.**
3. Affordable housing includes social rented housing that is provided by local authorities and registered social landlords as well as intermediate housing where prices or rents are above those of social rent but below market housing prices or rents. Figures include additional affordable housing units provided under schemes which may provide for stair-casing to full ownership as long as there are secure arrangements in place to ensure the recycling of capital receipts to provide replacement affordable housing.
4. The additional affordable housing figures shown within this release include those housing units leased to provide accommodation for homeless families where the lease is for more than a year. It should be noted however that these units do not fully conform to the TAN 2 definition in relation to the subsequent occupation once the lease has expired.
5. The additional affordable housing figures will include any units that have been specifically delivered through planning obligations (section 106 agreements) or planning conditions either as a part of or as a result of market housing developments. The number of affordable homes provided on a particular site will be determined by the local authority's planning policy and negotiations with the developer. The agreed affordable housing contribution will be secured via a section 106 agreement which is a legally binding contract between a developer and a local planning authority that operates alongside a planning permission.
6. The total additional affordable housing figures shown within this release include those units delivered under the new Shared ownership – Wales scheme introduced in February 2018. This is a part-buy, part-rent scheme for buyers who have some deposit but are unable to obtain the level of mortgage to purchase the home outright.
7. Information on affordable housing units delivered via the new Rent to Own scheme-Wales also introduced in February 2018 are not included in the total additional affordable housing figures shown within this release as they do not fully conform with the TAN 2 definition. A separate breakdown of the Rent to Own – Wales figures has however been provided in Section 6 of this release.
8. Further information is available in the Glossary section and in the [Quality report](#) published alongside the release.

2. Wider context

The gap between house prices and earnings can make it more difficult for those attempting to enter the housing market for the first time, particularly those with low earnings or without access to large deposits.

The total number of dwellings in Wales at 31 March 2017 was estimated to be 1.4 million, an increase of 6 per cent over the last 10 years. There has been a general fall however in the percentage of social sector dwellings which were estimated to account for 16 per cent of all dwellings at 31 March 2017 compared with 19 per cent in 2000-01.

Whilst no information is collected on the number of affordable housing units demolished, between the start of the additional affordable housing data collection in April 2007 and 31 March 2017², a total of 1,808 dwellings of all tenures were demolished across Wales.

Between 1 April 2007 and 31 March 2018, 3,177 socially rented dwellings were sold via the Right to Buy (RTB) and Right to Acquire (RTA) schemes. A further 2,761 were sold via voluntary and other schemes. Of these, 538 were sold in the 2017-18 financial year, 236 via Right to Buy and Right to Acquire and 302 voluntary and other sales.

In September 2016, the current Welsh Government announced the Programme '[Taking Wales Forward 2016 -2021](#)' which includes a commitment to work in partnership to deliver an extra 20,000 affordable homes in the next term, including supporting construction of more than 6,000 homes through the Help to Buy scheme. Under the Help to Buy- Wales scheme, loans are available to buyers wishing to purchase a new-build property worth up to £300,000. Latest figures show that over the period from the introduction of the Help to Buy-Wales scheme on 2 January 2014 and 30 June 2018 a total of 7,402 properties have been purchased across Wales using this scheme. Of these a total of 1,938 were purchased between 1 April 2017 and 31 March 2018.

Further information on the Help to Buy-Wales scheme is available in the [Quality report](#) accompanying this release.

To support the achievement of the 20,000 affordable homes target the Welsh Government has entered into a pact with Community Housing Cymru and the Welsh Local Government Association, who have collectively agreed the local authorities and Registered Social Landlords will deliver 13,500 homes towards the target. The Welsh Government has also entered into a pact with the Home Builders Federation and the Federation of Master Builders to support the delivery of market and affordable housing through private development.

In February 2018 the Welsh Government introduced two new schemes, [Rent to Own – Wales and Shared Ownership - Wales](#), aimed at offering the opportunity of home ownership to households who can afford the monthly mortgage payments but do not have the level of deposit normally required to purchase a home. Under Rent to Own – Wales, aspiring buyers will pay market rents for new-build homes from participating housing associations, and will have the option to purchase these from the end of the second year of their rental period. Shared Ownership - Wales is a part-buy, part-rent scheme suitable for aspiring buyers who have some deposit but are unable to obtain

² Data covering the number of dwellings demolished between 1 April 2017 and 31 March 2018 will be published in January 2019.

the level of mortgage to purchase the home outright. The number of units delivered via the Shared Ownership – Wales scheme have been included in the overall total for additional affordable housing shown in this release. The Rent to Own – Wales scheme however does not conform to the TAN2 definition of affordable housing and units delivered via this scheme have not been included in the total but are shown separately within the release.

Further information on these schemes is shown in section 6 and in the [Quality report](#) accompanying this release.

3. Additional affordable housing delivered

Between 1 April 2017 and 31 March 2018, a total of 2,316 additional affordable housing units were delivered across Wales. Since 1 April 2007, when information on affordable housing was first collected, a cumulative total of 25,462 additional affordable housing units have been delivered. The 2,316 additional affordable housing units delivered during 2017-18 was a decrease of 9 per cent (231 units) compared to the previous year.

RSLs delivered 18 per cent less additional affordable housing units during 2017-18 than in the previous year (1,946 compared with 2,377). The percentage of all affordable housing units that were delivered by RSLs also dropped from 93 per cent in 2016-17 to 84 per cent in 2017-18.

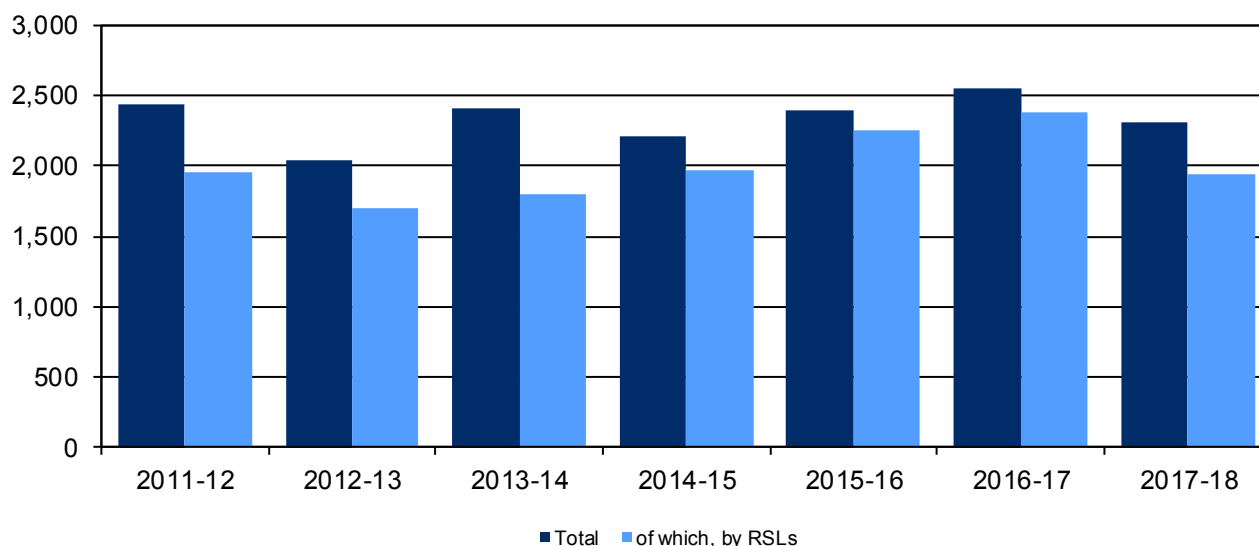
A further 266 units (11 per cent) were local authority owned social rented units. Most of these (70 per cent) were delivered by just 2 local authorities, Flintshire (104 units) and Carmarthenshire (82 units). In Flintshire these units were new social rented housing delivered by the local authority and its subsidiary North East Wales Homes. In Carmarthenshire three quarters of the units delivered were existing empty properties purchased by the local authority as part of its buying private sector homes programme.

The remaining 104 units (4 per cent) were delivered by other providers and included additional affordable housing units delivered directly by private developers through the planning system via Section 106 agreements.

Further information on Section 106 agreements is shown in the Glossary section of this release.

It is estimated, by local authorities, that a further 3,095 affordable housing units are planned for delivery during 2018-19. However these figures are estimates and may be subject to change so should be treated with caution. Further information is provided in the 'Accuracy' section of the [Quality report](#).

Chart 1 - Additional affordable housing delivered in Wales



Source: Affordable Housing Provision data collection, Welsh Government

More detailed data on the types and locations of affordable housing units delivered is available on [StatsWales](#).

The additional affordable housing figures shown within this release includes those housing units leased to provide accommodation for homeless families where the lease is for more than a year. Over the last three years the number of these units has been significantly lower than in previous years. This may have been influenced by local authorities adapting their practices both in anticipation of and following the introduction of new Homelessness legislation in April 2015 which put greater emphasis on homelessness prevention. In 2017-18 there were 91 such housing units down from 98 units in 2016-17.

The number of additional affordable housing units delivered within the National Park areas decreased during 2017-18, with 79 units delivered compared with 93 a year earlier. This was the second highest number of affordable housing delivered within the National Parks since 2007 and represented 3 per cent of all additional affordable housing provision during 2017-18 compared with 4 per cent during the previous year ([Table 1](#)).

Table 1 - Additional affordable housing provision in Wales, 2011-12 to 2018-19 (a)

Provider	Delivered:							Planned (b)
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Isle of Anglesey	49	110	31	37	35	70	53	103
Gwynedd	37	66	65	182	54	46	54	111
Conwy	32	45	158	78	85	104	71	50
Denbighshire	60	61	16	74	55	67	60	77
Flintshire	71	57	138	96	43	84	249	229
Wrexham	95	15	132	56	71	45	21	346
Powys	38	105	93	49	63	91	64	60
Ceredigion	119	15	16	21	85	42	15	52
Pembrokeshire	26	59	80	158	140	150	93	154
Carmarthenshire	92	87	40	47	185	95	117	105
Swansea	297	129	212	142	156	171	152	267
Neath Port Talbot	83	140	102	88	95	106	38	64
Bridgend	120	30	121	137	136	154	61	263
The Vale of Glamorgan	48	73	55	169	164	286	226	87
Cardiff	417	329	457	256	329	256	303	457
Rhondda Cynon Taf	40	84	102	117	120	245	230	158
Merthyr Tydfil	31	66	19	31	38	22	31	0
Caerphilly	108	144	162	181	163	132	49	73
Blaenau Gwent	122	116	24	30	54	59	0	68
Torfaen	92	58	128	74	82	97	132	86
Monmouthshire	191	85	159	53	64	88	100	128
Newport	264	168	106	142	183	137	197	157
Wales	2,432	2,042	2,416	2,218	2,400	2,547	2,316	3,095
Of which, total delivered in National Parks:								
Snowdonia NP	5	39	15	32	14	23	12	5
Pembrokeshire NP	0	0	3	0	5	44	6	10
Brecon Beacons NP	27	17	40	6	10	26	61	0
Total National Parks	32	56	58	38	29	93	79	15
Total outside National Parks	2,400	1,986	2,358	2,180	2,371	2,454	2,237	3,080
Wales	2,432	2,042	2,416	2,218	2,400	2,547	2,316	3,095

Source: Affordable Housing Provision data collection, Welsh Government

(a) The figures collated from local authority returns cover planned and proposed provision for all tenures including provision by RSLs, local authorities and the private sector.

(b) Figures for this year are estimates and may be subject to change when reported as 'Delivered' in future years.

Table 1 shows that at an individual local authority level, 14 of the 22 authorities reported decreases in the provision of affordable housing during 2017-18 compared to the previous year.

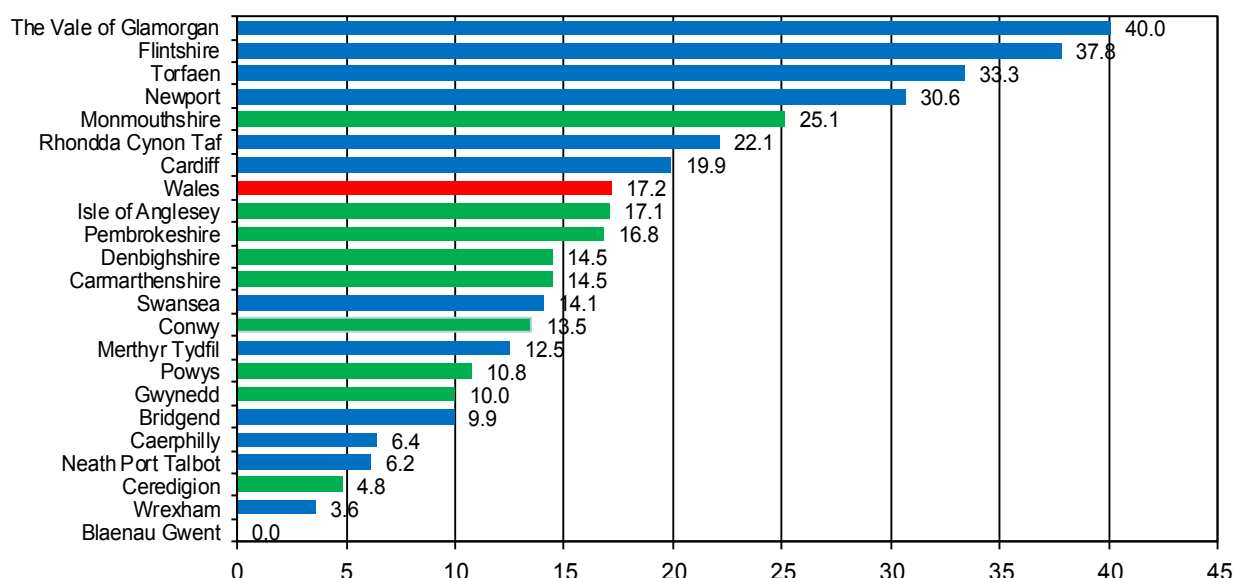
The largest increase was recorded in Flintshire with 165 units more than during 2016-17, mainly due to increases in the number of affordable housing units delivered by the local authority and its subsidiary 'North East Wales Homes and Property Management'. Blaenau Gwent recorded no additional affordable housing provision during 2017-18 compared with 59 units during the previous year as only 2 schemes were in progress and are not due to complete until 2018-19.

It should also be taken into account that each local authority sets an affordable housing target and this will influence provision ([Table 1](#)).

4. Rate of all additional affordable housing

To take into account the number of households in each area, for 2017-18, the rate of additional affordable housing provision per 10,000 households has been calculated using the latest mid-2017 household estimates³ for Welsh local authorities produced by the Welsh Government.

Chart 2 - Rate of all additional affordable housing units delivered per 10,000 households, by local authority area, 2017-18



Source: Affordable Housing Provision data collection, Welsh Government, and mid-2016 Household Estimates, Welsh Government

Note: Authorities classified as rural authorities are shown in green and those classified as urban are shown in blue. A list of the different authorities within each classification group is provided in the key quality information section of this release.

Chart 2 shows that during 2017-18 the rate of additional affordable housing delivery across Wales as a whole was 17.2 units per 10,000 households.

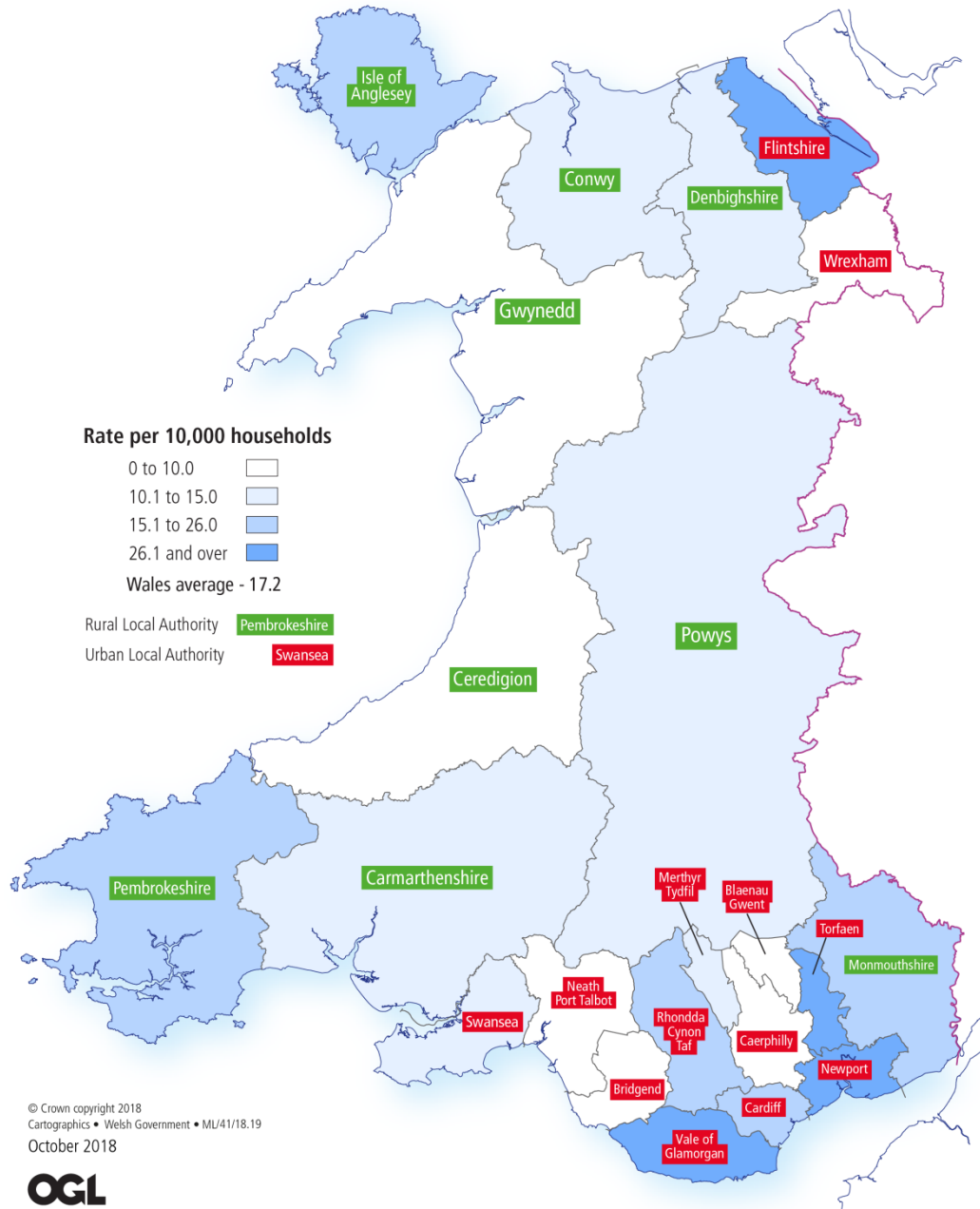
The local authority with the highest number of affordable housing units delivered in 2017-18 was Cardiff (303 units or 13 per cent of the Wales total). This represented an increase of 18 per cent on the previous year and 25 units more than the number previously recorded as planned delivery in 2017-18. However, when considering the number of households in each area the Vale of Glamorgan was the authority with the highest delivery rate at 40.0 units per 10,000 households.

Apart from Blaenau Gwent where no additional affordable housing was delivered during the year, Wrexham had the lowest delivery rate at just 3.6 units per 10,000 households and their actual number of additional affordable housing units delivered decreased by 53 per cent to 21 units compared with 45 units the previous year. This was mainly due to issues with contractors resulting in scheme delays and schemes being rolled forward into 2018-19.

³ The 2017 mid year household estimates are available from [StatsWales](https://stats.wales.gov.uk/).

Affordable Housing Provision

Rate of additional affordable housing delivered during 2017-18
per 10,000 households



5. Additional affordable housing by funding source

The availability of Welsh Government grant funding for affordable housing such as Social Housing Grant (SHG), recycled Social Housing Grant (RCG), Housing Finance Grant (HFG), Vibrant and Viable Places (VVP), Integrated Care Fund and Shared Ownership – Wales Grant will impact on the ability of all providers, but particularly RSLs, to deliver additional affordable housing across Wales

Table 2 - Additional affordable housing delivered by funding source

Additional affordable housing	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Number delivered:							
With capital grant funding	1,548	1,274	1,357	1,539	1,765	1,809 (r)	1,243
Without capital grant funding	884	768	1,059	679	635	737	1,073
Total	2,432	2,042	2,416	2,218	2,400	2,546	2,316
Percentage (%) delivered:							
With capital grant funding	63.7	62.4	56.2	69.4	73.5	71.1	53.7
Without capital grant funding	36.3	37.6	43.8	30.6	26.5	28.9	46.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Affordable Housing Provision data collection, Welsh Government

(r) Revised October 2018.

Table 2 shows that following increases during the previous 4 years, the number of additional affordable housing units delivered with capital grant funding decreased considerably during 2017-18, down by 31 per cent to 1,243 units. The proportion of all units delivered with capital grant funding was down to 54 per cent compared with 71 per cent a year earlier ([Table 2](#)).

The number of additional affordable housing units delivered without capital grant funding however increased by 46 per cent during 2017-18, to 1,073 units compared to 737 units the previous year ([Table 2](#)).

The balance between the number of additional affordable housing units being delivered with capital grant funding and the number delivered without capital grant funding differs considerably between the 22 local authority areas. During 2017-18, all the additional affordable housing units delivered in Wrexham and Merthyr Tydfil and 93 per cent in Ceredigion, were delivered using capital grant funding whereas in the Vale of Glamorgan 85 per cent of the units were delivered without capital grant funding ([Table 3](#)).

During 2017-18, 63 per cent of all RSL affordable housing provision in Wales was delivered with some form of capital grant funding, down from 75 per cent during the previous year. Across Wales, RSL provision with capital grant funding ranged from 100 per cent in Denbighshire, Flintshire, Wrexham, Carmarthenshire and Merthyr Tydfil to just 15 per cent in the Vale of Glamorgan.

Inside the National Parks, 67 per cent of all affordable housing was funded by capital grant funding during 2017-18, down from 90 per cent a year earlier.

Table 3 - Additional affordable housing delivered by funding source and local authority area, 2017-18 (a) (b)

Local Authority	Numbers					
	Total	With capital grant funding	Without capital grant funding	Of which are by RSLs		
				Total	With capital grant funding	Without capital grant funding
Isle of Anglesey	53	17	36	41	17	24
Gwynedd	54	34	20	48	34	14
Conwy	71	51	20	71	51	20
Denbighshire	60	38	22	38	38	0
Flintshire	249	94	155	89	89	0
Wrexham	21	21	0	21	21	0
Powys	64	38	26	58	38	20
Ceredigion	15	14	1	15	14	1
Pembrokeshire	93	69	24	74	58	16
Carmarthenshire	117	35	82	35	35	0
Swansea	152	122	30	134	122	12
Neath Port Talbot	38	30	8	38	30	8
Bridgend	61	36	25	61	36	25
The Vale of Glamorgan	226	33	193	223	33	190
Cardiff	303	183	120	281	183	98
Rhondda Cynon Taf	230	76	154	214	76	138
Merthyr Tydfil	31	31	0	31	31	0
Caerphilly	49	44	5	45	44	1
Blaenau Gwent	0	0	0	0	0	0
Torfaen	132	70	62	132	70	62
Monmouthshire	100	64	36	100	64	36
Newport	197	143	54	197	143	54
Wales	2,316	1,243	1,073	1,946	1,227	719
Of which, total delivered in:						
Snowdonia National Park	12	12	0	12	12	0
Pembrokeshire National Park	6	6	0	6	6	0
Brecon Beacons National Park	61	35	26	55	35	20
Total National Parks	79	53	26	73	53	20
Total outside National Parks	2,237	1,190	1,047	1,873	1,174	699
Wales	2,316	1,243	1,073	1,946	1,227	719

Source: Affordable Housing Provision data collection, Welsh Government

(a) Total additional affordable housing will include units delivered by local authorities, registered social landlords and other providers including units provided directly by private sector private developers through the planning system via Section 106 agreements.

(b) The total will also include housing units leased to provide accommodation for homeless families where the lease is for more than one year. These units however do not fully conform to the TAN2 definition in relation to subsequent occupation once the lease has expired.

6. Additional affordable housing delivered by RSLs

Welsh Registered Social Landlords (RSLs) continue to make the largest contribution delivering 84 per cent of all additional affordable housing in Wales in 2017-18. As the major provider of additional affordable housing across Wales, RSLs are required to provide more detailed information including the tenure type of the housing units delivered and the number which are delivered by RSLs within the National Park areas.

Welsh RSLs delivered all of the additional affordable housing in 9 of the 22 local authorities across Wales and more than half in a further 10 local authorities. The lowest percentage of RSL provision was reported in Carmarthenshire with RSLs responsible for 30 per cent of all affordable housing provision during the year.

Table 4 - Additional affordable housing delivered by Welsh Registered Social Landlords, by local authority area

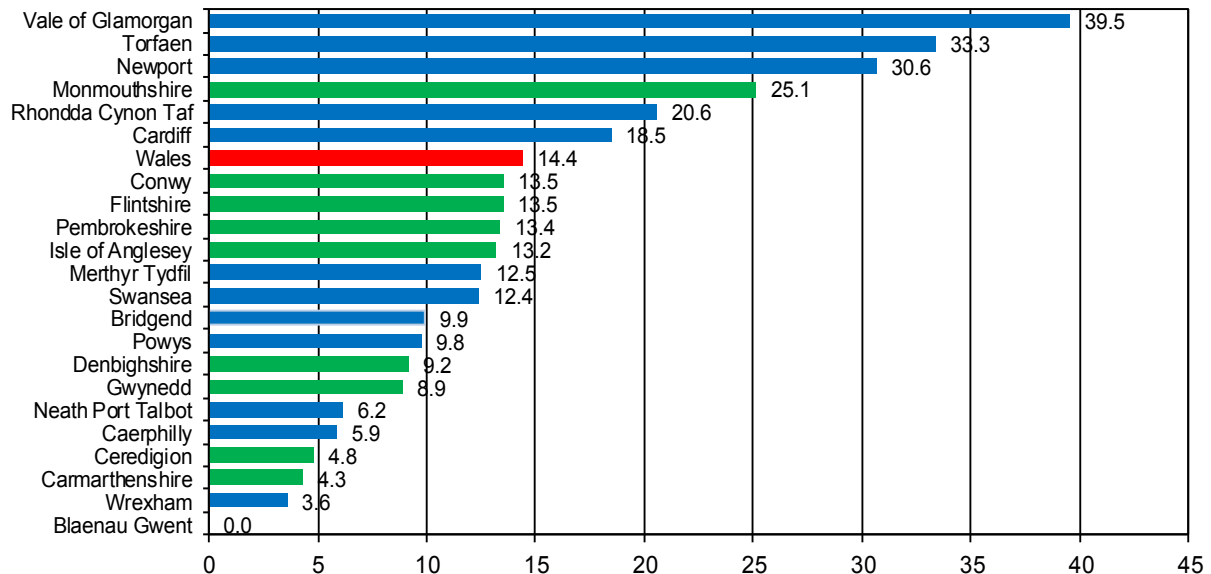
Local Authority	Numbers						
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Isle of Anglesey	49	110	29	35	27	53	41
Gwynedd	21	50	35	97	29	46	48
Conwy	32	41	153	72	75	104	71
Denbighshire	60	59	13	40	43	46	38
Flintshire	55	15	93	44	43	72	89
Wrexham	95	15	130	56	71	45	21
Powys	38	96	13	49	63	91	58
Ceredigion	96	9	14	16	66	42	15
Pembrokeshire	26	59	80	158	133	144	74
Carmarthenshire	92	62	27	17	148	36	35
Swansea	297	129	212	142	156	171	134
Neath Port Talbot	83	140	102	88	95	106	38
Bridgend	120	30	121	137	136	154	61
Vale of Glamorgan	48	73	45	169	164	286	223
Cardiff	166	159	203	256	329	239	281
Rhondda Cynon Taf	40	80	79	109	103	207	214
Merthyr Tydfil	31	66	19	31	38	22	31
Caerphilly	108	144	109	181	163	132	45
Blaenau Gwent	122	116	22	30	54	59	0
Torfaen	75	48	128	74	82	97	132
Monmouthshire	89	72	66	53	49	88	100
Newport	211	131	106	117	183	137	197
Wales	1,954	1,704	1,799	1,971	2,250	2,377	1,946
Of which, total delivered in National Parks:							
Snowdonia NP	0	32	7	10	14	23	12
Pembrokeshire NP	0	0	3	0	2	41	6
Brecon Beacons NP	27	17	30	6	10	26	55
Total National Parks	27	49	40	16	26	90	73
Total outside National Parks	1,927	1,655	1,759	1,955	2,224	2,287	1,873
Wales	1,954	1,704	1,799	1,971	2,250	2,377	1,946

Source: Affordable Housing Provision data collection, Welsh Government

6.1 Rate of delivery by RSLs

Taking into account the number of households in each area, during 2017-18, RSLs delivered 14.4 additional affordable housing units per 10,000 households across Wales.

Chart 3 - Rate of additional affordable housing units delivered by Welsh Registered Social Landlords per 10,000 households, by local authority area, 2017-18



Source: Affordable Housing Provision data collection, Welsh Government, and mid-2015 household estimates, Welsh Government

Note: Authorities classified as rural authorities are shown in green and those classified as urban are shown in blue. A list of the different authorities within each classification group is provided in the key quality information section of this release.

Chart 3 shows the highest rate of additional affordable housing delivery by RSLs during 2017-18 was in Vale of Glamorgan at 39.5 units per 10,000 households. As was the case last year, this was due mainly to the delivery by 3 of the larger RSLs (United Welsh, Wales and West Housing and Newydd Housing Association) of affordable housing units via section 106 agreements on a number of large scale development sites across the authority during the year.

The lowest rate of provision was in Wrexham at just 3.6 units per 10,000 households and there were no additional units provided by RSLs in Blaenau Gwent over the period.

6.2 RSL delivery by tenure

Table 5 - Additional affordable housing delivered by Welsh Registered Social Landlords, by tenure (a)

Tenure	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Number:							
Social rented	1,260	1,144	1,166	1,205	1,601	1,775	1,546
Intermediate rented	494	416	460	631	451	436	236
Shared equity (b)	200	144	173	135	198	166	163
Total	1,954	1,704	1,799	1,971	2,250	2,377	1,946 (c)
Percentage (%):							
Social rented	64.5	67.1	64.8	61.1	71.2	74.7	79.4
Intermediate rented	25.3	24.4	25.6	32.0	20.0	18.3	12.1
Shared equity (b)	10.2	8.5	9.6	6.8	8.8	7.0	8.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	99.9

Source: Affordable Housing Provision data collection, Welsh Government

(a) Information taken from returns from Registered Social Landlords, detailing all additional affordable housing delivered within the local authorities in which they operate.

(b) Prior to the introduction of the new Shared Ownership-Wales in February 2018, units where there is shared ownership between the occupant and the RSL (e.g. part ownership / part rent) may have been included under 'Shared Equity'.

(c) Shared Ownership - Wales was introduced in February 2018 and is a part-buy, part-rent scheme suitable for aspiring buyers who have some deposit but are unable to obtain the level of mortgage to purchase the home outright. The total includes one unit delivered under this scheme during the 2017-018 financial year.

Further information is available in the Glossary section and Qwuality report.

Table 5 shows: of the 1,946 affordable housing units delivered by Welsh RSLs during 2017-18, over three quarters (79 per cent) were social rented housing (1,546 units). The social rented housing units provided by RSLs during 2017-18 accounted for over two thirds (67 per cent) of all additional housing delivered by all providers.

A further affordable housing option is intermediate rented properties where the rents are above those of social rents, but below market housing rents.

During 2017-18 a total of 236 intermediate rented properties were delivered which is a decrease of 46 per cent on the previous year and represents 12 per cent of all RSL provision.

RSLs also provide shared equity units for those who are not eligible for social housing, but who cannot afford to buy or rent a property on the open market. During 2017-18, 163 shared equity units were delivered by RSLs across Wales which is a slight drop of 2 per cent on the previous year and represents 8 per cent of all RSL provision.

Prior to the introduction of the new Shared Ownership – Wales scheme in February 2018, units where there is shared ownership between the occupant and the RSL (e.g. part ownership / part rent) were included under 'Shared Equity'.

By the end of March 2018, RSLs across Wales had delivered 1 additional affordable housing unit via the Shared-ownership - Wales scheme introduced in February 2018 (see glossary).

Around 4 per cent (73 units) of the 1,946 units delivered by RSLs during 2017-18 were inside the National Park areas. Of these 73 units, 82 per cent were socially rented, 15 per cent were shared equity units and the remaining 3 per cent were intermediate rented units.

Most of the additional affordable housing provided during 2017-18 by RSLs were 'general needs' properties. These properties include self contained units that are not reserved for specific client groups and also properties that are adapted for use for people with disabilities but where no additional services or support are provided as part of the terms of occupancy. During 2017-18 these types of property accounted for 87 percent (1,689 units) of all additional affordable housing provision by RSLs. The remaining 13 per cent (257 units) were housing units provided for use by particular client groups or for specific purposes.

Further information on social rented, intermediate rented, shared equity and also shared ownership- Wales housing units is available in the [Glossary](#) section.

Rent to Own – Wales

This scheme was launched in February 2018 alongside the Shared-ownership - Wales scheme to provide an opportunity of home ownership to households who can afford the monthly mortgage payments but do not have the level of deposit normally required to purchase a home.

Under the Rent to own – Wales scheme aspiring buyers will pay market rents for new-build homes from participating housing associations, and will have the option to purchase these from the end of the second year of their rental period. Upon exercising the option to purchase, the aspiring buyer will be gifted an amount equivalent to 25% of the rent they have paid and 50% of any increase in the value of the home, to use as a mortgage deposit. This will help them to purchase the home that they are renting.

It should be noted however that (unlike units delivered under the Shared-ownership - Wales scheme) these **Rent to Own units do not conform to the TAN 2 definition of affordable housing and as such have not been included in the total additional affordable housing figure shown in this release.**

By 31 March 2018, a total of 10 units had been delivered under the Rent to Own – Wales scheme by 2 RSLs in 3 local authorities (4 units were delivered in Cardiff by Hafod Housing Association, 4 units in the Isle of Anglesey and 2 units in Denbighshire by Clwyd Alyn HA).

Further information is available in the [Glossary](#) section of the release and the [Quality report](#).

7. Additional affordable housing through planning obligations

The number of affordable homes to be provided in a particular area will be determined by the local planning authority's planning policy and discussions with developers about what is feasible given the economic circumstances and other factors. The agreed affordable housing contribution will be secured by what is known as a planning obligation (or a section 106 agreement) which is a legally binding contract between a developer and a local planning authority that operates alongside a planning permission to make a development acceptable to both parties. These arrangements may be used to offset negative consequences of development, to help meet local needs or to secure benefits which would make a development more sustainable

Table 6 below shows the number of additional affordable housing units that were granted planning permission each year through planning obligations (section 106 agreements) or planning conditions either as part of, or as a result of, market housing developments. Granted planning permission refers to final detailed (i.e. not outline) planning permissions granted during the year and will mean that a section 106 agreement (where applicable) has already been signed.

The table also shows information on the number of additional affordable housing units that were delivered each year, irrespective of when the planning permission was granted. This includes local authorities, registered social landlords, community land trusts and private sector provision.

It should be noted that additional affordable housing units delivered or granted planning permission through planning obligations may or may not be on affordable housing exception sites.

Table 6 - Additional affordable housing delivered through planning obligations (a)

Planning obligations	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Number granted planning permission:							
Local Authorities	981	993	1,072	1,448	872	1,440	1,843
National Parks	50	71	37	35	58	49	18
All Wales	1,031	1,064	1,109	1,483	930	1,489	1,861
Number delivered:							
Local Authorities	621	389	369	760	691	861	717
National Parks	3	43	15	36	14	71	56
All Wales	624	432	384	796	705	932	773
Percentage (%) of all additional affordable housing delivered through planning obligations:	25.7	21.2	15.9	35.9	29.4	36.6	33.4

Source: Affordable Housing Provision data collection, Welsh Government

(a) Housing units delivered through planning obligations cannot be summed with those delivered on affordable housing exceptions sites, as a housing unit may be delivered through planning obligations and be on a housing exception site.

During 2017-18, the number of additional affordable housing units granted planning permission continued to increase was up by a quarter on the previous year to 1,861. This was due to an increase in those granted planning permission in local authorities. In the National Parks, numbers were down by 63 per cent on the previous year to just 18 units ([Table 6](#)).

During 2017-18, the number of additional affordable housing units delivered through planning obligations (section 106 agreements) was down by 17 per cent compared with the previous year to

773 units, though 2016-17 had seen the highest number delivered through planning in any year since the numbers were first reported in 2007-08.

The number delivered through planning obligations was down in both local authorities and in the National Parks during 2017-18, dropping by 17 per cent and 21 per cent respectively ([Table 6](#)).

During 2017-18, a third of all additional affordable housing delivered was through planning obligations compared with 37 per cent the previous year and 29 per cent during 2015-16.

The number of additional affordable housing units delivered through planning obligations is consistently lower than the number granted planning permission. This may be due to the time lag between the planning permission being granted and the final delivery of the housing unit.

8. Additional affordable housing on housing exception sites

Affordable housing exception sites⁴ are small scale housing sites within or adjoining existing settlements for the provision of affordable housing to meet local needs, which would not otherwise be allocated in the development plan. Prior to July 2010 these were known as 'rural exceptions sites'.

The number of affordable housing units granted planning permission to be built on affordable housing exception sites increased by almost half (48 per cent) to 49 units in 2017-18. Most of these (88 per cent) were outside the National Park boundaries though the number within National Parks did increase to 6 units ([Table 7](#)).

Table 7- Additional affordable housing delivered on housing exception sites (a)

Affordable housing exception sites	Numbers						
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Number Granted planning permission:							
Local Authorities	48	87	2	31	21	33	43
National Parks	8	4	9	8	1	0	6
All Wales	56	91	11	39	22	33	49
Number delivered:							
Local Authorities	42	88	37	19	29	41	14
National Parks	1	12	29	0	1	8	3
All Wales	43	100	66	19	30	49	17

Source: Affordable Housing Provision data collection, Welsh Government

(a) Housing units delivered through planning obligations cannot be summed with those delivered on affordable housing exceptions sites, as a housing unit may be delivered through planning obligations and be on a housing exception site.

Table 7 shows that in 2017-18, the number of additional affordable housing units delivered on affordable housing exception sites decreased by almost two thirds (65 per cent) to just 17 units compared with 49 the previous year, with decreases recorded in both the local authorities and the National Parks.

⁴ Where a local planning authority has identified a lack of affordable housing it must consider including an 'affordable housing exception site' policy in its development plan, setting out the circumstances where sites may be released for 100% affordable housing to meet local needs as an exception to the policies for general housing provision

9. Additional affordable housing on public sector land

The table below shows the extent to which the public sector, including local authorities, is releasing their own land for the purpose of providing additional affordable housing.

During 2017-18, the number of additional affordable housing units delivered on all public sector land decreased by almost a quarter to 531 units and accounted for 23 per cent of all affordable housing provision compared with 27 per cent in the previous year.

As was the case last year, most of these additional affordable housing units (79 per cent) were delivered on local authority land. The overall decrease was mainly due to a reduction in delivery on other public sector land where numbers were down by 60 per cent to 113 units, whilst delivery on local authority land saw a small increase of 3 per cent to 418 units (Table 8).

Table 8 - Additional affordable housing delivered on land made available by the public sector (a)

	2016-17			2017-18		
	With capital grant funding	Without capital grant funding	Total	With capital grant funding	Without capital grant funding	Total
Public Sector						
Local authority land	214	191	405	243	175	418
Other public sector land	218	66	284	79	34	113
All public sector land	432	257	689	322	209	531

Source: Affordable Housing Provision data collection, Welsh Government

(a) Other public sector bodies include the Welsh Government and Welsh Government sponsored bodies, other central government departments, health authorities and police, fire and rescue services/authorities. Further details are provided in the Glossary towards the end of the release.

Table 8 shows the majority of units delivered on all public sector land continued to be delivered with capital grant funding though the percentage of units delivered with capital grant funding fell slightly to 61 per cent.

The number of units delivered with capital grant funding on local authority land was up on the previous year to 243 units whilst on other public sector land numbers were down by over two thirds to just 79 units ([Table 8](#)).

The highest percentage of units delivered on local authority land was in Flintshire (25 per cent) followed by Cardiff (14 per cent).

Only 5 of the 22 authorities reported additional affordable housing units being delivered on land released by other public sector bodies during 2017-18. The highest percentage was in Newport (48 per cent) followed by Caerphilly (27 per cent).

Further details of the other public sector bodies included are provided in the [Glossary](#).

Glossary

Affordable housing exception sites

Affordable housing exception sites are small scale housing sites within or adjoining existing settlements for the provision of affordable housing to meet local needs, which would not otherwise be allocated in the development plan. Prior to July 2010 these were known as 'rural exceptions sites'.

Additional affordable housing

Affordable housing provided through newbuild or through the purchase, leasing or conversion of existing units on or after 1st April 2007. This therefore excludes existing affordable units that have been renovated or refurbished, as they are not classed as being additional. Where there was a net loss of affordable units over the year, this was recorded as zero. For example, if two self contained flats in one property were converted into one family home, the number of additional units is zero as there has been a reduction in the number of affordable units.

Capital Grants Funding

Capital Grants Funding includes Social Housing Grant (SHG), any recycled Social Housing Grant (RCG), Housing Finance Grant (HFG), Vibrant and Viable Places (VVP) and Integrated Care Fund but excludes those housing units funded from other sources.

Conversions

When one unit is changed into multiple units or multiple units are changed into one. For example, where one family house is converted into shared accommodation for three occupants, the number of additional units is two.

Delivered

Means that the unit is completed and is available for occupation.

Extra care (sheltered housing)

Offers more support to residents than other retirement housing but allows them to retain more independence than moving to a care home. Residents still live in self-contained flats but meals may be provided, either in the flat or a shared dining room and care staff are often available to provide personal care.

General needs

Self-contained units that are not reserved for specific client groups. Properties adapted for use for people with disabilities were included here if no additional services or support were provided as part of the terms of occupancy.

Granted planning permission

Refers to final detailed (i.e. not outline) planning permissions granted during the year. Granted Planning Permission will mean that a section 106 agreement has already been signed.

Housing Finance Grant

Housing Finance Grant, which is an additional funding package for RSLs, was introduced during 2013-14. The Housing Finance Grant is a 30 year grant scheme, which contributes to borrowing costs incurred by RSLs to fund additional affordable homes to be built in 2013-14, 2014-15 and 2015-16.

Housing unit

Self-contained dwelling which provides a minimum of one habitable room, with exclusive use of a kitchen, bathroom/shower, sink and toilet.

NB: In shared housing, a unit will relate to the number of bed spaces or bedrooms provided exclusively for use by the occupant or family in the case of hostels or refuges. For example, one house may provide supported accommodation for three occupants – each occupant has exclusive use of a bedroom and shares lounge, kitchen and bathroom facilities. This was counted as three units. Bedrooms used exclusively by staff were not counted.

Intermediate rented housing

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 Home buy). Intermediate housing differs from low cost market housing, which the Welsh Government does not consider to be affordable housing for the purpose of the land use planning system.

National Park Authorities (NPAs)

- **Brecon Beacons NPA** has boundaries in Blaenau Gwent, Caerphilly, Carmarthenshire, Merthyr Tydfil, Monmouthshire, Neath Port Talbot, Powys, Rhondda Cynon Taf and Torfaen.
- **Pembrokeshire Coast NPA** has boundaries in Pembrokeshire only.
- **Snowdonia NPA** has boundaries in Conwy and Gwynedd.

Other public sector bodies

Additional affordable housing units are delivered on land made available by the local authority and on land formerly owned by the following public sector bodies:

- the Welsh Government including Welsh Government Sponsored Bodies;
- other Central Government Departments (including for example former Ministry of Defence sites or Courts sites);
- Welsh Health Estates (covering National Health Service sites formerly owned by Health Authorities, Health Trusts and Ambulance Trusts etc);
- police forces/authorities
- fire and rescue services/authorities.

Planned

This refers to any additional affordable housing units which are currently being developed and are scheduled to be delivered during the financial year 2016-17.

Planning obligations (Section 106 agreements)

As part of market housing developments developers are often asked to make a contribution to meeting identified local need for affordable housing. The number of affordable homes to be provided on a particular site will be determined by the local planning authority's planning policy (usually based on a percentage for sites above a certain size) and negotiations with the developer about what is feasible given the economic circumstances and any other site-specific factors. The agreed affordable housing contribution will be secured by what is known as a planning obligation (or a section 106 agreement) which is a legally binding contract between a developer and a local planning authority that operates alongside a planning permission. The land itself, rather than the person or organisation that develops the land, is bound by a Section 106 Agreement – so this is something any future owners will need to take into account.

These arrangements to overcome obstacles which may otherwise prevent planning permission from being granted, may be used to offset negative consequences of development, to help meet local needs or to secure benefits which would make a development more sustainable.

Rent to Own – Wales

This scheme was introduced in February 2018 and to offer the opportunity of home ownership to households who can afford the monthly mortgage payments but do not have the level of deposit normally required to purchase a home. Under Rent to Own – Wales, aspiring buyers will pay market rents for new-build homes from participating housing associations, and will have the option to purchase these from the end of the second year of their rental period.

Upon exercising the option to purchase, the aspiring buyer will be gifted an amount equivalent to 25% of the rent they have paid and 50% of any increase in the value of the home, to use as a mortgage deposit. This will help them to purchase the home that they are renting.

Housing delivered via the Rent to Own – Wales scheme does not fully conform to the TAN2 definition of affordable housing and the number of units delivered under the scheme is not included in the overall total for additional affordable housing shown in this release.

Section 106 agreements

See 'Planning obligations'.

Shared equity

This includes units where:

- the registered social landlord provides an equity loan to assist with the purchase of a property (e.g. through the Homebuy scheme);
- there is any other low cost home ownership arrangement; and
- that are offered under 'neutral tenure' principles (where applicants can choose to rent or buy depending on individual circumstances) if the first occupancy is on equity sharing terms.

Prior to the introduction of the new Shared Ownership – Wales scheme in February 2018, units where there is shared ownership between the occupant and the RSL (e.g. part ownership / part rent) may have been included under 'Shared Equity'

Shared Ownership – Wales

Shared Ownership - Wales is a part-buy, part-rent scheme introduced in February 2018. It is aimed at aspiring buyers who have some deposit but are unable to obtain the level of mortgage to purchase the home outright. Aspiring buyers can purchase an initial share of 25% to 75% of the value of new-build homes, which are available for this scheme from participating housing associations.

They can staircase up to full ownership at any time. Rent will be payable on the un-owned share. The affordable housing units delivered under this scheme do conform to the TAN 2 definition of affordable housing and the numbers delivered have been included in the overall total for additional affordable housing provision shown in this release.

Sheltered housing

Designed specifically for older people, commonly built in developments of about 20 to 40 self-contained flats or bungalows. There is almost always an alarm system linked to a 24-hour communication centre which can summon help in an emergency and usually a scheme manager (warden) , who may live on site.

Social rented housing

Provided by local authorities and Welsh Registered social landlords where rent levels have regard to the Welsh Government's guideline rents and benchmark rents for social rented housing.

Supported housing

There are many different types of supported accommodation to meet the needs of a wide range of people. Residents may have extra needs due to disability, their age or other reasons. The accommodation may have been specially adapted or designed to meet particular physical needs or it may provide extra support through the use of wardens or other staff to help residents live independently.

Vibrant and viable places

Vibrant and Viable Places is the current regeneration policy framework of the Welsh Government. It is a 3 year funding programme (2014-2017) which has invested over £124 million of capital funding to support regeneration activities in 18 communities across Wales. It has focused on deprived Town Centres, Coastal Communities and Communities First Clusters.

10. Further information

The document is available at

<http://gov.wales/statistics-and-research/affordable-housing-provision/?lang=en>

More detailed data are available on the [StatsWales website](#).

An accompanying [Quality report](#) is also available.

[‘Improving Lives and Communities – Homes in Wales’](#) - National Housing Strategy:

Next update

October 2019 (Provisional)

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to:

stats.housing@gov.wales

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