Arsyllfa **Wledig** Cymru

Wales **Rural** Observatory

Housing Need in rural Wales: towards sustainable solutions

Research Report 10

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Acknowledgement

INTRODUCTION

One of a series of research reports by the Wales Rural Observatory [WRO] that addresses social, economic and environmental issues in rural Wales, this report presents a research project that sought to identify the nature, scale and geography of housing need. In addition, the research project examined current policy responses to the issues surrounding rural housing need. The report attempts to develop solutions to housing need in rural Wales.

Following this introduction there are a number of sections to the report. Firstly, Chapter 1 discusses the background of housing need in rural Wales, drawing on both academic and policy-related literatures. In order to ground this discussion the focus of Chapter 2 is statistical data from a range of sources: the decennial census, Welsh Housing Statistics, and recent WRO reports. Further statistical material is then included in Chapter 3: an examination of housing need assessments produced by the local authorities that constitute rural Wales, as defined by WRO: Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd, Monmouthshire, Pembrokeshire, Powys and Ynys Mon (Anglesey). Drawing on data from recent interviews, Chapter 4 then examines the perceptions of housing needs, and their nature, scale and geographies, held by representatives of local authorities, housing associations, rural housing enablers and the three Welsh National Parks: Brecon Beacons, Snowdonia and Pembrokeshire Coast. This analysis is complemented in Chapter 5 by evidence from interviews with 30 householders identified as being in housing need. Drawing the analyses together, Chapter 6 examines and discusses the perceived obstacles to addressing housing need, and some of the current responses to housing need in rural Wales. This examination includes the recently promulgated Welsh Assembly Government consultation documents: the revised Technical Advice Notes [TAN 1 and TAN 2] and the Affordable Housing Toolkit. Chapter 7 concludes the report by discussing the issues and themes emerging from the research project, and identifying the elements of good practice in dealing with housing need. Finally, there are suggestions towards the development of solutions to the problems presented by housing need in rural Wales.

DEFINING HOUSING NEED

Before discussing the background to housing need in rural Wales it is useful to define the principal concepts underlying the subject. The wider concept is the demand for housing, which is a measure or approximation of how many households wish to obtain accommodation in an area. This demand would include households wishing to buy or rent housing at all price levels of the open market, using financial arrangements such as rent, mortgage and full-price cash payments. A working definition of housing demand is:

> The quantity of housing that households want and can afford to buy or rent without subsidy.

Housing need has a narrower focus on those experiencing financial difficulty in gaining access to suitable accommodation. In terms of housing units, housing need may be defined as:

> The quantity of housing needed to house those households currently lacking their own housing, or living in unsuitable housing, and who cannot afford to buy or rent housing without assistance.

At the human level, a definition of those persons in housing need is:

> Households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance (DETR, 2000, p116)

The ODPM (DETR) Basic Needs Assessment Model [BNAM] points to two types of housing need:

> Backlog of need – existing households whose current housing falls below accepted minimum standards – e.g. overcrowding, unfit or defective housing, families sharing, homeless people in temporary accommodation.

Newly arising need – new households expected to form over time that are likely to require some form of assistance to gain suitable housing, plus existing households whose circumstances may change over the period as to place them in need of suitable housing.

The visible extent of housing need, then, is expressed generally through the registers held by local authorities and housing associations; recognising that there will be additional newly arising need. There exists, however, an element of <u>hidden housing need</u>: households that fail to identify their situation as one of need. Indeed, some sources estimate that in rural Wales less than 20% of households in need are registered on housing waiting lists (Edwards, 1998; Welsh Federation of Housing Associations, 2001).

RESEARCH OBJECTIVES.

Working with and further exploring these definitions, this research project and report seek to identify the nature, scale and geography of housing need in rural Wales by addressing the following research objectives:

- to review existing research evidence on rural housing need

- to examine the changing nature and scale of housing need in rural Wales

- to explore current agency responses to rural housing need in Wales

- to highlight key obstacles to dealing with rural housing need

- to identify good practice for tackling housing need in rural Wales

- to develop solutions to the problems presented by housing need

1. THE BACKGROUND TO HOUSING NEED IN RURAL WALES

Housing need does not exist in isolation and must be viewed in the broader context of social, economic and demographic change in rural Wales. In the UK, rural areas in general have been subjected to a range of processes for change (e.g. Champion and Watkins, 1991). For different parts of rural Wales, these processes include a shift away from an economy based in agriculture and manufacturing towards a service-based economy (WRO, 2005); out-migration by young people; in-migration by middle-class and older groups; second and holiday home ownership, leading to escalating local housing markets and increases in the cost of land; increases in building costs; increases in homelessness (see WRO 2006); and decreases in local authority housing stock. There are, then, many complex processes of change that continue to contribute to an imbalance between supply and the demand for housing for households in need. Moreover, in rural Wales many of these processes are bound up with issues of Welsh language and culture (Plaid Cymru, 2001). In this context, a recent report for the Welsh Assembly Government entitled 'The role of the housing system in rural Wales' (Milbourne et al, 2006) found that the Welsh language and culture groups Cymdeithas yr Iaith Gymraeg and Cymuned considered that the planning system had largely ignored the housing needs of local groups in rural areas, and that planners and policy-makers had attempted to expand villages beyond the size characteristic of, and appropriate to, Welsh rural settlements.

Milbourne et al (2006) deliver detailed analyses of housing need in rural Wales, and the planning system receives critical attention. They point to work by Rogers (1985) and Shucksmith (1981, 1990) on the ways in which local government has attempted to introduce local needs housing policies through the planning system, although Shucksmith, in his work in the English Lake District, argues that planning is a rather blunt policy instrument to address local housing need. Milbourne et al also consider academic evaluations of other central government planning responses to housing problems in rural Britain, such as new schemes of low-cost housing provision for local groups in housing need on 'exceptional sites', where such developments would not normally be allowed (Williams *et al.*, 1991; Gallent, 1997a, 1997b, 1997c; Yarwood, 2003).

More broadly, Milbourne et al highlight some perceived failures of the planning system to address housing need in rural Wales. For example, their respondents argued that because different local authorities and different planning and housing professionals used different approaches and models, planning and housing policy tended to be incoherent. Their respondents suggested that planners should be more flexible and give due consideration and permission for a wider range of housing and locations, especially farm-building conversions. Conversely, respondents such as the Welsh Local Government Agency [WLGA] pointed to a perceived disproportionately higher amount of planning permissions and building in rural Wales of executive housing and larger detached properties, rather than the smaller scale developments of smaller properties, which were more likely to be affordable and accessible to local people. Milbourne et al draw also on reports on rural housing affordability by the Institute of Welsh Affairs (Johnston, 2003); on housing and planning in rural areas by the Environment, Planning and Countryside Committee (2004); and joint work between the WLGA, the Countryside Agency and the Local Government Agency [LGA] on the delivery of affordable rural housing (LGA, 2003). Other recent and related work is the WRO study 'A Report on Living and Working in Rural Wales' (WRO, 2004): based on a survey of 4023 households in rural Wales, which is discussed in Chapter 5 of this current report.

Over time a number of studies have sought to address the issue of housing need in various ways. For example, in 1990 a report entitled 'The demand for social housing in rural Wales' (Tai Cymru, 1990) focused on the 'expressed' demand for social housing by analysing the waiting lists held by local authorities and housing associations in rural Wales, while also recognising the existence of hidden demand as outlined in the Introduction to this report. The Tai Cymru report found that, put broadly, waiting lists were growing as the gap between supply and demand widened. It also pointed to variations between local authorities in the rules and procedures determining access to waiting lists, and to miss-matches between the criteria used to assess applicants and the housing supply within authorities. The report suggested that housing associations were more sensitive to local conditions in the design of assessment than were local authorities, which were constrained by statutory guidelines (Tai Cymru, 1990, p135).

More recently, the Welsh Federation of Housing Associations [WFHA] has placed considerable emphasis on research into housing issues in rural Wales. A WFHA report identifies the pressures on rural housing as:

- an increase in in-migration

- the purchase of second homes/holiday homes

- difficulties securing planning permission

- the lack of affordable property to rent

- ageing stock

- problems identifying housing need

- the Right to Buy Initiative

- design standards

- the tendency for local authorities to favour larger schemes

- a reluctance among providers to embark on new developments

(Welsh Federation of Housing Associations, 2001, p2)

The WFHA report comments on the effectiveness of the instruments and measures in place to address housing need. These comments include outline descriptions of the measures and instruments, many of which appear in the main body of this current report. The WFHA findings on the principal measures are summarised below:

Section 106 agreements. These are planning obligations between the developer and the local planning authority, which make planning approval conditional on the developer fulfilling certain requirements. In rural areas, they have been used to ensure the provision of affordable homes. The WFHA report found that Section 106 agreements were not always enforced. Moreover, local authorities and Housing Associations did not always take action when agreements were contravened. Local Authority bureaucracy tended to delay responses, and the time spent developing Section 106 agreements could be so long that identified need had disappeared. A contra-indication of Section 106 agreements was that large schemes secured under Section 106 agreements could result in vacant properties as patterns of demand changed.

<u>Exception sites.</u> These help facilitate the provision of affordable housing in small villages where no suitable housing sites are available within the development plan. WHFA found that exception site status had not significantly reduced land acquisition costs, and the level of development resulting from exception policies was minimal. Moreover, planning departments perceived that exception sites undermined wider planning policy.

<u>Low Cost Home Ownership schemes.</u> These are schemes, such as Homebuy and Shared Ownership, that provide access to equity loans through a range of financial arrangements with local authorities and Housing Associations. WHFA found that where property prices are high and incomes are low (a situation that pertains in much of rural Wales) shared ownership schemes may not facilitate access to affordable housing. They call for research into the value of such Homebuy schemes.

The conclusions and recommendations of the WFHA report contain some significant comments:

- The current system of allocating Social Housing Grants based on population places local authorities and RSLs operating in rural areas at a disadvantage. The criteria for allocating SHG should be reviewed.
- The use of exception land designations should be encouraged solely for provision of affordable housing.
- The value of current Homebuy schemes is uncertain. Research should be commissioned to ascertain the benefits and outcomes of Homebuy.
- RSLs and local authorities should work more closely in the planning process.
- Local authorities should work collaboratively and use their policy tools to deal with rising house prices.
- Local authorities should be encouraged and funded to undertake more housing needs assessments involving the community and other stakeholders.
- Research should be commissioned into the need for sheltered and other specialist housing in rural areas.
- RSLs and local authorities should engage in the broader rural economic and community development agendas.
- Consideration should be given to making the Welsh Development Agency responsible for landbanking on behalf of RSLs.

- Acceptable Cost Guidance levels should be raised and the social housing grant rate increased to cover 100% of the additional costs associated with building properties in rural communities. The Assembly needs to recognise that, like supported housing, rural housing has exceptionally high development costs.

- The Assembly should develop a national rural housing strategy and local authorities should be encouraged to develop local strategies for tackling rural housing needs.

- Conditions should be placed on the sale of sites for affordable housing which require the purchaser to offer RSLs or Local authorities the opportunity to buy the property before they can offer it to a third party.

- Research should be commissioned to establish a profile of all rural communities in Wales and provide one common working definition of rurality.

(Welsh Federation of Housing Associations, 2001, p3-5)

Local government responses to housing need include housing need assessments, which feed into housing strategies. Although the nine local authorities that constitute rural Wales, as defined by WRO, have all completed housing need surveys since 2000, Johnston (2003), in a report for the Institute of Welsh Affairs, points to a failure by planning authorities to maintain up-to-date housing need assessments in their areas. Johnston argues that this has prevented local authorities from using existing planning mechanisms to increase provision of affordable housing for local people in rural Wales. Instead, she observes that some local authorities have attempted unsuccessfully to place restrictions on outsiders buying homes in areas such as the National Parks where high demand is forcing prices out of reach of local people. The local authority housing need assessments are discussed in Chapter 3 of this report. In addition, some of the research evidence suggests that restrictive, local needs priority, practices are in place in some areas of rural Wales.

The most recent WAG initiatives on housing need are the re-issued Technical Advice Notes [TAN] 1 and 2, and the Affordable Housing Toolkit, which were issued as consultation documents in July 2005. TAN 1 provides guidance on the preparation of land availability studies [JHLAS]. The purpose of JHLAS is to:

- monitor the provision of market and affordable housing;

- provide an agreed statement of residential land availability for development and control purposes, and;

- set the need for action in situations where an insufficient supply is identified.

(WAG, 2005, TAN 1, p1)

The revised TAN 1 reflects a range of technological and institutional changes.

TAN 2 provides guidance on land use planning in the context of affordable housing. It requires local planning authorities to:

- Include an affordable housing target in the development plan, derived from the local housing assessment

- Indicate how the target will be achieved

- Monitor the provision of affordable housing against target, and take corrective action where necessary to achieve target.

In addition, TAN 2, which connects with the Wales Spatial Plan, outlines the role of registered social landlords [RSL/Housing Association] and planning obligations and conditions in the context of securing affordable housing through the planning system. (WAG, 2005, TAN 2). The over-riding purpose of the revised TAN 2 is to increase the provision of affordable housing via the planning system.

The Affordable Housing Toolkit (WAG, 2005) brings together a range of policies and documentation, including the Wales Spatial Plan, the National Housing Strategy, the planning policy framework, and the revised TANs 1 and 2, to produce the WAG vision for affordable housing. It then provides guidance on the use of existing mechanisms to realise the vision and increase provision of affordable housing in Wales. The mechanisms include the Social Housing Grant; low cost home ownership; Homebuy; shared ownership; transferable discount and home release schemes; the right to buy; renting; section 106 agreements; sale of land for 'less than best value'; the Forestry Commission land initiatives; and community land trusts. In addition, it outlines the role of the four

newly appointed Rural Housing Enablers [RHE]. The RHE role is, in outline, to identify housing need by conducting local surveys; to work with planning authorities, housing authorities, housing associations, developers and the community to find sites for affordable housing schemes and to bring them to completion; and to act as an independent broker between all parties in the provision of affordable housing.

TAN 1, TAN 2 and the Toolkit were issued as consultation documents and several organisations and institutions have responded including WFHA, the Rural Housing Association Group [RHAG], the Rural Housing Authority Network [RHAG], and the rural local authorities. The analyses in the main body of this current report include comments by institutional actors on these WAG initiatives for affordable housing.

The Barker Review and responses to it

We conclude this summary review of academic and policy literature by broadening the scope to UK policy and the report by Kate Barker entitled 'Review of Housing Supply – Delivering Stability: Securing our Future Housing Needs' (Barker, 2004). The overarching themes of this review are that the volatility of the UK housing market affects the macro economy detrimentally, causing instability; and that the weak response of housing supply to demand changes is a principal contributory factor.

It should be noted that although Barker had a UK-wide remit the numbers used in the review's analytical scenarios refer only to England; consequently many of the recommendations have an English focus.

Barker's overall objectives were:

- to achieve improvements in housing affordability in the market sector;
- a more stable housing market;
- location of housing supply which supports patterns of economic development; and
- an adequate supply of publicly-funded housing for those who need it.
 (Barker, 2004, p4)

The signal recommendation made by Barker to address these objectives is a step-change in private sector housing supply to reduce the rising trend in house prices (Barker, 2004, p5). In addition, and pointing to a significant and continuing decline in the provision of social housing, Barker calls for increases in social and affordable housing supply. [1] Among the other recommendations are changes to the planning system, and to Section 106 policy reform. Barker argues that the planning system would be improved by making it more responsive to market information, and also recommends a stronger role for regional planning bodies (Barker, 2004, p6). Recommendations for Section 106 reform are linked to a recommendation to levy a 'Planning-gain Supplement', based on local land values and to be paid by landowners and developers, when planning permission is granted. Barker argues that the introduction of the 'Planning-gain Supplement' would provide Section 106 with more certainty and simplicity by reducing its scope to coverage of only the direct impact of development and contributions to social housing (Barker, 2004, p7-8).

Responses to Barker vary and here we consider four of them. The UK Government accepts the case for a step-change in housing supply and the reforms to the planning system, and plans to put in place policy in line with Barker as part of its strategy to 'deliver Sustainable Communities' (HM Treasury/ODPM, 2005). Within weeks of the publication of Barker in March 2004, Defra received a commissioned study into the environmental impacts of following Barker's recommendations for increasing housing supply. The scope of this study is broad and covers issues such as land usage, greenfield loss, spatial implications, carbon dioxide emissions, energy use, aggregates usage, pollution, waste, water consumption for both the housing industry and new households, and ecological impacts. Recommendations 16 and 17 of the Defra study deal with Rural Areas: 16 calls for further research at the sub-regional level into the capacity of rural settlements to absorb more housing before loss of their essential rural character ensues; and 17 recommends that rural towns should continue to function as integrated service and employment centres, and not become dormitories for residents employed elsewhere (Defra, 2004, p8).

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[1] From Barker's report, new-build social housing supply in the UK fell from 42,700 in 1994-95 to 21,000 in 2002-03. Expenditure on social housing continues to rise due to land prices and the cost of improving existing stocks (HMSO, 2004, p8).

The Campaign to Protect Rural England [CPRE], in addition to raising environmental and land-use concerns, questions the base data of the Barker report and argues that the population of England and Wales is some 900,000 lower than previously thought; that there is a surplus of dwellings over households; and that this surplus is increasing, with the exception of London (CPRE, 2005). In a document entitled 'The Barker Report: Destroying sustainable communities', Friends of the Earth [FoE] deliver a swingeing critique of Barker, arguing that Barker's recommendations have serious implications for life in the UK. There are four key strands to FoE's argument. Firstly, that the proposed reform of the planning system abrogates the democratic basis of the planning system and the rights of local people to participate in it.

> 'A price sensitive planning system does not just change the nature of decision-making, it seeks to replace the role of local politicians in safeguarding the public interest with a crude measure of economic welfare.' (FoE, 2005, p4)

Secondly, that Barker's recommendations would deepen national and regional inequalities. Thirdly, that there would be major environmental impacts. Fourthly, and importantly for the issue of housing need, that the Barker report, while restating long-standing analyses of the shortage of social housing fails to bring new analyses to bear or to offer any new solutions.

An important point concerning the Barker report is that although it tends to focus on England it was established with a UK remit. In recognising this Barker points to the potential implications for Wales of her recommendations:

'The devolved administrations will need to consider for themselves whether these recommendations are appropriate to their own circumstances, in the light of the policy changes the UK Government decides to adopt.' (Barker, 2004, p9).

Summary

The above overview of academic and policy literature shows clearly the complexity of housing needs issues, and their local-specific nature. This suggests that effective responses to housing needs issues require both in-depth research of local conditions, and initiatives grounded in such research. The following discussions and analyses provide insights, from practitioners, institutions, agencies and people experiencing need, into the scale, nature and geography of housing needs in rural Wales.

2. THE STATISTICAL BASIS OF HOUSING NEED

This chapter contains a range of tables and maps that display key statistics underlying housing need in rural Wales.

Housing stocks

The first set of data shows the housing stocks for authorities in rural Wales. Table 2.1 shows how dwelling stock has changed between 1981 and 2004, for property rented from local authorities or new town corporations. Over the period the stock of all rural authorities decreased. Carmarthenshire displayed a slight increase in stock from 1991 to 1992 but it resumed a downward trend in the years after 1992. Carmarthenshire also has the highest housing stock, and Ceredigion displays the lowest overall. While all rural authorities had a decreasing trend the numbers in Powys fell below those of Pembrokeshire and Gwynedd after 1991. The rate of decrease in stock in Gwynedd slows in 1991 and hence the stock for Pembrokeshire also falls below Gwynedd. Carmarthenshire and Powys displayed the greatest loss in dwelling stock, losing around 6000 between 1981 and 2004. The remaining authorities lose between 2000 and 3000 units during this period. This pattern can be seen in Figure 2.1.

Table 2.2 represents total figures for all dwelling stock for rural Wales between 1981 and 2004. Note that total housing stock is increasing, while stocks of property rented from local authorities or new town corporations (Table 2.1) are decreasing.

Figure 2.2 provides a graphical representation of total dwelling stock between 1981 and 2004.

Table 2.1 Table showing change in dwelling stock rented from Local Authorities or New Town Corporations between 1981 and 2004

Dwelling Stock for Rural Unitary Authorities 1981 - 2004 Rented from Local Authorities or New Town Corporations																		

Unitary Authority	1981	1982	1983	1984	1985	1986	1987	1988	1989	1991	1992	1993	1994	1995	2000	2001	2002	2003	2004
Anglesey	6632 (6)	6397	6196	6132	6180	6087	6037	5994	5732	5277	5194	5167	5125	5075	4729	4664	4564	4564	4073 (5)
Carmarthenshire	16658 (1)	15941	15112	14641	14346	14161	13995	13732	13090	12335	12601	11929	11769	11628	10928	10717	10605	10605	9765 (1)
Ceredigion	4102 (9)	3954	3846	3862	3882	3700	3662	3631	3475	3193	3169	3053	2975	2926	2636	2600	2511	2511	2317 (9)
Conwy	7264 (5)	6810	6430	6359	6216	6104	5960	5806	5449	4966	4900	4844	4787	4675	4345	4268	4156	4156	3921 (6)
Denbighshire	6080 (7)	5872	5579	5396	5331	5304	5253	5164	4900	4668	4595	4570	4537	4494	4193	4143	4044	4044	3671 (7)
Gwynedd	10379 (4)	9946	9520	9293	9188	9053	8924	8825	8556	8160	8113	8041	7954	7855	7454	7322	7136	7136	6681 (2)
Monmouthshire	6010 (8)	5943	5641	5567	5452	5388	5351	5185	4963	4698	4613	4569	4467	4366	4058	3962	3862	3862	3670 (8)
Pembrokeshire	10926 (3)	10270	9855	9620	9449	9398	9272	9122	8702	8005	7740	7669	7557	7445	6954	6761	6582	6582	5980 (3)
Powys	10975 (2)	10390	9869	9592	9528	9416	9202	9032	8659	8307	7765	7649	7587	7463	6314	6197	6046	6046	5614 (4)
Rural	79025	75523	72048	70462	69572	68611	67657	66491	63526	59609	58689	57491	56758	55927	51611	50634	49506	49506	45692
Wales	**297217**	**287833**	**274114**	**267788**	**264004**	**259457**	**254565**	**249418**	**238995**	**223576**	**218347**	**218340**	**215329**	**211876**	**193006**	**187720**	**182957**	**182957**	**162276**
Source: Welsh Housing Statistics																			

NOTE: 1. There are discontinuities in the dwelling stock data for 1990 and 1996 to 1999.

2. Dwelling stock data 1981-1995 was originally for the 'old' authority boundaries. For ease of comparison these data have been aggregated to comply with the new, 2001 boundaries.

Figure 2.1 Graph showing change in dwelling stock rented from Local Authorities or New Town Corporations between 1981 and 2004
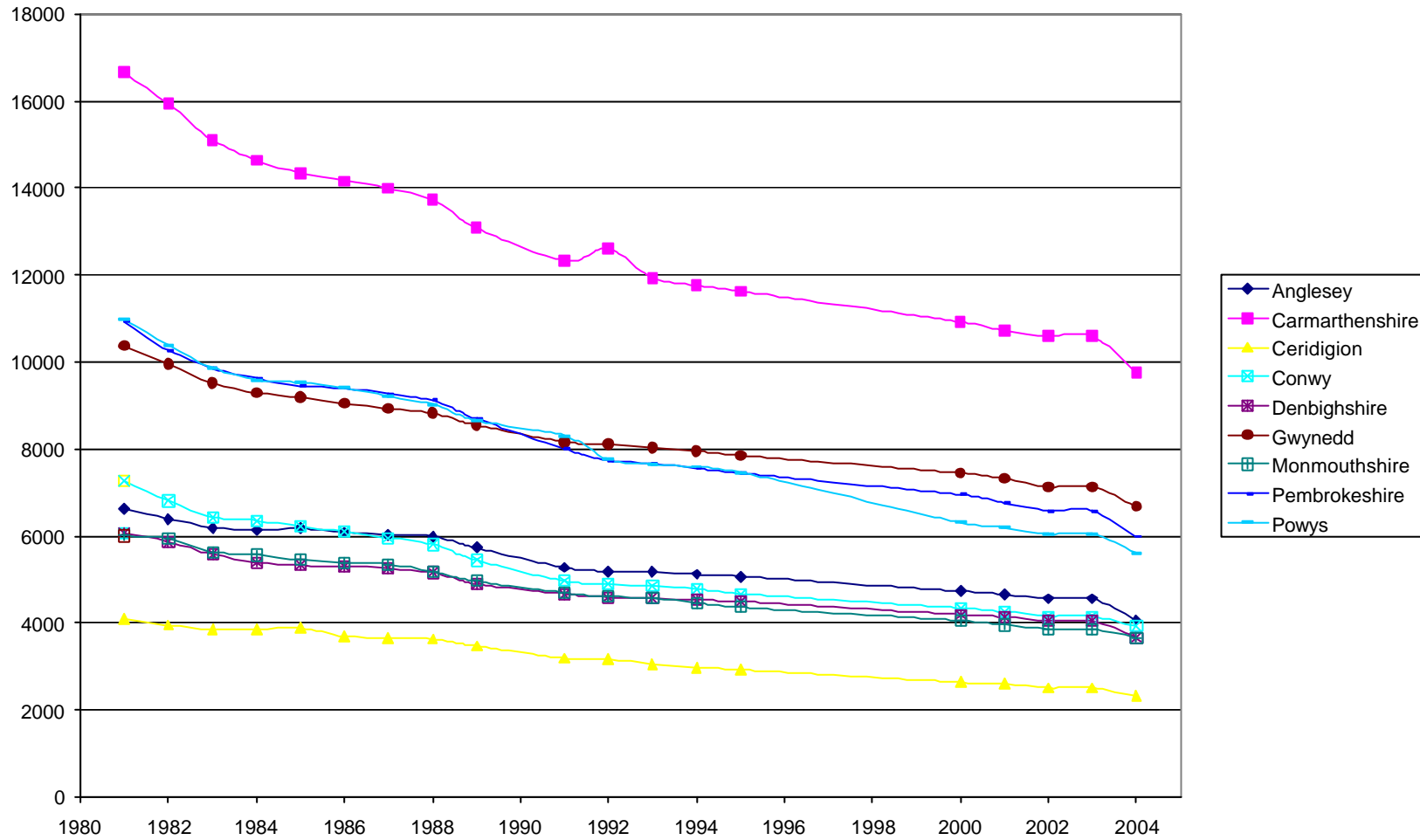
Table 2.2 **Change in total dwelling stock between 1981 and 2004**

Total Dwelling Stock for Rural Unitary Authorities 1981 - 2004																			
Unitary Authority	1981	1982	1983	1984	1985	1986	1987	1988	1989	1991	1992	1993	1994	1995	2000	2001	2002	2003	2004
Anglesey	28417	28588	28991	29229	28921	29001	29229	29437	29596	29969	30242	30822	30929	31026	31595	31664	31782	31782	32032
Carmarthenshire	65006	65649	65767	66330	67418	67622	68244	68600	69134	70312	70856	71490	72169	73072	75452	75614	75784	75784	76388
Ceredigion	25263	25514	26546	26749	26527	26607	26920	27117	27433	28135	28391	29125	29476	29787	30605	30867	31089	31089	31482
Conwy	43451	43616	44836	45220	45292	45556	46123	46626	47137	48080	48712	49998	50184	50708	51908	52158	52330	52330	52735
Denbighshire	34346	34744	34372	34661	34928	35100	35513	35746	35992	36459	36748	36894	37186	37559	39177	39321	39496	39496	39997
Gwynedd	51160	51679	53153	53469	52415	52574	52827	53133	53513	53991	54308	55077	55453	55859	56604	56709	56819	56819	57049
Monmouthshire	25633	26009	27159	27508	28005	28182	28800	29306	29753	30508	30740	31783	32112	32602	35436	35954	36319	36319	36943
Pembrokeshire	42685	42833	44731	44989	44967	45037	45360	45881	46352	47185	47608	49612	50289	50683	52964	53296	53579	53579	54039
Powys	44802	46065	48008	48436	48915	49292	49866	50479	51211	52716	53380	54016	54601	55109	55676	56076	56527	56527	57207
Rural	360763	364697	373563	376591	377388	378971	382882	386325	390121	397355	400985	408818	412399	416405	429417	431659	433725	433725	437872
Wales	1068842	1083520	1098728	1106651	1114184	1119234	1130597	1140218	1151769	1171931	1182113	1220861	1231027	1241197	1266693	1274164	1281991	1281991	1295800
Source: Welsh Housing Statistics																			

Figure 2.2 **Graph showing change in total dwelling stock between 1981 and 2004**
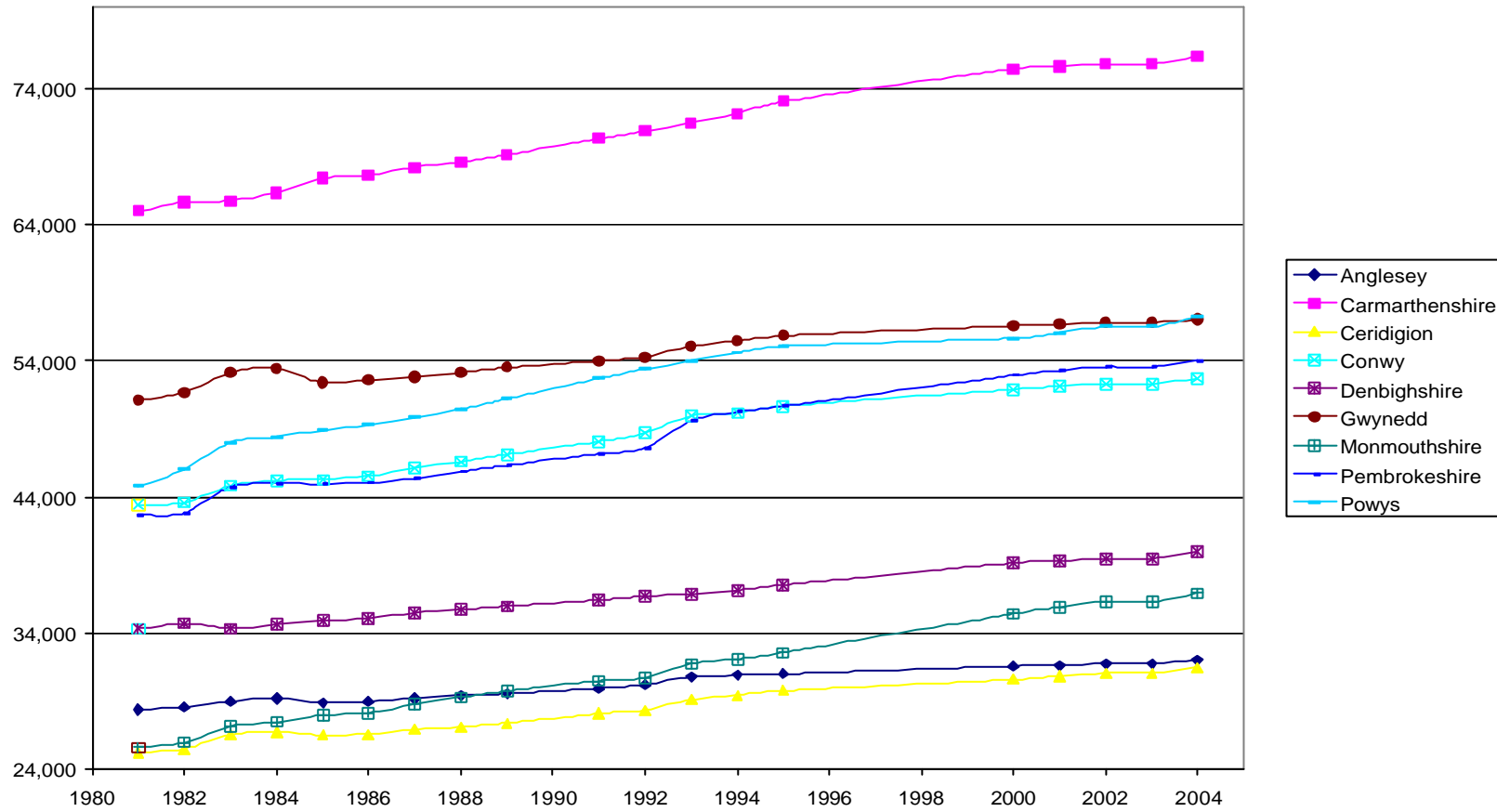
Affordable Housing

We turn next to data for Affordable Housing. The WRO report 'A survey of rural services in Wales' (2005) provides data the number of affordable housing units provided over the years 2000 -2005 by community council and population size in rural Wales. In general terms provision was low, with 85% of responding community councils not having had affordable housing provided in the 5 year period by Social Rented Landlords (Housing Associations and Local Authorities), and 96% not having affordable housing provision through exception policies (e.g. Section 106). Table 2.3 shows affordable housing provision by Social Rented Landlords, and Table 2.4 shows affordable housing provision through exceptions policies.

Table 2.3   Affordable Housing provision by Social Rented Landlords

Community population size	0-400	400-500	500-600	600-700	700-1000	1000 -2000	2000-4000	4000+	Total
Housing not provided	100	97.1	87.0	78.9	89.4	85.3	86.7	63.2	86
Housing provided	0	2.9	13.0	21.1	10.6	14.7	13.3	36.8	14

Table 2.4   Affordable Housing provision through exceptions policies

Community population size	0-400	400-500	500-600	600-700	700-1000	1000 -2000	2000-4000	4000+	Total
Housing not provided	96.6	97.1	87.1	90.0	97.9	100	96.7	100	97
Housing provided	3.4	2.9	12.9	10.0	2.1	0	3.3	0	3

House prices

Table 2.5 shows the average house price for rural authorities for each year from 1997 to 2003. Each authority is then assigned to rural, valley, urban and other classifications and the average house prices are found for these regions and Wales. In addition the rate of increase from 1997 is shown as a percentage for each year.

The average house price has increased with time for all rural authorities, with percentage rates of increase following a similar pattern. The highest average house prices were within Monmouthshire and the lowest were within Carmarthenshire. House prices increased steadily up to the year 2000. After this point the rates slowed for Pembrokeshire, Conwy, Anglesey and Gwynedd. The remaining rural authorities continued rising rapidly. This is shown in Figure 2.3.

Figure 2.4 shows that urban authority regions had the largest average house price overall and valley authorities had the least between 1997 and 2003. The rural average house price was slightly below urban authorities and almost matched the urban average in 2003. Both urban and rural house prices were above the average for Wales. Between 2002 and 2003 the house prices within other authorities had risen rapidly and peaked above the Wales average alongside Urban and Rural Authorities in 2003.

The rates of increase in house price from 1997 were similar for Rural, Urban and Other authorities up until the year 2000, with Valley regions falling slightly below. Following this year, the average house prices rose at dissimilar rates, resulting in rural and urban authorities overtaking the Welsh average. Between 2002 and 2003 the rural average house price climbed above the rate of increase of the urban resulting in the house prices in rural authorities becoming approximately 82% more than rural house prices in 1997. Other authorities followed the average for Wales until 2002 then rose dramatically above all remaining regions. Consequently, other authorities had house prices in 2003 over twice the value in 1997. The percentage change can be seen in Figure 2.4.

Table 2.5 **Average house price change since 1997 by unitary authority**

Unitary Authority	Category	Average House Price (£)										Percentage increase since 1997								
		1997	1998	1999	2000	2001	2002	2003	2004	2005		1997	1998	1999	2000	2001	2002	2003	2004	2005
Carmarthenshire	**Rural**	47332	50838	52427	54203	60570	68222	85734	112111	132283		-	7.4	10.8	14.5	28.0	44.1	81.1	136.9	179.5
Ceredigion		57126	64664	67536	72505	77884	91058	105894	142131	167024		-	13.2	18.2	26.9	36.3	59.4	85.4	148.8	192.4
Conwy		56767	59484	62557	67585	74255	89708	97553	138315	159289		-	4.8	10.2	19.1	30.8	58.0	71.8	143.7	180.6
Denbighshire		51723	52062	55495	60201	64440	78714	102848	123623	129845		-	0.7	7.3	16.4	24.6	52.2	98.8	139.0	151.0
Gwynedd		50997	53879	55430	60416	64244	77949	84644	123385	143496		-	5.7	8.7	18.5	26.0	52.9	66.0	141.9	181.4
Isle of Anglesey		54122	55676	58258	61606	67713	79928	85641	129146	136168		-	2.9	7.6	13.8	25.1	47.7	58.2	138.6	151.6
Monmouthshire		74135	82658	89559	98143	113073	133947	153205	182493	207368		-	11.5	20.8	32.4	52.5	80.7	106.7	146.2	179.7
Pembrokeshire		53242	55776	59049	65941	73239	90547	97788	139392	158617		-	4.8	10.9	23.9	37.6	70.1	83.7	161.8	197.9
Powys		59260	63570	66836	76391	82353	99849	118249	149434	159883		-	7.3	12.8	28.9	39.0	68.5	99.5	152.2	169.8
	Other	47480	50940	53218	57288	62173	72579	102029	136328	154273		-	7.3	12.1	20.7	30.9	52.9	114.9	187.1	224.9
	Rural	56078	59845	63016	68554	75308	89991	102588	137781	154886		-	6.7	12.4	22.2	34.3	60.5	82.9	145.7	176.2
	Urban	59299	62266	66604	74602	81014	96232	104258	139964	146920		-	5.0	12.3	25.8	36.6	62.3	75.8	136.0	147.8
	Valley	44770	46323	48845	51773	53728	59011	64056	88436	103420		-	3.5	9.1	15.6	20.0	31.8	43.1	97.5	131.0
	Wales	53814	56883	59988	65016	70163	81819	93220	125328	138329		-	5.7	11.5	20.8	30.4	52.0	73.2	132.9	157.1

Source: Land Registry

Figure 2.3 Graph showing average house price change since 1997 by Unitary Authority
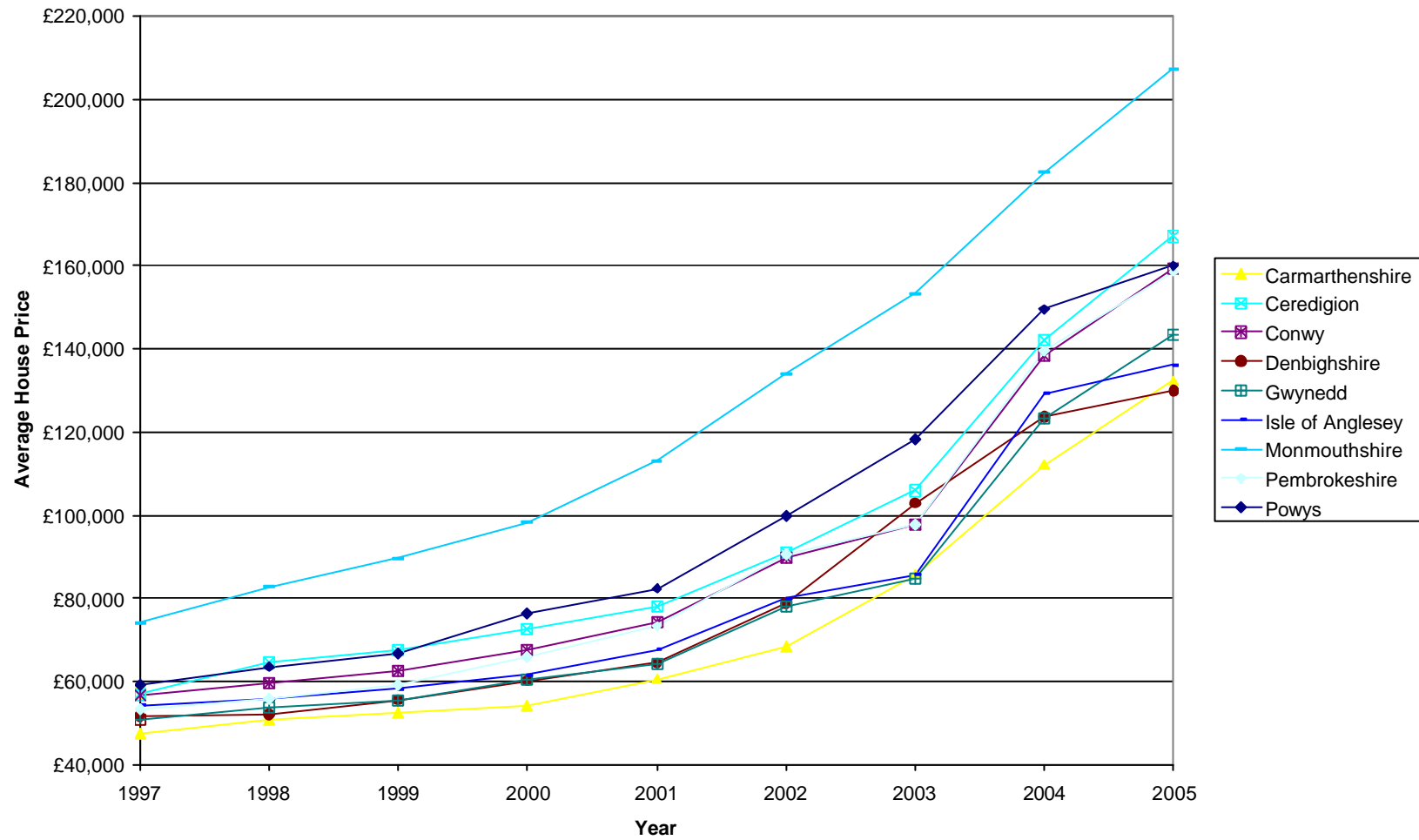
Figure 2.4 Graph comparing average house price change since 1997 for Wales and Authority Classification
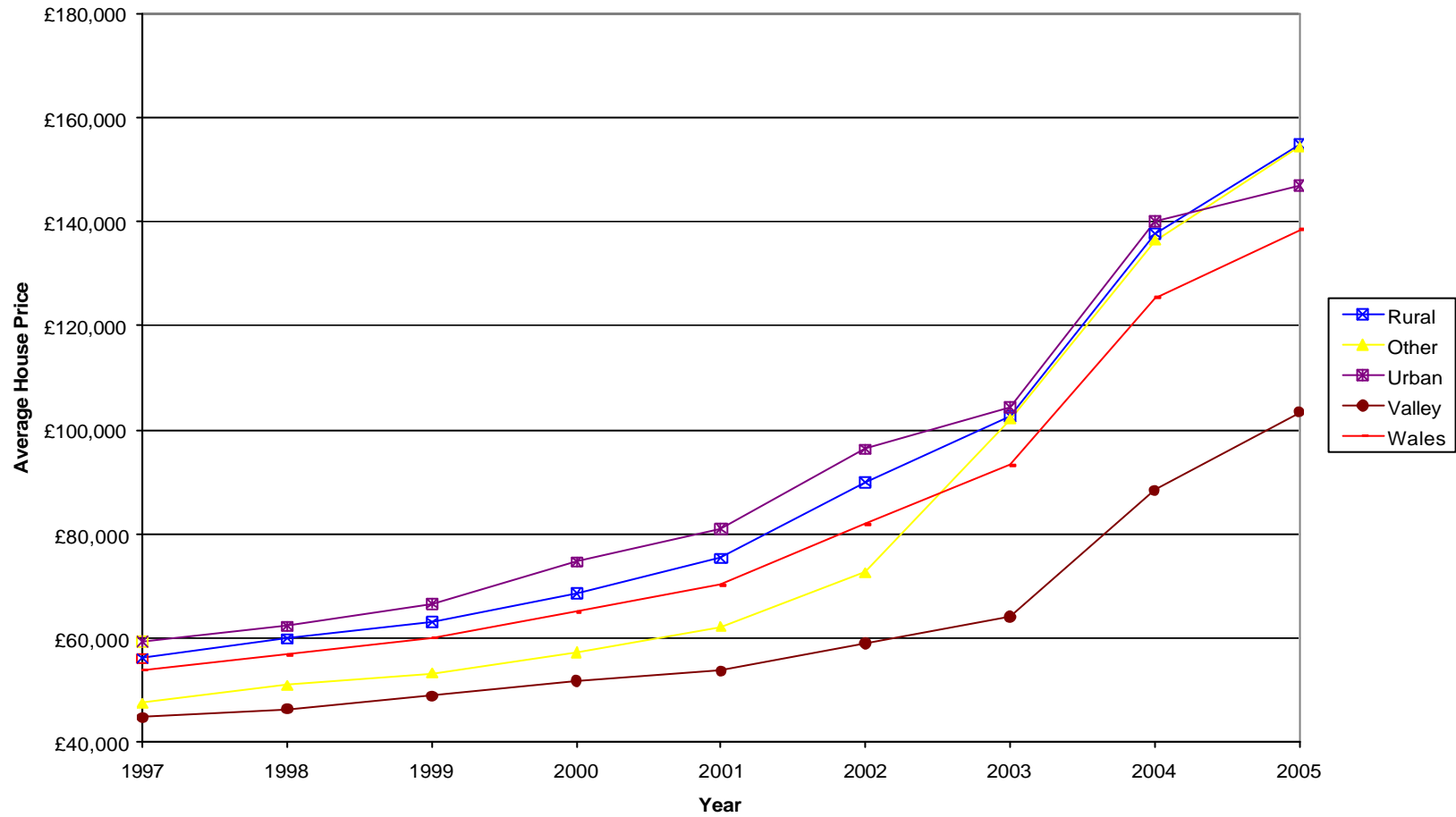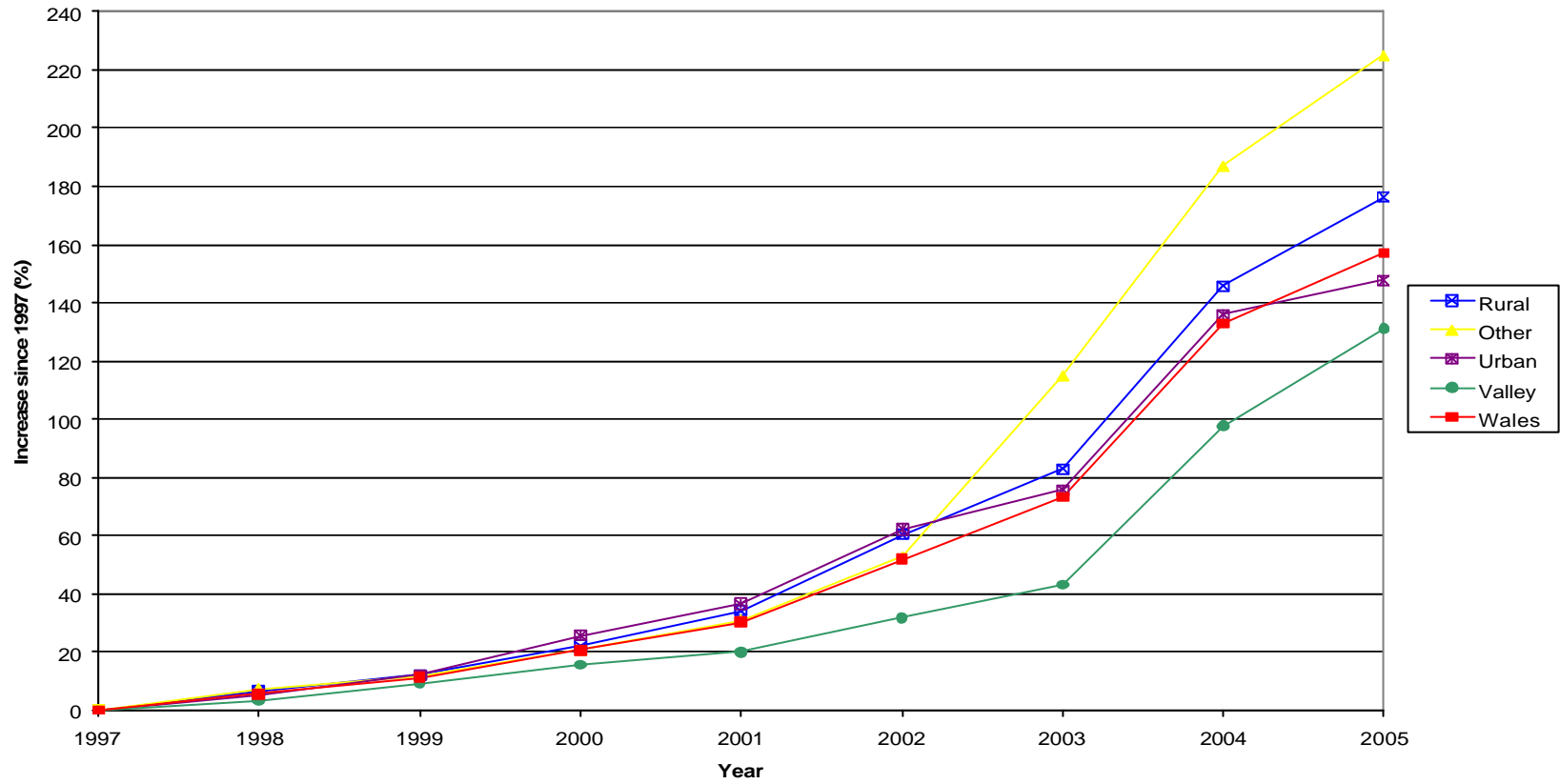
Figure 2.5 Graph showing percentage increase in house price change since 1997 for Wales and Authority Classification

Affordability.

Table 2.6 Average house price, income and affordability for rural authorities in 2003

Unitary Authority	Category		Mean House Price (£)	Mean House Hold Income (£)	Affordability (House price /Income)
Carmarthenshire	**Rural**		85734	23640	3.63
Ceredigion			105894	23782	4.45
Conwy			97553	23900	4.08
Denbighshire			102848	25485	4.04
Gwynedd			84644	22567	3.75
Isle of Anglesey			85641	23208	3.69
Monmouthshire			153205	30890	4.96
Pembrokeshire			97788	23145	4.22
Powys			118249	24606	4.81
	Rural		**102589**	**24354**	**4.21**
	Wales		**93278**	**25049**	**3.72**
Source: CACI 2003					

This table shows recent data from CACI for 2003. [2] The table shows mean income and house price for the rural authorities together with the affordability ratio. A lower ratio indicates that houses are more affordable compared to incomes. Monmouthshire had the highest affordability ratio, showing that house prices were around five times average income. Monmouthshire is interesting as it also had the highest mean income of the rural authorities. This shows that it is not always the low income regions that have affordability problems and that house price tends to be the dominant factor. The majority of rural authorities had house prices above the average for Wales, however, Carmarthenshire, Gwynedd and Anglesey had prices slightly below the Welsh average.

A contrasting trend was found in the averages for rural income. The majority of authorities fell below the Welsh average. Monmouthshire and Denbighshire were the only two authorities that had an average household income above that for Wales. Only two authorities had better affordability than the average for Wales: Carmarthenshire and

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[2] CACI is a company that provides demographic and market information.

Anglesey. As noted above, house price tends to be the dominant factor in affordability ratios, and both authorities had low average house prices.

Table 2.7 shows the same information as Table 2.6, but for the year 2005. The 2005 table shows that although both house price and household income had increased, house prices had risen at a greater rate than household incomes. Consequently, the affordability situation in rural Wales had worsened. The only rural authority with an affordability ratio better than the Welsh value, of 5.26, is Carmarthenshire at 5.11. Nevertheless the situation was still worsening in that authority area and in rural Wales as a whole, with values increasing in two years by around 30 %. Changes in affordability are shown in Table 2.8, overleaf.

Table 2.7 Average house price, income and affordability for rural authorities in 2003

Unitary Authority	Category		Mean House Price (£)	Mean Income (£)	Affordability
Carmarthenshire	**Rural**		133639	26136	5.11
Ceredigion			164586	25628	6.42
Conwy			149910	26313	5.70
Denbighshire			151900	28107	5.40
Gwynedd			138355	25126	5.51
Isle of Anglesey			136340	25920	5.26
Monmouthshire			228026	33234	6.86
Pembrokeshire			152986	25591	5.98
Powys			179370	27105	6.62
	Rural		**158662**	**26803**	**5.92**
	Wales		**143810**	**27328**	**5.26**
Source: CACI 2005					

Table 2.8 Showing change in affordability for rural authorities between 2003 and 2005

Unitary Authority	Category		Increase	Percentage Increase
Carmarthenshire	**Rural**		1.49	29.07%
Ceredigion			1.97	30.66%
Conwy			1.62	28.35%
Denbighshire			1.37	25.33%
Gwynedd			1.76	31.89%
Isle of Anglesey			1.57	29.85%
Monmouthshire			1.90	27.71%
Pembrokeshire			1.75	29.33%
Powys			1.81	27.38%
	Rural		**1.71**	**28.84%**
	Wales		**1.54**	**29.24%**

Source: CACI 2003 & 2005

Figures 2.6 and 2.7, overleaf, are maps displaying ward level affordability in Wales for 2003 and 2005 respectively. It can clearly be seen that rural areas were suffering from high affordability ratios in 2003 and 2005. Both figures show a similar spatial patterning, with low affordability ratios shown in the Valleys and in parts of North West Wales. Rural areas had high affordability ratios, and between 2003 and 2005 the dark brown colouring representing this spreads in the middle regions of Wales as well as the north.

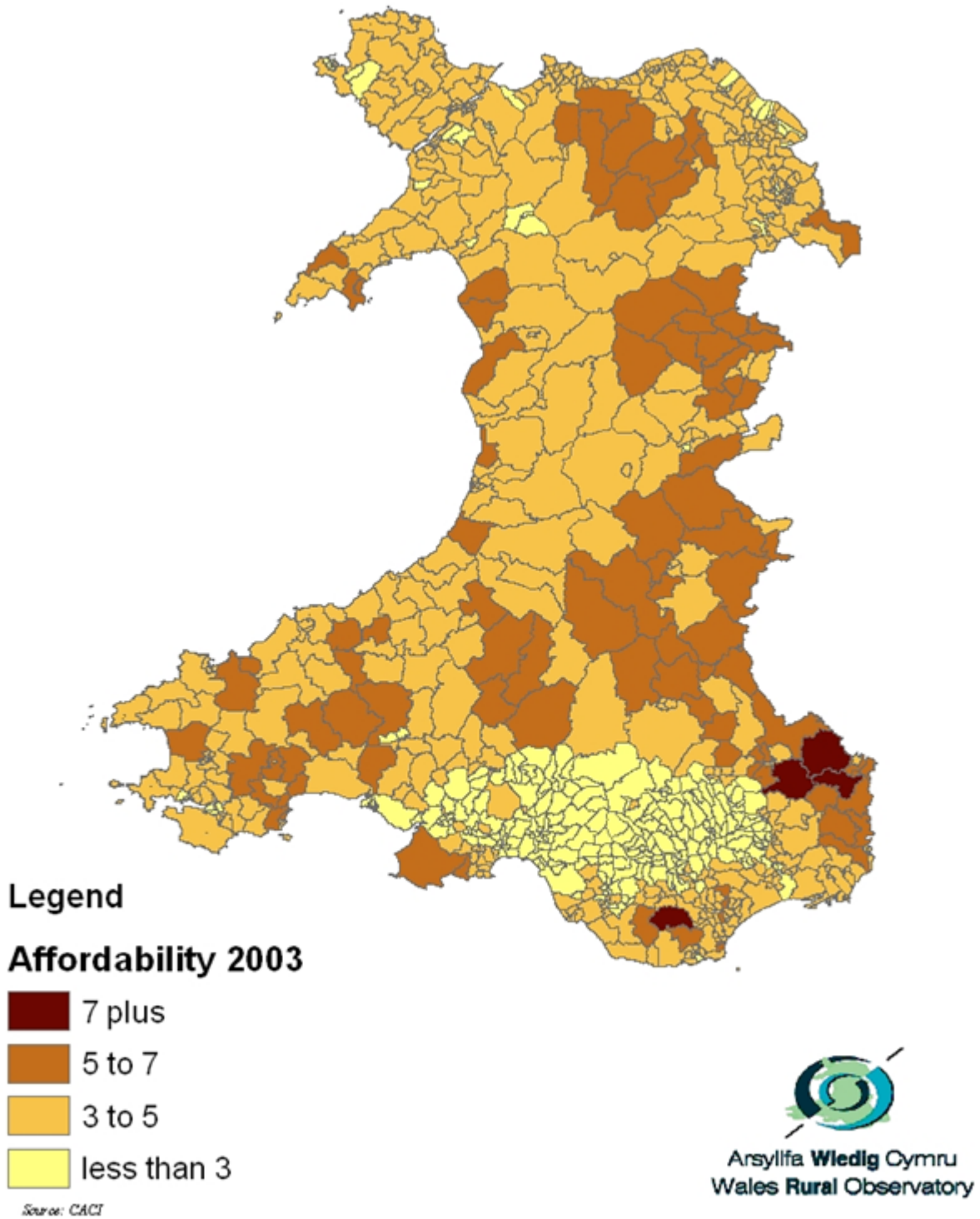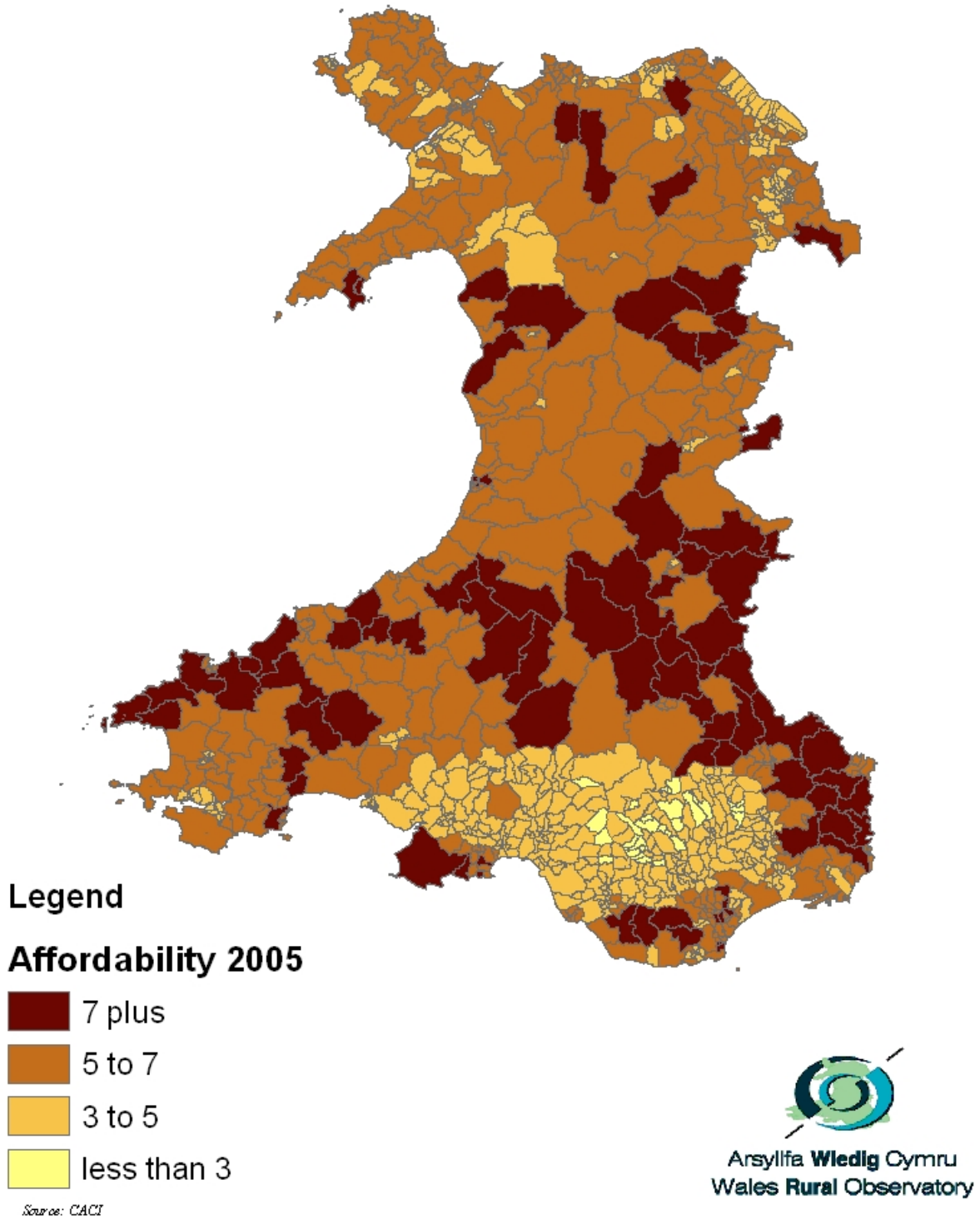Figure 2.6: Map showing affordability in Wales 2003.

Legend

Affordability 2003

- 7 plus
- 5 to 7
- 3 to 5
- less than 3

Source: CACI

Arsyllfa **Wledig** Cymru
Wales **Rural** Observatory

Figure 2.7 Map showing affordability in 2005 for wards in Wales

Legend

Affordability 2005

- 7 plus
- 5 to 7
- 3 to 5
- less than 3

Source: CACI

Arsyllfa **Wledig** Cymru
Wales Rural Observatory

3. ASSESSING HOUSING NEED

As defined by the WRO, nine local authorities constitute rural Wales: Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd, Monmouthshire, Pembrokeshire, Powys and Ynys Mon (Anglesey). The principal mechanism for assessing housing need is the Housing Need Assessment, which all nine local authorities had completed since 2000. There was, however, some variation in the model of housing need assessment used with Anglesey, Ceredigion, Conwy, Denbighshire and Powys employing the Basic Needs Assessment Model as recommended by DETR (2000), while Carmarthenshire, Gwynedd, Monmouthshire and Pembrokeshire modelled housing need in different ways. All of the local authorities garnered data for their housing need assessments by hybrid methods, using questionnaires and interviews.

3.1 LOCAL AUTHORITY HOUSING NEED ASSESSMENTS

The ODPM (DETR) Basic Needs Assessment Model [BNAM] was developed by the School of Planning and Housing, Edinburgh College of Art/Heriot-Watt University and adopted by DETR and later ODPM (2000, p21), who recommended its use by local authorities. BNAM models the absolute level of affordable housing by balancing need against supply to show the net shortfall or surplus of affordable housing units per annum. In essence, BNAM is a simple mechanism that addresses a complex issue.

Figure 3.1   Outline of the Basic Needs Assessment Model [BNAM]

Outline of BNAM

BACKLOG OF EXISTING NEED
plus
NEWLY ARISING NEED
minus
SUPPLY OF AFFORDABLE HOUSING
equals
NET SHORTFALL (SURPLUS)
of
affordable units per year
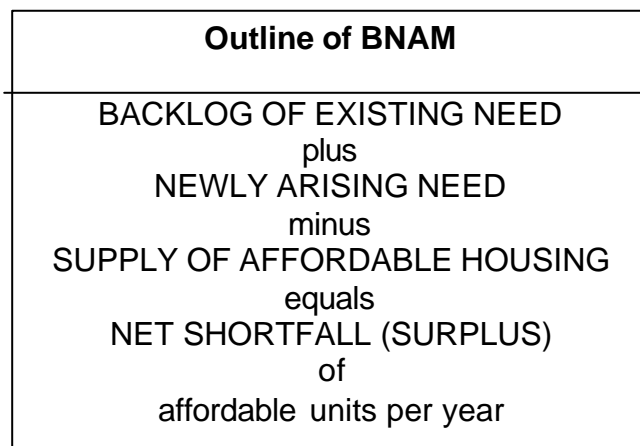
Source: ODPM/DETR, 2000, p22.

3.1.1 The components of BNAM

It is instructive to discuss the components of BNAM as it enables insights into both the complexity underlying the housing need concept, and into the nature of affordable housing need. As shown in Figure 1, BNAM is concerned with two distinctive types of housing need: existing need and newly arising need. The backlog of existing need is made up of households living in unsuitable accommodation, who cannot resolve their problems without moving but who cannot afford to buy or rent in the market without subsidy. Unsuitable here means unsuitable for that particular household; examples include poor or defective housing, or housing that is too small. Other examples are provided in the following text. Newly arising need includes persons in current households who want to move out to form new households, and households forecast to in-migrate to a local authority. In both cases the criterion for need must apply: that households cannot afford market housing. ODPM (DETR) defined newly arising need as:

> "All circumstances where households are expected to form over a period of time and are likely to require some form of assistance to gain suitable housing, together with other existing households whose circumstances change over the period so as to put them in a situation of need."
> (ODPM (DETR), 2000, p116)

Affordable housing supply is defined within BNAM as the number of newly provided affordable housing units, plus the number of affordable housing vacancies likely to become available over a period of time. Affordable housing may be defined as:

> Housing of an adequate standard designed for those whose incomes generally deny them the opportunity to purchase or rent suitable housing on the open market as a result of the relationship between income and market price. Such housing encompasses both low cost market and subsidised housing, irrespective of tenure, ownership or financial arrangements that will be available to those households who cannot afford to purchase or rent adequate housing generally available on the open market. In one way or another some form of subsidy – private or public – is usually required to make the property affordable. (Denbighshire CC, 2005, p5)

Assessing the backlog of need

There are seven stages to the BNAM analysis of existing need, which are outlined in Figure 3.2 below.

Figure 3.2   BNAM Assessment of existing need

Stage	Factor	Definition
1	Backlog of need in existing households	Households currently occupying unsuitable accommodation due to any of: • tenure insecurity or affordability problems • Mismatch of household and dwelling • Condition of dwelling or amenities • Social requirements
2	*Minus* Cases amenable to in-situ solutions *Minus* Moves within existing housing stock *Minus* Out-migrants	In-situ solutions include: • Repairs • Where household does not want to move • Overcrowding resolved by person leaving Current social sector tenants move to meet their needs Households leaving the local authority area
3	*Times* The proportion unable to buy or rent in the market	Based on: Household income and other financial resources compared with lowest quartile housing price and market rents
4	*Plus* Backlog of non-households	Homeless households currently living in temporary accommodation
5	*Equals* Total Backlog Need	Stages (1-2) x 3 + (4)
6	*Times* Quota to progressively reduce backlog	Policy judgement – standard assumption is for a 5 year period = 20% pa
7	*Equals* Annual need to reduce backlog	Stages 5 x 6

Source: Ceredigion Housing Needs Study (2004, p42)

Two groups generate newly arising housing need. Firstly, established households whose circumstances change may generate housing need. The second group is formed of new households who are likely to require assistance to access suitable housing: this group includes in-migrant households, new households whose members were previously part of other households, and households leaving institutional accommodation. Figure 3.3 outlines the calculation of newly arising need, showing Steps 8-13 of BNAM.

Figure 3.3   BNAM Assessment of newly arising need

Stage	Factor	Definition
8	New household formation (gross)	Recently formed households
9	*Times* Proportion unable to buy or rent in the market	Proportion of recently formed households who are living in council or registered social landlord [RSL] stock; in the private rented sector; or who have moved into unsuitable housing
10	*Plus* Ex-institutional population moving into the community	Annual homelessness acceptances where reason for homelessness is 'leaving institution or care'
11	*Plus* Existing households falling into need	Changing circumstances
12	*Plus* In-migrant households in need	Recent in-migrant households unable to afford market housing; in council or RSL stock; or otherwise in unsuitable housing
13	*Equals* Newly arising need	(8 x 9) + 10 + 11 + 12

Source: Ceredigion Housing Needs Study (2004, p51)

The key component of affordable housing supply is the re-letting of social rented housing (Ceredigion County Council, 2004, p58), with the other component being committed units of new affordable housing. BNAM does not consider potential future supply. Its analysis identifies current housing shortfalls (surpluses) thus enabling local authorities to calculate the amount of housing required to meet the identified shortfall. Figure 3.4 summarises the calculation of the supply of affordable housing, showing BNAM steps 14 – 17.

Figure 3.4   BNAM Assessment of affordable housing supply

Stage	Factor	Definition
14	Re-letting social housing	Number of terminations in the social sector
15	*Minus* Increased vacancies & units removed from management	Number of units sold through Low Cost Housing schemes Any planned demolition of social housing units
16	*Plus* Committed units of new affordable housing	Number of committed new dwellings and conversions in the social sector
17	*Equals* Affordable supply	14 – 15 + 16

Source: Ceredigion Housing Needs Study (2004, p58)

The quantities given by BNAM Stages 7, 13 and 17 are then fed back into the basic BNAM model. Figure 3.5 shows the results of housing need assessments by local authority, giving the date of each assessment.

Note that figures for Carmarthenshire, Gwynedd, Monmouthshire and Pembrokeshire are included. As mentioned above, these four local authorities used models other than BNAM to assess housing need. The data from these four housing need assessments have been interrogated to produce figures comparable to those of the BNAM models. Carmarthenshire (2000) discusses affordable housing data per annum, projected over a 5 year period. Gwynedd (2002) and Pembrokeshire (2000) present gross data projected over 3 years. Monmouthshire has a mixture of gross, net and annualised data projected over 5 year period.

Figure 3.5   Net Shortfall of Affordable Housing per annum by Local Authority

	Anglesey BNAM 2001	Ceredigion BNAM 2004	Conwy BNAM 2002	Denbigh BNAM 2003	Powys BNAM 2002	Pembroke 2000	Carmarthen 2000	Gwynedd 2002	Monmouth 2000
Gross backlog need	3622	6228	14480	4112	14857	2397	4494	1730	4984
Net Backlog need	646	522	567	798	563				
20% quota - Annual need to reduce Backlog	129	104	113	160	113				
+ newly arising need	484	322	517	853	668				
= Gross Affordable Housing requirement	613	426	630	1013	781				
- Affordable Housing supply	278	152	421	368	464	100	197	787/3 = 262	80
= **Net Shortfall pa (Surplus)**	**335**	**274**	**209**	**645**	**317**	**358**	**459**	**315**	**916**

Exploring the calculations and complexities of housing need assessments enables a view of the scale and nature of housing need. While the local authority housing need assessments say little about the geography of housing need, they do attempt to position housing need within local housing markets.

3.1.2 Need in the context of local housing markets

ODPM Guidance PPG 3 (2000) points to the necessity to analyse the whole housing market. Local authority housing need assessments, then, contain also an analysis of local housing markets. These analyses consider house prices and rents in the authority area, utilising data from estate agents. From this data minimum house prices and rents are calculated, which in turn establishes entry-level costs for the housing need analysis.

4. PERCEPTIONS OF HOUSING NEED: AN ANALYSIS OF INTERVIEW DATA FROM AGENCIES AND INSTITUTIONS

To complement the quantitative analysis we turn to an analysis of qualitative data from a series of interviews with representatives of the institutions and agencies responsible for addressing housing need in rural Wales: the local authorities, housing associations with interests in rural Wales, and the national parks. [3] Interviews were conducted with all nine of the local authorities in rural Wales; there was a response rate of 53% from the housing associations contacted, giving nine responses; and all three of the National Parks responded. All interviews were recorded and transcribed.

In addition, the analysis draws on data from interviews with the four Rural Housing Enablers [RHE] who had been appointed recently to cover Wales. RHEs have been an established feature of housing provision in England for the past four years. The RHE role is that of an independent broker between local communities, local authorities, social landlords and developers; working with rural communities to identify housing needs and potential sites for development, and facilitating the provision of affordable housing to meet that need. In Wales, each of the four RHEs is funded by different combinations and partnerships, dependent on the RHE's area of operations. Funding partners include WAG, the local authorities, housing associations (Registered Social Landlords), the National Parks, and the Welsh Federation of Housing Associations.

The analysis is structured around key questions posed during interview. Within this qualitative analysis there is also quantitative data; the numbers provide snapshots of what is essentially a fluid situation, but more important are the themes and issues that surround the components of housing need, and which point to increasing problems.

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[3] There are 3 National Parks in Wales: Brecon Beacons, Pembrokeshire Coast and Snowdonia. Each National Park is responsible for planning within its boundaries.

4.1 DEFINING, MEASURING AND IDENTIFYING HOUSING NEED

Approaches to defining housing need varied between local authorities. Anglesey, Denbighshire, Monmouthshire and Pembrokeshire operated formal definitions of housing need typified by:

> It is households lacking their own housing or living in housing which is inadequate or unsuitable who are unlikely to be able to meet their needs in the housing market without some assistance. (Denbighshire CC)

Carmarthenshire, Ceredigion, Conwy, Gwynedd and Powys did not, however, operate a formal definition of housing need. It was argued that formal definitions of housing need were too narrow and restrictive, and that local housing need was best addressed by investigating local conditions. Those housing associations that used formal definitions of housing need specified income levels and precluded owner-occupiers, unless they were being forced to sell their property for financial, medical or social/economic reasons. These definitions had been developed to ensure that housing was targeted at households unable to access owner-occupation of property.

Rural Housing Enablers [RHE] defined affordable housing need by reference to incomes and local house prices:

> *We have a definition of affordable housing need. Basically you look at the gross household income and multiply it by three, which would determine whether what level of mortgage a household could get and obviously you then need to compare that with the price of properties that are for sale in that area to ascertain whether it's affordable.* (RHE 1)

Sources of data used by all local authorities and housing associations to quantify and explore housing needs included the census, income data, house price data, the Land Registry, estate agents, the Rent Officers Service, and, of course, their individual housing registers. RHEs also used these sources but emphasised that the key to their local assessments was the co-operation and collaboration of Community Councils and local communities.

4.1.1 Housing registers and waiting lists

A Housing Register is a waiting list of people wishing to rent accommodation from either the local authority or a Registered Social Landlord [RSL]. To establish priority on the Housing Register, applicants for social housing are allocated points for a range of housing need criteria and are ranked accordingly. Local authorities and RSLs have, in the past, held Housing Registers without reference to each other but there is now a move towards common Housing Registers. For a common Housing Register the local authority and the Housing Associations and other RSLs operating within the authority boundaries devise a single application form by which anyone seeking housing in their area can register their need and specify their housing preferences. The participating landlords (local authorities and RSLs) then rank and select applicants from the single pool of applicants. It is argued that this makes the process of applying for housing, easier, simpler and fairer.

The approaches of local authorities to housing registers varied, with Anglesey, Carmarthenshire Ceredigion, and Pembrokeshire using common housing registers shared with Housing Associations and other Registered Social Landlords [RSL] operating within their authority boundaries. Conwy, Denbighshire, Gwynedd, Monmouthshire and Powys did not have common housing registers, although Monmouthshire were in the process of developing one. Even those authorities not working with common registers argued that they had advantages but pointed to prohibitive development and operational costs.

Similarly, although all of the nine rural authorities used a points system to determine the priority of housing needs and the position of households on the waiting list, there was variation in the methods. A particularly contentious issue was the requirement to balance localness against the free movement of people within the country:

> *We also give points for local connection. What we then have to balance, of course, is that we're looking at increasingly scarce resources and in very many areas people compete very strongly for those resources. And it's very unpalatable to a lot of people, if for example, they see that the first 3 bedroom house in the area has come available for 2 years, and you've gone and let it to somebody who's just moved into – who just sort of pulled up in their caravan 5 weeks ago. All of a sudden they've got this house ahead of local people. What's all this talk about balanced and*

sustainable communities again - thank you very much. And so that's why we do have some local

connection weighting. (Powys CC)

Pembrokeshire were developing a pilot for a 'choice based lettings' pilot scheme.

4.2 THE SCALE OF HOUSING NEED

While the Housing Need Assessments discussed earlier are designed to provide information concerning the flows of affordable housing supply, housing registers provide a snapshot of the numbers of households waiting for housing. Table 4.2.1 shows the numbers provided by local authorities during the interviews, which were held in the late summer of 2005.

Table 4.2.1 Numbers on Housing Register by L.A.

Local authority	Type of Housing Register	Number on Housing Register
Anglesey	Joint with HA	2000
Carmarthenshire	Joint with HA	5300
Ceredigion	Joint with HA	1776
Conwy	Single	3000
Denbighshire	Single	2500
Gwynedd	Single	2000
Monmouthshire	Single	2500
Pembrokeshire	Joint with HA	4300
Powys	Single	2317

An important point concerning housing registers is that households are only listed as waiting if there are suitable properties available in a location. For example, if a household required a 4-bedroom house and none were available in their locality, that household would not be entered on the waiting list. As one housing association pointed out:

In villages without any social rented housing there will be no evidence of local need from the common housing register. People don't apply for housing where they know there isn't any available.

(Pembrokeshire Housing)

4.3 THE PRINCIPAL CAUSES OF HOUSING NEED: THE DEMAND SIDE

Housing need, as defined in the Introduction, in rural Wales may be attributed to the interaction of broad factors such as house prices; a lack of affordable housing; cultural influences; social and demographic changes; economics and employment; homelessness and the supply of housing. We first explore the demand side causes of rural housing need.

4.3.1 House prices and Affordability

The interview data from all nine of the local authorities in rural Wales pointed to local economies characterised by increasing house price to income ratios. These interview quotations highlighted the issue:

> *Prices in Conwy and across Wales have gone through the roof, and we're still a very low wage economy within the county. I believe the average wage within Conwy is about £23,000 per year, house prices have doubled over the last 2 or 3 years and what we're seeing is a big demand for affordable housing.* (Conwy CC)

> *In the last couple of years house prices have gone up 40% a year, and as I said it was difficult enough for people to afford to buy before that. Our Housing Needs Survey took place before the massive increases in house prices. And that was showing there was a big gap between people's aspirations and their ability to afford - the house prices have just virtually squeezed everybody out.* (Pembrokeshire CC)

> *In 2003 within Denbighshire house prices rose by 54% - that was the second highest increase in not just Wales but in the whole of the UK in 2003. Although we don't actually have the highest house prices in Wales when you do the ratio of house prices against people's household incomes - the income to house price ratio was the 4th highest in the whole of Wales - behind Ceredigion, Cardiff and Conwy.* (Denbighshire CC)

> *Monmouthshire is the most expensive county to live in, in Wales – Chepstow is the most expensive town in Wales. And then, within the top 10 towns in Wales, Abergavenny and Monmouth feature as well.* (Monmouthshire CC)

Housing associations had a broader view of the role of house prices as a principal cause of housing need in rural Wales:

> *Housing need in rural areas seems to be linked to lower incomes and higher house prices, which makes it difficult for young people and local people to access accommodation…….There are also issues around deprivation and house conditions for some older local people.*
>
> (Charterhouse HA)

House prices are, of course, subject to local conditions but there were some factors considered endemic to rural Wales that owed to the beauty of the Welsh rural landscape and countryside, which was deemed to attract wealthy in-migrants, retirees, tourists, holiday home owners, second home owners and investors 'buying to let'. Within these generalisations there were local specifics. For example, the pressures from student accommodation in and around the university towns of Aberystwyth and Bangor, including 'buying to let', affected housing supply in Ceredigion and Gwynedd respectively. In those areas of Monmouthshire, Powys and Denbighshire close to the English border, it was perceived that house prices had risen in response to the demands of high-income commuters and wealthy retirees. It was argued that in the National Parks of the Brecon Beacons, Pembrokeshire and Snowdonia there was upward pressure on house prices, which pushed prices beyond the reach of local people. The situation in Snowdonia was replicated in the Brecon Beacons and Pembrokeshire National Parks:

> *House price inflation over recent years has created a situation whereby local people in Snowdonia, and particularly younger people, are finding it increasingly difficult to afford accommodation. The area is characterised by relatively low household income levels, and house prices have historically been relatively low. However, house prices across all house types have now risen well above the capacity of many young people to afford to buy or rent. Affordable housing provision is therefore a very pressing policy issue. There are concerns that inflationary pressures in the housing market will mean local people having to leave their home communities. This undermines the NPA's statutory purpose to conserve the cultural heritage of their area (of which the Welsh language is a part), and duty to foster the economic and social wellbeing of park communities. Authority members are keen to see the planning system deliver affordable housing for local people in housing need.* (Snowdonia NPA)

The four RHEs also pointed to an overall, and steep, rise in house price to income ratios, and in rent levels. There was particularly concern about the situation in the National Parks:

> *The prices of houses has increased so much that it's just unbelievably high for even those who are on a modest income at the moment and even in the rented sector. The private sector is quite high compared to the public sector I would have thought. So it is a case of only the richest really can live in certain rural parts of Gwynedd anyway. And I'm sure it's very similar in other pretty, beautiful, scenic areas in Wales. You know the fact that we've got four RHEs, all based within National Park areas puts it in the spotlight as it were - the demand for affordable housing in those areas.* (RHE 2)

And the majority of the rural Wales local authorities pointed to tourist areas where there was increasing housing need, which they attributed to second-homes, the in-migration of retirees, buying to let, and a rented sector given over principally to seasonal tourism.

An interesting observation from a Powys County Council representative was that if the general economy, together with employment and the housing market, slows down, house prices drop and interest rates rise, as happened in the early 1990s, it would tend to exacerbate the housing need situation. House prices to income ratios were now so high that the majority of existing households in need would remain outside of the housing market. There would, however, be a substantial number of mortgage holders who had borrowed up to or beyond their financial limits. These households may encounter problems of equity and be forced to sell their property; request housing from local authorities; and would consequently constitute a new source of emerging housing need.

4.3.2 Homelessness

The demography underlying the housing market in rural Wales is that of an increasingly economically inactive population (with a large proportion of retirees), or economically active sectors that do not contribute sufficiently to their local economies (commuters, second home owners, buy to let). In addition, in-migration of retirees and wealthy commuters means that the population of rural Wales is ageing. Conversely, modern

lifestyles have resulted in an increase of single young people in housing need in rural Wales – a factor that connects with an increase in homelessness.

Some local authorities perceived the rise in homelessness to be the single most aggravating factor contributing to housing need in rural Wales. The following quotations gave an indication of the scale of the problem:

> *I've just got some of the homelessness stats in front of me and just to give you an idea of the scale of that - in 2002/2003 we had 489 enquiries about homelessness, in 2004/2005 that had tripled to over 1300.*
> (Denbighshire CC)

> *In 2002/3 there were 557 individual allocations and in 2003/4 it was down to 454 and last year it was down to 371. So there has been a reduction of 33% over 3 years. Within that, the proportion of homelessness allocations has gone up about 6% to 42%. That is what has led to a lot of pressures for us in terms of allocations policy. The feeling is that there is more of a priority given to homeless people in the system - there are a lot of arguments around that. But, you have got a reducing supply and a change in the nature of who is getting the properties.* (Gwynedd CC)

> *Certainly homelessness is our biggest problem and biggest priority. The situation in Monmouthshire is that homelessness has increased by, I think if I remember rightly, by 300% over the last 3 years. Yes, so we've gone from 200 applications in early 2001/2002 and we're expecting to exceed 700 this year.* (Monmouthshire CC)

A number of factors were adduced as contributing to the rise in homelessness and the consequent increases in housing need. Firstly, there was new legislation, which had resulted in an increase in the numbers of young single people presenting themselves as homeless, as explained by a local authority representative of Powys:

> *We also have an increase in the number of young single people, and partly that's a demographic issue but partly it's from the Homelessness Act 2002 and before that the Regulatory Order 2000. These extended the priority needs definition so at the moment we have our hands full very much with the majority of homelessness presentations. And the majority of our management*

issues - trying to manage homelessness - are around younger single people. There was a Regulatory Order; it was secondary legislation, which was introduced on the 1st March 2001 by the Welsh Assembly Government. They introduced a statutory obligation on local authorities to assist young single people as priority need. So therefore we're channelling a lot of energies into trying to meet their housing needs at moment. (Powys CC)

Conwy County Council argued that the rising house market, coupled with low social housing stock, had led to a strong private rented sector, with high rents. This situation had resulted, in turn, in significant increases in homelessness in their authority area. Conwy also pointed to new Local Housing Allowance arrangements, as a contributing factor to increasing homelessness:

> *It's a new Government scheme where market rent is set and Housing Benefit claimants are paid that level. So for instance it could be – I don't know - £50 a week as an example – I'm not sure of the exact levels. A claimant would be entitled to £50 a week. If they can find accommodation for £45 a week they keep the £5. If they find accommodation at £60 a week they have to pay the shortfall.*
> *It's always paid as well directly to tenants - rather than in the past there have been a lot of arrangements where landlords have been paid directly. We seem to be seeing an influence on homelessness from that aspect. It seems to be that a lot less landlords now are willing to look at Housing Benefit claimants.* (Conwy CC)

Local authority representatives in Pembrokeshire also perceived problems with the change from direct payments to landlords, to payments to tenants; with landlords having to seek rent from tenants:

> *I think we have had a bit of a problem more recently in that we are one of the pilot areas for the new benefit system. The impact of that locally has been that there is a lot of concern from private sector landlords about the shift to make the payment to the tenant rather than direct to the landlords unless there is proof of vulnerability. With the opportunities in this area for alternative use of their properties for holiday letting or for letting to the incoming migrant work force - that has impacted on the availability of properties for housing needs and the homeless.* (Pembrokeshire CC)

These factors were, then, seen as aggravating the housing need situation by increasing the numbers of homeless people, mainly single people – although Anglesey reported some large families on their homelessness list.

4.3.3 Perceptions of how housing need have changed over time

Resonating with the ideas put forward above by the Powys representative concerning house price cycles, some argued that house prices were the over-riding driver of changes in housing need:

> *No – the causes don't change over time. They are simply cyclical. With each house price cycle opportunities arise for some individuals across the UK. to re-locate to relatively cheaper housing in Ceredigion and the rest of rural Wales.* (Ceredigion CC)

But the evidence suggested that the causes of housing need tended to shift over time; driven, not only by house prices, but by changes in policy and demographics. The analysis above indicates how policy changes had, over the last few years, brought homelessness to the fore as a significant cause of housing need in rural Wales. Respondents pointed to other factors that had changed over time. For example, it was observed that housing need now affected not only those groups on low incomes:

> *It's becoming more evident you know, it's more visual now where councillors, teachers, people of influence are starting to notice that their own children can't afford housing, without their help. And so they're having to re-mortgage to provide assistance to their children. But I think it's becoming the case of it's not just poor people that can't afford the housing.* (Anglesey CC)

> *You can see some figures here telling us that people who are in housing need now is far from being restricted to the lower income groups.*
> **(**Conwy CC)

Moreover, it was suggested that whereas in previous times low income families often tended to *'just accept'* their lot in life and struggle to make ends meet, sometimes without assistance, newly-emerging, better-off people in need were able to articulate their housing need and invariably sought access to assistance.

It was suggested that the situation of young adults had changed, with more being forced by financial circumstances to stay with their parents, rather than leaving to set up new households without assistance:

> *They are highlighted as being in housing need whereas before maybe they wouldn't even consider that they would be in housing need. You know - they might stay with their families, but now it's a case of well, they're having to stay with their families. As I say it's becoming more of a priority.* (Anglesey CC)

Concerning the extremes of the age range, respondents observed that the combination of low birth rates and increased longevity had resulted in an increasingly elderly population. For example:

> *Ceredigion has the lowest fertility rates of any county in Wales –*
> *39.3 / 1000 - and one of its oldest populations.* (Ceredigion CC)

It was argued that many older people had outgrown their houses and were living in unsuitable owner-occupied properties. This age cohort was now starting to appear on housing need statistics as requiring supported or sheltered housing.

The other major change in the patterns of family life that had impacted on housing need was the increasing incidence of marriage and relationship breakdown, and the increasing numbers of single people in housing need:

> *We've been having to look at say, for instance, family breakdown cases more and more often. I think it's just a reflection of the way standards have gone in general. Family units tend to be more unstable of late - an awful lot more divorced males for instance looking for assistance.* (Conwy CC)

> *Well the largest number would be single people. Yes, that's the biggest single number, I mean a lot of whom frankly stand no chance of being re-housed because we just don't get enough single person homes coming up for re-letting.* (Carmarthenshire CC)

In contrast to the changing patterns of modern life, rural culture and tradition were pointed to as sources of hidden housing need:

Hidden families in need continue, increasingly in rural areas, because traditionally they have not depended on social housing. (Clwyd HA)

Rural areas have got higher levels of sharing. But it doesn't then equate to high homelessness presentations. Some of that is probably that it's a cultural thing, that it's an accepted feature perhaps if you're in a more rural community, that you might share the parental home and perhaps the parental home might be larger in any case. It's not necessarily statutory overcrowding but something which in an urban area, people wouldn't want to put up with. (Carmarthenshire CC)

In addition, it was argued that many householders did not have the necessary information to articulate their requirements; consequently there was a significant amount of hidden housing need:

From my surveys, a tiny percentage of those people that have declared a need have actually registered on the waiting list. It's hidden need. .. Why don't people put their name on the waiting list? Well it's either because they don't appreciate that they have a right to, an awful lot of people don't understand that they have a right to register their need, but there's an awful lot of people as well who think it's futile to put their name on the waiting list. There's also a hidden need for people who want to buy affordable housing and slowly a lot of Local Authorities around here are now contemplating introducing an Affordable Housing Register for people who want to buy rather than rent. So again at the moment people who want to buy there's no means of them registering their need to buy. (RHE 1)

Indeed, one RHE estimated that 90% of the housing need identified by RHE local community surveys was not registered. But doubts were expressed that rural housing need, hidden or overt, could be addressed successfully:

There is a constant demand, particularly in the market towns, as hopes for houses in the villages disappear. (Clwyd HA)

4.4 THE PRINCIPAL CAUSES OF HOUSING NEED: THE SUPPLY SIDE

There were, then, perceptions that the nature of housing need had changed on the demand side. Other respondents, however, argued that the major changes had occurred on the supply side:

> *I wouldn't think that the nature of demand has changed - it is just that the supply has changed.* **(**Gwynedd CC)

> *There is a lack of investment in the rental section.* (Newtown HA)

In totality the supply side of housing need consists of the housing stock (existing, forecast and potential) available for rent or sale to those households in need of assistance. The wider picture breaks down into components including the existing housing stock; the effects of the 'Right to Buy'; completion rates for new housing units; the availability of units for rent, from local authorities and RSLs; the potential of unused buildings; and the factors surrounding land development for affordable and social housing such as planning, the availability of rural land, land costs, and building costs. All local authorities pointed to wider supply problems:

> *In terms of say for instance our own stock we don't actually have any areas of low demand; we don't have any properties that we can't let, which is strange. We also have a very high number - in terms of just the Local Authority stock - a high number of sheltered accommodation that equates to over a third of our stock now. Because obviously a lot of the houses were obviously were lost to the Right to Buy. And none of it - this is the first time I can ever say I have worked for an Authority or any housing organisation in 15 years - none of it is low demand, purely and simply because obviously the supply is so limited out there.* (Denbighshire CC)

4.4.1 Social housing stock

A base measure for the supply side was the social housing stock. In response to an interview question concerning their social housing stock, all of the nine rural local authorities reported shortfalls. In addition, local authorities reported anomalies in the types of accommodation in their housing stock. For example, the high demand for sheltered accommodation was seen as a problem:

> *No, we don't! We have five and a half thousand across the whole of Powys and we've sold, I would say, more than half of the social housing stock, and the figure's even more acute if you think that about a third of what we have left is sheltered accommodation.* (Powys CC)

> *The one note that we will always add in terms of the number of allocations that were made is that each year approximately 50% of our allocations have been to sheltered accommodation. So when we say 220 were re-housed from the waiting list, you'll probably find that only about 110 of those were actually general needs accommodation, and that is the issue that we have got. We have got 1300 sheltered, which obviously originally were part of the stock of over 7000, we now have 1300 sheltered that are now part of a stock of only 3500 so we are becoming increasingly residualised in terms of the stock that we have.* (Denbighshire CC)

Other types of accommodation were also in short supply:

> *I don't think that we have sufficient social housing, and certainly we don't have the sufficient type of social housing which is very much more now sort of geared towards smaller family units or very large family units. What tends to have happened is that the much larger properties, which have always been in quite short supply, many of them have gone. We've never been very well blessed with single person properties.* (Powys CC)

Another measure of the supply side was the number of properties that local authorities were able to let per year. All of the nine rural authorities reported that the rate of lettings per annum was slowing down as housing stocks depleted, as these quotations illustrated:

> *The number of re-lets in the last 2 years has slowed down dramatically, which obviously has an impact when you're looking at things like re-housing homeless families - you put them into*

temporary accommodation. The permanent re-lets are just not coming up to move people on to - they're just are not there. So whatever policy we had and however many points we give people, if the properties don't come up for letting we can't re-house people. (Carmarthenshire CC)

It's 250 for the last year - it's tended to decrease slightly over the past 5 years. (Conwy CC)

In 2002/3 there were 557 individual allocations and in 2003/4 it was down to 454, and last year it was down to 371. (Gwynedd CC)

We had 307 empty properties last year. That's 12% of the waiting list. (Monmouth CC)

Our waiting list at the moment is 4,300; total turnover of new tenancies last financial year, our own and registered social landlords was 741, so we're only turning over 17% of the waiting list. And that has been dropping over the last 3 years; the turnover has dropped from 919 in 2002/3 to 767 in 2003/4 to 741 in 2004/5. (Pembrokeshire CC)

In 2001 we made 369 allocations…...So that's dropped to below 300 this year and we are expecting it to drop again year on year because there has just been a slowdown particularly in the turnover of family-sized accommodation. (Denbighshire CC)

With respect to building new housing units, none of the local authorities was building at the time of interview, although the Housing Need Assessments indicated targets for unit completions. Units were being built by Housing Associations, but here supply was invariably below target. Some examples were, 40 per annum in Monmouthshire (against a target of 114); 30 in Ceredigion; and *'less than 20'* in Powys. Representative data from five housing associations are shown at Table 4.4., below.

Table 4.4.1

Lettings per annum	Numbers on housing register	Proportional turnover of 'waiters' on housing register
20	800	2.5%
95	1218	7.8%
30	300	10%
150	652	23%
125	1179	10.6%

4.4.2 The Right to Buy

The Right to Buy, granted to households living in accommodation rented from local authorities by Margaret Thatcher's Conservative administration in the 1980s, is mentioned in the analysis above. It was generally argued that Right to Buy sales continued to deplete housing stocks, as illustrated by this selection of interview quotes:

When you go further south in the county in terms of some of the villages we have lost a lot of properties under the Right to Buy. So although the demand in those areas might not be massive, in comparison to the amount of stock that we actually have, people looking for properties in rural areas will almost certainly never be re-housed. (Denbighshire CC)

Basically we've been losing an awful lot more through the Right to Buy than we've had in terms of new social housing coming on stream through Housing Associations. OK, Right to Buy has now slowed down but even with the slowed down rate we are still having a net loss of social rented housing every year…. At one time Right to Buy sales were outnumbering new Housing Association homes by 10 to 1. (Carmarthenshire CC)

One of the big impacts in the area is obviously the decline in the council's housing stock, certainly since the Right to Buy was introduced our housing stock has probably… my guess is probably originally it was about 8000 and we are down to about 3500. But certainly over the last 10 years it has probably nearly halved. (Monmouthshire CC)

We lost 125 properties under the Right to Buy last year - 250 the year before. But last year we only built 38 under the Social Housing Grant Programme. So we built 38 and we lost 125. Obviously the situation is getting worse year on year and although the Assembly have announced additional monies, you know, it is going to be 5, 6, 7 years maybe before those numbers pan out and the number we're building start to go above those that we are losing. (Denbighshire CC)

Absolutely not - Well it's because of the right to buy, isn't it? And the fact that you know that houses, I think about 50% of the social housing across Great Britain was sold off and the money was invested into building more. And I think that's partly - that's another reason why

there's such a shortage of affordable housing now because there's no social housing for people to rent. So that is a major problem. (RHE 1)

Moreover, there were examples of transactions under the Right to Buy, which although legal were considered to be both damaging to the housing stock situation and potentially unethical.

The Right to Buy is obviously still a statutory duty - the effect of the Right to Buy on us is our stock has gone down from original 10,000 down to now below 6,000. And if you look at the people we have got on our waiting list, that is about the number of people that are equivalent to the number of houses that we have sold - so there is a clear impact there on us. We are even finding now that some of the properties that were formerly sold under Right to Buy are now being used for holiday let. Places like Newport, they are just lost to the social housing sector. And we are even having people who have formerly bought council housing, sold, gone into private rented and now coming back on the waiting list again. (Pembrokeshire CC)

Importantly for rural areas, it was argued that the Right to Buy affected rural housing need disproportionately. Rural villages tended to have only small numbers of houses to rent, consequently any properties sold in a village made a significant impact on the availability of housing in that village.

4.4.3 Affordable housing

Affordable housing stocks were reported to be low. In addition, local authorities pointed to a number of problems and issues surrounding the development of new sites for affordable housing. These problems included the cost of land; the reluctance of developers to build affordable housing; tight economic constraints; restrictive planning; and the low real value of the Social Housing Grant compared to land and building costs:

In the rural areas, when we come on to the affordable housing policy that we have got at the moment, when planning sites are coming through we have a very, very low threshold in terms of sites that will be considered for affordable housing, which is reflected in the issues we have got in those more rural areas.

The other issue that we have is in terms of cost of land for building. RSL's who traditionally will have just gone out and bought usually the worst quality sites, the yard around the back of the railway with a dual carriageway next to it. Even those sites are now becoming increasingly priced out of the market for the RSL's. (Denbighshire CC)

Developers can come along and want to do executive housing, which they argue doesn't lend itself to 30% affordable housing and all the rest of it. They've got their executive flats and apartments and all their 4, 5 bedroom houses that they want to build - and we're trying to say - well we need to provide some affordable housing. And they say well no. I mean the actual words some of them use - 'well no - we don't want scum on our development'.

The fact is that the funding for these types of developments is difficult anyway because of the high cost of land, the high build cost especially for disabled, because of the specifications and high revenue costs to manage them. So they're quite difficult to get off the ground. (Anglesey CC)

This is all stuff being provided from the Social Housing Grant Programme, which has really reduced in real terms over the years. I mean, as land values have increased, as the cost of building has increased, the Social Housing Grant has in real terms and in actual cash terms been reduced most significantly. (Powys CC)

Even though we're the sixth highest house prices in Wales, the county, most of the county is in the lowest band for Social Housing Grants, so there's this difficulty for the Housing Associations to compete in the market. (Carmarthenshire CC)

Housing Associations pointed to development problems caused by high rural land prices and local authority planning in rural areas:

It is difficult for social landlords to develop in rural areas due to high land costs, smaller parcels of land and rural planning restrictions. (Charter HA)

4.4.4 The Geography of Housing Need

Broadly, local authorities reported that the majority of housing need was in rural towns. It was, however, perceived that housing need in more remote rural areas tended to be exacerbated by specific factors:

> *Coastal areas are attractive and more popular than inland locations for retirement and second homes and the scale of housing need reflects these pressures. To a lesser extent 'lifestyle' decisions have also put pressure on inland locations.* (Ceredigion CC)

> *Different pressures on different areas, the rural and coastal areas that we save for nature have problems with house prices and affordability, and also in those areas we have the problems that any development land for Housing Association development is very expensive.* (Carmarthenshire CC)

Interview evidence pointed also to the issue of derelict or unused farm buildings in rural areas:

> *If you get a farmhouse or an agricultural holding being sold on very often the actual property doesn't get used, so that's why we've got hotspots of empty properties in rural areas. The land gets farmed, gets incorporated into another holding or perhaps is managed by a farm manager or a surrounding farmer, but the house in the middle of it then stays empty. So there are some real hotspots of sort of between 5 and 10% empty homes in the rural areas.* (Carmarthenshire CC)

> *There are issues regarding derelict housing in rural areas. That's a contention with communities as well - when they see that - you know - that perfectly good houses could be rebuilt if the Planning Authorities were willing to allow that.* (RHE 2)

4.4.5 Housing need and the neglect of specific groups

It was argued that it was becoming increasingly difficult to address the housing need of some groups of people. Many of these groups of people are discussed in the analysis

above. Other groups perceived to receiving inadequate attention included young single people, older people, prison leavers, black and ethnic minorities, travellers and larger families. It was argued that too much emphasis was placed on people wanting to rent:

> *Low income would be home-owners. Most of the initiatives available address the needs of people who enter the rented sector. It misses out those who are in a position to buy their own home - but current prices put it beyond their means.* (Brecon Beacons NPA)

Other arguments focused on people unable to find housing and to remain in their local area:

> *There are an awful lot of local people in rural Denbighshire and Conwy who are not able to afford to rent or buy. It's local people who want to stay in their area but can't afford to rent or buy in their area because the properties just aren't available.* (RHE 1)

An important claim was made on behalf of key workers:

> *Rural areas are forgotten. Key worker schemes tend to focus on towns and cities – not on rural areas.* (Wales & West HA).

More generally, there were arguments that the especial focus on groups perceived as vulnerable was failing those people who did not fall into particular categories:

> *Our focus at the moment is being directed to the most vulnerable and all of those who don't fall into those most vulnerable categories have virtually got no chance of assistance.* (Pembrokeshire CC)

4.4.6 Wider perceptions of housing need

We complete this analysis of the perceptions of housing need in rural Wales by examining how respondents concerned directly with addressing housing need perceived relationships with those people and institutions having a professional interest in the

subject but without direct responsibilities: local authority departments other than housing; local councillors; local news media; and local political pressure groups.

Other departments

Broadly, the local authority and National Parks respondents perceived that housing need was becoming an increasingly prominent issue. The evidence for this was a range of inter-departmental, inter-authority and inter-institutional partnerships and fora aimed at improving responses to housing needs issues. For example:

> *We've also set up an Affordable Housing Panel, which has some Councillors on it, Planning Officers and Housing Officers. And then we invite Officers from other Departments as well into the meetings, somebody from Property, somebody from Highways, that sort of thing but the closer working relationship is between Planning and Housing.* (Anglesey CC)

> *I think it's changed over the last couple of years. We were perceived as being a problem and housing was perceived as being a problem rather than necessarily something that was going anywhere. For example, we had a huge surge in homelessness, which rightly or wrongly was perceived as a failure of our - of housing to manage that issue. But I think the other Council Departments are recognising that what we're now seeing is a true reflection of housing need and the fact that we have done some of our homework. We could always get better on our statistical gathering and refine the way that we look at housing need and where we get our information from and hopefully that's what everyone should do anyway, isn't it to try and improve all the time. Nevertheless we are in a much better position than we were before.* (Carmarthenshire CC)

> *I think it's being taken increasingly seriously. I think that we have been quite successful at raising the profile of the need for affordable housing to meet housing needs. I think that certainly a couple of years back it was seen as a flavour of the month. It was seen as something, which was – OK - important for housing maybe. But I think as it's becoming clear now that there's a knock on effect of in terms of lack of affordable housing, in terms of our inability to meet housing needs, with various other aspects of the Council's activities including economic development.* (Powys)

Although these arrangements and perceptions were typical of local authorities, there were some dissenting views. For example, there were arguments that housing need was being overstated:

> *Politically it is seen as a high priority - though I think the perception of the problem is greater than the actual in this area.* (Brecon Beacons NPA)

Importantly, and pointing to a fundamental issue, there were arguments that affordable housing (other than social housing) was a 'mystery' and a challenge to existing ways of working for many departments in local authorities.

Local councillors

Perceptions of local councillors were divided. On the one hand it was argued that councillors were driven, rightly, by the wishes, opinions and concerns of those that they represented. Consequently, local councillors were, in general, in favour of improving the housing need situation, and recognised many of the salient issues:

> *Local councillors want the Right to Buy dispensed with. They feel that this is the root of the problem. They are concerned about housing let by Housing Associations and Councils not going to local people.* (Pembrokeshire Coast NPA)

On the other hand, the concerns of local communities tended often to manifest themselves in a 'Not in my back yard' or NIMBY syndrome; with opposition to social housing and housing the homeless. For example, a representative of Ceredigion pointed to paranoia and a reluctance to entertain any form of social housing arising from councillors' perceptions of waiting list applicants. Observations from other local authorities supported these perceptions:

> *Certainly social rented housing is seen as a big threat to people. Whenever we try and push schemes forward we do always come up against local opposition.* (Conwy CC)

Community Councils are very, very keen on new affordable housing developments for purchase in their areas but the minute you start talking about more social housing in their areas there is a more negative response. (Pembrokeshire CC)

The following quotation encapsulates how local authorities perceived that councillors tended to attempt to address housing need on particular terms:

I think their perception of housing need is typically rather skewed. I mean we're obviously trying by giving them the actual facts. We are hoping that they will gradually get better at knowing what the true position is. But inevitably councillors' perceptions are based on the people that they meet on a day to day basis, people that come to their surgeries. What tends to happen is that you could probably ask any councillor in the whole of the county and they would say that the main need is for elderly people to have more bungalows. Well we could probably do with a few more in certain areas but there are certain areas of the county where we're not particularly short of older people's bungalows. Councillors' perceptions don't sort of recognise that at all. Whereas if we said all right well what we actually need is more 1 and 2 bed flats we would probably have an uproar. The perception is that that means we will be housing loads of junkies and so forth. (Carmarthenshire CC)

Working with community councils and local councillors is, of course, an integral part of the RHE role. RHEs were critical of community councils and argued that many of them could do more for their communities:

I think there could be a much proactive approach on behalf of Community Councils. They could be champions of their communities if they put their minds to it. Some Councillors are very sceptical – some Community Councillors, they turn up to meetings and practically that's all they do and they're not responsible to their communities in a lot of respects. Well that's my own view really. (RHE 2)

Politically the word local is a big thing for councillors, you know because they are locally elected in a Ward. And if they can do something locally for their Ward then they're going to get more votes. It's a fine balance for them to deliver or be seen to be supporting to deliver social housing stock or intermediary stock for local people. Intermediary stock for local people is probably a

better vote than social housing stock. They shouldn't see it like that but I think a lot of them do.
(RHE 3)

RHEs pointed to, what they perceived as the political presentation by local councillors of affordable housing as local needs housing. It was argued by RHEs that theoretically there was no such thing as local needs housing. Planning could restrict the occupancy of properties to make it more affordable but nationally, in policy terms, there was no such thing as housing by virtue of being local. RHEs argued that the political mis-representation of affordable housing resulted in local people, who could not afford to build or buy homes, claiming access to affordable housing when they could afford to rent.

Local news media

Generally, it was held that local newspapers were sympathetic to the problems encountered in addressing housing need, although newspapers tended to be positive in response to affordable housing and negative to social housing. There were, however, charges of sensationalism, although this, it was argued, could be turned to some advantage, to show the parlous state of housing provision:

> *Yes, poor old Mrs so and so has been waiting for 2 years and the Council this and the Council that…I've got pretty much a standard response. For example there are 96 properties let in Newtown last year and 386 people on the waiting list. I was able to show that for every one 3 bedroom house, for example, that we let, there are 20 applicants who were unsuccessful.* (Powys CC)

Local Pressure and special interest groups

Discussion of pressure and special groups in rural Wales tended to be bound up with Welsh language and culture. The Welsh language groups were interested in housing need in the context of providing homes for local Welsh people, in order to preserve and strengthen the Welsh language and culture. They were described as:

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..having an accurate grasp of the issues but none of the mechanisms – which tends to lead to exaggeration. (Ceredigion CC)

Local authorities were sensitive to the Welsh language and culture issue but emphasised that to address it directly would require legislative changes.

Well, the Welsh language groups of course support the view that over development is a danger to the linguistic balance of communities. We have still got an element of inward migration because of comparatively low prices, and quite a nice area to live or retire to, so you get competition for resources again. And because the local communities with the most high percentage of Welsh speakers are probably the poorest communities as well - the issue you have got of supply and demand is an economic one - but it is seen as being a linguistic one as well. (Gwynedd CC)

Particularly in the rural areas there does tend to be a high level of concern about high house prices pushing local people out and enabling people from outside the area to come in and that's seen as a threat to local culture. (Conwy CC)

Although many local authorities gave priority to local people in housing need, it was held that the priorities had no basis in language or culture:

We do prioritise local but that doesn't necessarily mean that they are Welsh speakers. (Anglesey CC)

Other pressure and special interest groups included Shelter Cymru, whose concern was homelessness, Womens Aid and the Land for People Organisation. The Land for People Organisation was based in Welshpool, Powys and their aim was to develop Community Land Trusts, through the sale of cheap public land.

Generally, all the organisations and institutions concerned with housing need in rural Wales reported good relationships, including consultation and regular meetings, with the Welsh language and other special interest groups.

5. EXPERIENCING HOUSING NEED

Further insights into the nature of housing need in rural Wales were garnered from a series of telephone interviews with householders identified as being in housing need. These householders were identified from a telephone survey conducted in 2004 for the Wales Rural Observatory by NOP. This was a survey of 4023 people, which had the aim of exploring experiences of living in rural Wales. Survey data were first analysed using the Statistical Package for the Social Sciences [SPSS] computer programme. It was decided to carry out 30 interviews with people in housing need, and the 30 interviewees were identified by constructing a proportionate stratified sample using the following method.

1. One sequence of survey questions was, in summary:
   a. Do you, or somebody in your household, want to live somewhere else?
   b. What is preventing you or them moving?

2. From a range of possible responses to 1b., 3 were identified as signifying that the respondent was in housing need:
   a. Problem obtaining an affordable property to buy in the local area.
   b. Problem obtaining an affordable property to rent from a private landlord in the local area.
   c. Problem obtaining a suitable property to rent from the council or housing association in the local area.

3. Cross-tabulating for frequency produced the names and telephone numbers of 171 householders who wanted to move house but were unable to move because of one or more of these reasons: i.e. they were in housing need.

4. A profile of these people in housing need was constructed by cross-tabulating the 171 people defined as in need against a range of 9 criteria. This produced the numbers and percentages of potential interviewees in each criterion. The quotas required in each criterion to fulfil 30 interviews were calculated proportionately, as shown in the series of tables below.
   NB. There are 'rounding' adjustments in the calculations.

Table 5.1 Region – local authority

Local Authority	Count	Percentage [Count/171]	Prop. quota [% of 30]
Anglesey	14	8.2	3
Carmarthenshire	21	12.3	4
Ceredigion	9	5.3	2
Conwy	19	11.1	3
Denbighshire	24	14.0	4
Flintshire	7	4.1	1
Gwynedd	22	12.9	4
Monmouthshire	17	9.9	3
Pembrokeshire	18	10.5	3
Powys	12	7.0	2
Vale of Glamorgan	8	4.7	1

Table 5.2 Economic activity

	Count	%[Count/171]	Proportionate quota [% of 30]
In work	108	63.2	19
Not in work	63	36.8	11

Table 5.3 Household Income

Household Income [Thousands pa]	Count	Percentage [Count/171]	Proportionate quota [% of 30]
Less than 10	43	31.2	9
10 – 21	47	34.1	10
21 – 31	31	22.5	7
More than 31	17	12.3	4

Table 5.4 Welsh Language Ability

	Count	% [Count/171]	Proportionate quota [% of 30]
Fluent Welsh	49	28.7	9
Some Welsh	72	42.1	12
No Welsh	50	29.2	9

Table 5.5 Social class

	Count	% [Count/171]	Proportionate quota [% of 30]
AB	13	7.6	2
C1	56	32.7	10
C2	58	33.9	10
DE	44	25.7	8

Table 5.6 Household Tenure

	Count	% [Count/171]	Proportionate quota [% of 30]
Owner	117	68.4	20
Non-owner	54	31.6	10

Table 5.7 Age

Years	Count	Percentage [Count/171]	Proportionate quota [% of 30]
Under 34	40	23.4	7
35-64	114	66.7	20
Over 65	17	9.9	3

Table 5.8 Length of residence

Years	Count	Percentage [Count/171]	Proportionate quota [% of 30]
Under 5	74	43.3	13
5-19	68	39.8	12
Over 20	29	17.0	5

Table 5.9 Area self-definition of where people lived

	Count	Percentage [Count/171]	Proportionate quota [% of 30]
Town	83	48.5	15
Village	73	42.7	12
Hamlet or open countryside	15	8.8	3

5.   The list of 30 interviewees in housing need was then compiled by matching the potential interviewees with the profile criteria and attempting to fulfil the quota. In the event the quota for local authority, income, economic activity and tenure were maintained, and minor adjustments were made to the quota for Welsh language, social class, area self-definition, age and length of residence.

6.   A team of post-graduate researchers contacted the potential interviewees in housing need to arrange and conduct short telephone interviews. Those interviewees with fluent Welsh were offered the opportunity to do the interviews in the Welsh language. In those cases where contact could not be made or where the person did not want to do the interview, substitutions were made from a list of reserves. The interview schedules are shown in the Appendices.

The analysis of the 30 interviews with householders was structured around the interview questions, and the themes that emerged from the data.

5.1 HOUSEHOLDERS EXPERIENCING NEED: ANALYSIS OF THE INTERVIEW DATA

Contrarily, we begin this qualitative analysis with additional numerical data. Of the 30 respondents contacted on this research project who had stated on the original survey that they, or somebody in their household, were trying to move, 11 had succeeded or had resolved the problem without moving. This information was available for one of three reasons. Firstly, the mover was an 'additional' person in the household, such as a son or daughter. Secondly, the householder had retained their telephone number on moving. Thirdly, the householder had resolved the problem without moving. The Table below shows the range of resolutions. This data provides insights into the perceived range of, and reasons for, housing need.

Table 5.1.1 How respondents resolved housing need

Number respondents	How housing need issue was resolved
2	Purchased council house in which they lived
1	Son moved out to Council Bed and Breakfast
1	Young single mother moved out from grandparent's house to Council flat – then left for England
1	Daughter gained access to a mortgage, shared with another party
1	Stayed - problems with 'anti-social' neighbours resolved (they left).
2	Stayed – redecorated/ refurbished existing property
1	Son moved back to Wales
1	Son moved to England
1	Son bought house in disrepair at a discount and was renovating it

Table 5.1.2, below, shows the housing need issues affecting 19 of the respondents.

Table 5.1.2 Housing need issues continuing to affect respondents

Number respondents	Housing need issue
2	Accommodation too small for young family
1	Adult family members sharing
2	Unable to sell house
1	Want to build but plot subject to planning constraint requiring affordable housing
1	'Anti-social' behaviour of neighbours
1	Constrained by conditions of housing improvement grant – 5 years before they are able to move
1	Renting from council – on waiting list for a move
1	Medical problems prevent move
9	Financial issues

5.2 PERCEPTIONS OF THE CAUSES OF HOUSING NEED

Respondents were asked for their views on the main issues contributing to housing need in their local area. To a great extent the perceptions of the householders experiencing need reflected those of the local authorities and other institutions and agencies in the earlier analyses. The principal cause of housing need was held to be the combination of increasing property prices and the low incomes characteristic of rural economies. For example, the first householder quoted below pointed to the increase in the market value of his house compared to a static income level, and increases in council tax:

> *I paid £60,000 when I bought this house. It's now worth £200,000 but my salary has remained the same, whereas my council tax has increased significantly.* (Conwy)

> *The starter homes I previously mentioned, (the small terrace about a mile away built 10 years ago) are "cracking little homes". They were £40,000 - now they're all worth £100,000 plus, and the wages have not gone up to match that. Even if a small development like that was done (and it was done very tastefully: "fair play") and even if they came in at under £100,000 they would soon be out of the range of local people and would probably go as second homes for people, as first time buyers would be pushed out.* (Talgarth, Monmouthshire)

Increasing house prices were attributed to the influence of wealthy incomers, second home owners and tourism. Moreover, it was argued that developers were catering to the requirements of affluent people rather than those in housing need:

> *The new houses are by developers, not housing associations. They are not building smaller properties. They are OK for those who can afford them. But lots of people can't.* (Carmel, Carmarthenshire)

> *They are knocking down old derelict hotels and building state-of-the-art flats. Well, they will be too expensive – they wont be affordable housing.* (Anglesey)

Several respondents observed that the wealthy incomers and second home owners tended to be English. In addition, problems with the local economy in the Conwy area were attributed to in-migrants from England and further afield:

The problem is in England. You have a problem with a family in England so they move over the border, say from Chester to Wrexham, cos Wrexham is in Wales. And the Welsh economy just can't take the full impact of all these people coming in. You know there's a lot of Polish people up here, coming into Wales. And we have to take them cos we can't be racist. But the problem is we're taking in all these extra people and we just can't look after our own. The jobs just don't exist. (Conwy)

Similarly, respondents in Pembrokeshire argued that rents were being inflated beyond the reach of local people by in-migrant workers. More broadly, it was argued that increasing rents and a general shortage of rented property were a major cause of housing need.

Housing supply problems were widely attributed to the Right to Buy, even by this respondent who had exercised the right and bought her council house:

The right to buy has caused problems – mind you I am now guilty of that – but it has brought the housing stock down. (Carmel, Carmarthenshire)

The depletion of council housing stocks had resulted in an increased reliance on Housing Association stocks, which were held to be inadequate. Householders were critical of the role of Housing Associations. There were two areas of concern. Firstly, it was argued that Housing Associations allocated properties in a way that disadvantaged young people:

A lot of the problem today stems from the fact that the council houses were given over to the Housing Association, who have different ways of allocating properties which make it difficult for young people.

(Thornwell, Monmouth)

This particular respondent had waited 6 months for a Housing Association property, while his grandson was on waiting lists; unable to obtain either a council property or a Housing Association property in the area.

Secondly, it was argued that Housing Association developments tended to become areas with social problems:

> *The main problem is the cost of housing, but also there are far too many Housing Associations in the area buying up properties, creating almost 'ghettos'. The kinds of people they are putting to live there is affecting the community in many ways. Mainly people on benefits, not wanting to tar everyone with the same brush, but it is usually the case that grouping certain individuals together causes problems – vandalism, problems in the evening from teenagers hanging around, not exactly riots going on but certainly bad behaviour.* (Denbighshire)

This respondent lived close to a Housing Association development and provided examples of illegal motorbike riding, rubbish in the streets, untidy gardens and problematic neighbours, which, taken together, reduced local property values. The respondent called for legislation to control the mix of tenants on Housing Association developments.

It was held that, in general, housing need issues affected young people, particularly first time buyers and single people without children, and those on the low incomes that prevailed in rural Wales.

5.3 HOUSEHOLDERS SUGGESTIONS FOR SOLVING HOUSING NEED ISSUES

Suggested solutions to housing need issues focused principally on the housing supply, with widespread agreement that more affordable housing was required in rural areas. It was argued that there needed to be a diversion of capital resources into public sector housing either through the Local Authority or registered private landlords. Again the role of Housing Associations was questioned. It was widely argued that Housing Associations should build more houses:

> *If housing associations built more it would help. The lack of Housing Association places has caused problems for affordable housing.* (Ceredigion)

Housing associations could build more houses as they can raise money on the open market. The Council can't. The Council also can't build any more houses. The Conservatives stopped that. (Llanfoist, Monmouthshire)

A respondent in the Vale of Glamorgan called for an extension of shared buying schemes. She understood that Housing Associations offered schemes whereby the Housing Association owned 70% of a property and the householder buys 30% and pays rent on the Housing Association owned part, and argued that more flexible arrangements should be initiated with 50% shared ownership.

In the context of the earlier comments concerning 'ghettos' and 'anti-social' behaviour on Housing Association developments, the Vale of Glamorgan respondent noted the design of Housing Association properties on mixed developments tended to be 'basic' compared with privately owned houses, although they cost the same to build. The respondent argued that more attractive design would engender more pride and care of the built environment.

It was argued that planning tended to be obstructive and added to building costs:

Conservation areas add a lot of costs to renovating and extending houses - we need to liberalise these. (Abererch, Pwllheli)

The broader role of planning was also criticised, with calls for more development of affordable housing on brownfield and derelict sites:

Also they should build on brownfield sites within town, and use better siting of out of town building. (Ceredigion)

There is a lot of green belt land, which we must keep, but there is also lots of derelict land, not just in this area but all through the whole country. We should be using the brown field land. On this land we could build 1 and 2 bed properties to buy and rent for young people to help start them off. (Thornwell, Monmouthshire)

Finally, there were suggestions that ways should be found to:

Prioritise indigenous people's housing needs.

Local authorities should be given the freedom to determine the allocation of houses, to best serve the needs of local areas.

One respondent argued that agricultural ties should be retained on rural properties:

Agricultural ties should be kept. These mean that if a house is sold it's not for a huge profit and must be affordable to those who work in the countryside -only those people can buy them. This is more for smaller properties. The County Council recently voted to keep the agricultural ties. They are mainly there to stop commuters from buying the properties, and help countryside people to be able to buy them.
(Bryngwyn, Monmouthshire)

And a respondent pointed to an existing scheme that favoured local people seeking housing:

There is a scheme in operation where a local resident – more than 6 years lived or worked in the area - can have a property at lower price. An outsider has to pay more. (Llanbrynmair, Powys)

The interviews with householders who were experiencing housing need complements the analyses of data from institutions and agencies. It not only reinforces some observations and suggestions, but brings different insights to the issue of housing need in rural Wales.

5.4   PERCEPTIONS OF HOUSING NEED COMPARED WITH ACTUAL NEED

Finally in this chapter, we compare how people living in rural Wales perceived the scale of housing need with the evidence of need from the survey data. The 'living in Wales' survey of 4023 households contained a question:

'How many people in the local area do you think face problems concerning buying or renting affordable property?'

Respondents were asked to approximate in the categories: Most, Some, None, Do not know. Table 5.4.1 shows the responses to this question.

Table 5.4.1 Perceptions of the scale of housing need in rural Wales

Approximation of people in local area facing problems buying or renting affordable property	Count of survey respondents giving answer	Percentage of total respondents (4023)
Most	1703	42.3
Some	1488	37.0
None	449	11.2
Do not know	384	9.5

A profile of the householders who considered that most or some local people were in housing need, drawn from the survey data, shows that gender was not a significant factor, and neither was length of residence. Language did, however, appear to be factor. 48% of fluent Welsh speakers surveyed considered that most local people were in need; 42% of those with some Welsh language ability; and 38% of those with no Welsh language. Of people living in hamlets and open countryside and villages, 48% and 43% respectively perceived that most local people were in housing need compared to people in rural towns at 39%. Nearly half (48%) of those people with incomes of over £31,000 pa perceived that most local people were in housing need. The proportion with high perceptions of local need decreased with lower income. Conversely, 48% of people under 35 years had higher perceptions of need, while social class differentiation was not significant. Owners of property (48%) were less likely to perceive high local need than non-owners (41%). Those in work (46%) tended to perceive high local need, with those not in work at 37%. Ethnicity was not a significant factor. People who had spent most of their life in Wales (44%) were more likely to perceive high local housing need than those who had lived mostly outside of Wales (39%). Finally, residents of Gwynedd (54%) and Ceredigion (52%) were most likely to perceive high local housing need, and Denbighshire (35%) the least likely.

These results indicated that perceptions of the scale of housing need in rural Wales were high, with 79.3% considering that most or some local people were in housing need. By comparison the number of householders on the survey actually responding positively to questions concerning housing need was 171, which is 4.3%.

6. RESPONDING TO HOUSING NEED: OVERCOMING OBSTACLES AND WAYS FORWARD

The analyses of the previous two chapters have examined the perceptions of the representatives of the institutions and agencies charged with the responsibility of addressing housing need in rural Wales, and provided insights from households experiencing housing need. Drawing further on the interview data, this chapter considers how institutions and agencies have responded to housing need issues. First the chapter examines specific obstacles to addressing housing need, some of which have been discussed in the earlier analyses, and discusses responses and suggested responses to these obstacles. The chapter concludes by discussing more general responses to housing need in rural Wales.

6.1 SPECIFIC OBSTACLES AND RESPONSES

6.1.1 Land prices

A fundamental obstacle pointed to by all parties was the increasing price of land. Ultimately, land is a limited resource and, complicated by other factors, land prices have an upward trend. For example the tendency for some agricultural buildings, farms and plots of land to remain unused in rural areas, discussed earlier in this report, would apply upward pressure to rural land prices. Some local authorities seeking to ameliorate the effects of high land prices on development costs for affordable and social housing were exploring ways of releasing land at 'less than best price':

> *And one of the things that we're looking at, at the moment, is releasing land at less than best price. Not just for Housing Associations but also the possibility of doing that with other organisations or even other individuals. There's no reason why – theoretically - you couldn't sell off land for housing purposes to individuals or even to private developers. Because certainly what our private developers would say - I'm sure - is well look the reason why these properties tend to be unaffordable to some of your local people - because your local landowners are asking far too much for the land. So if you could undercut, or underwrite the cost of the land, then the properties should be more affordable. Mr Prescott's £60,000 houses might become a realisable sort of thing.* (Powys CC)

> *We may be able to sell it at below best price, if it can be demonstrated that it's the best value to the taxpayer to do so.* (Carmarthenshire CC)

Pembrokeshire provided examples of schemes where 'less than best value' had been applied:

> *We do occasionally look at disposal of Local Authority land and property for less than best price. But that is only used occasionally and it is only for where it is meeting a very specific need or demand that meets other corporate needs. An example of that has been further development of an extra care scheme and another one where there has been a scheme for providing mental health care accommodation with support to prevent homelessness in this particular client group. So is it where they are meeting those other service needs, we can make the argument corporately for selling at less than best price.* (Pembrokeshire CC)

But admitted that these were the exception rather than the rule:

> *Generally where we have land available the corporate drive is to get the best price we can for it.* (Pembrokeshire CC)

Releasing land at 'less than best value', although attractive theoretically, ran counter to several local authority's policies, creating inter-departmental tensions:

> *And we have got a couple of policies that do contradict each other. Housing's priority may not be the Finance Department's priority or it may not be the Property Department's priority - because with Council land they want to sell it off at the best price they can get to get more assets into the Council. Whereas we want them to sell it to somebody cheaper to bring the costs down of developing.* (Anglesey CC)

> *One of the pressures that we do get is - particularly working with say colleagues from property services - where you get conflict often. One of the things we have done is to undertake an audit of the Council's land holdings to see whether any of that could be used to develop either rented, or affordable to buy, housing. And of course, we get pressure to get the best receipt for the Local Authority within that process.*

(Conwy CC)

The representative of Denbighshire pointed to an ongoing debate concerning 'less than best value' between the housing department and the estates department, who had annual targets for capital receipts. In addition, it was observed that some councillors were in favour of 'less than best value' sales or even gifting land, while some sought best value for land. Denbighshire Estates Department had instigated an interim solution:

> *… what our Estates Department have agreed to do with a couple of sites - is rather than going out to tender and having to get best price, they have actually agreed that they will sell it direct to an RSL, if it is for rented accommodation. The valuations will be slightly less than it would be open market value. We are talking about selling it at 80% of what we would have got if you had auctioned it.* (Denbighshire CC)

It was, however, argued that this debate should be pursued further, as it was suggested that other authorities were either gifting land or selling at 20-30% of market value.

6.1.2 Development and Building costs

Development and building costs had an in-built upward trend connected to price and wage inflation, but the representative of Gwynedd observed an aggravating factor. He argued that in rural areas there were fewer builders and contractors. Consequently, competition was less intense, which resulted in higher tender values:

> *I think the obstacles are probably the competition for land and land prices. The issue of lack of contractors – you have got a major issue in these areas - we have got a lack of building companies. Which means tender values are very high and they conflict with the Assembly guidance on costs. And schemes are delayed, or don't get off the ground because of the cost levels set by the Assembly so that land is lost to private developers.* (Gwynedd CC)

Powys were actively pursuing, in some cases, and investigating in others, a range of schemes designed to smooth-out the costs of development and building for affordable and social housing. For example, Powys had a private-sector leasing scheme, used in specific cases of need:

You might have, for example, an identified need amongst homeless families in a particular area. It may very well be that what you require quite urgently is a 3 bedroom house. Otherwise you're going to have a family in B & B accommodation, which is not only costly to the Authority but it's generally unsatisfactory accommodation over a period of time for the family. So what we've done in a few instances, and it's something that we're looking to develop, is a leasing scheme. We lease from the private sector; the landlord gets his rent; the responsibility for managing the tenants and for finding the tenant in first place transfers to us; and, theoretically at least, we're acquiring a property to put a roof over somebody's head for a set period of years. (Powys CC)

Powys were attempting to expand the reach of their private-sector leasing scheme, and trying to more involve the Housing Associations.

Another Powys scheme, one still under development, was the 'home finders' scheme. Under this scheme, receipts from housing loans paid back over the years would be invested in a 'Local Authority Social Housing Grant'. If a particular type of property were required, Powys housing department would find a suitable property, at a viable price, on the open market. It was suggested that these properties might well be former council properties, offered for sale by people who had exercised the Right to Buy!

Then, what we're looking at doing is providing a 58% Grant to a Housing Association. The Housing Association borrows the remainder and they purchase the property. That property then comes into social housing stock, we meet the needs of that family. And we've enabled them to do that. It works on the same principle as the National Social Housing Grant. (Powys CC)

In a similar vein, Pembrokeshire Coast NPA argued that WAG should consider greater funding opportunities to buy back into the second home housing stock in the National Parks.

6.1.3 The Social Housing Grant

The earlier analyses highlighted how local authorities perceived the inadequacies of the Social Housing Grant and its low real value compared to land and building costs.

Housing Associations also perceived the value and provision of the Social Housing Grant as an obstacle to addressing housing needs in rural areas:

The level of the Social Housing Grant is not enough to meet the needs of urban areas let alone to start to meet the needs of rural areas. The Assembly should allocate sufficient resources through the Social Housing Grant for rural areas. That would ensure that local authorities prioritise rural areas. (Clwyd HA)

6.1.4 The right to buy

As highlighted in the earlier analyses the Right to Buy was generally awarded opprobrium, even by those who had taken advantage of it! It was perceived as an obstacle to addressing housing needs, in that it had reduced the social housing stock, and there were widespread and forthright calls for its abolition. For example:

Dispense with the Right to Buy. (Pembrokeshire Coast NPA)

Prohibit the Right to Buy. (Clwyd HA)

6.1.5 Identifying housing need

Fundamentally, the problems of identifying housing need were perceived as an obstacle to addressing housing need in rural areas. The fact that housing need tends to be registered only where there is available housing has been pointed to earlier. Some interviewees argued that there was a flaw in the registration process. In summary, it was argued that local authorities and Housing Associations recorded need based on where they have stock. That is, applicants were presented with a list of where housing units were available and asked where they would like to live from the list of houses. Consequently, it was argued, applicants tended to state preferences on the basis of where was their best chance of getting a house. A better alternative would be to ask people where they wanted or needed to live. That would then identify real housing need – where housing needed to be made available:

If you say to people, I've only got houses in villages A B and C. They say, well OK, I'll put myself down for B. But actually I'd like - ideally what would be better for me and my family and work - would be D. If they had gathered that - and OK the Housing Association doesn't have any stock in D - but by golly if they did that and 75 other people put D - we wouldn't have to do all these surveys. And they'd have identified the need and where it needs to be.

For example, and here's where hidden need is, you go to village A that's had 8 of its 10 houses sold, so you've got 2 housing units. I'm trying to demonstrate to the community whether they need to do a survey or not and there's nobody on the waiting list for those 2 because there's been no turnover in them for the last 3 years. Because people don't put their names down because there's no point. There's no point going on the list for those 2 lovely houses in village A because we know that they're not going to turnover, and because there are so few of them. So we'll go on the list for town B because at least there's some turnover there and so I've got a chance of getting housed. Look - it's a housing register process and I understand the way it has to function but it's just missing one vital element, which is to try and capture data that would advise where people needed to live rather than where they have to. (RHE 3)

6.1.6 The Planning System

It was argued that the planning system, broadly conceived, was an obstacle to addressing housing need in rural areas. Particularly problematic aspects of planning pointed to were that, in its control of land, it tended to reflect UK and WAG policies rather than local preferences. Conversely, it was perceived that local responses to applications for social housing were inappropriate and unimaginative:

The other major obstacle which may be controversial is the whole issue of how the Planning system controls land use and also how local Planning Authorities respond to applications for social housing – but it's a difficult subject for us being that we are a democratic institution and we have to accept what the democratic process tells us really. I think Planning Policies in terms of flats and (HMO's) and things like that don't help either in terms of parking and that sort of thing which can be a problem. (Gwynedd CC)

Not being able to allocate and restrict land to affordable housing only.
(Brecon Beacons NPA)

It was suggested by some that there should be more flexibility in the planning system, particularly with respect to the National Parks and green belt areas:

Greater flexibility on the use of local needs housing policies should be allowed. (Pembrokeshire Coast NPA)

I think it's a case of working on sorting the planning system out. That's what I get when I go to Community Council meetings, every time that housing is mentioned. People aren't allowed to build there. (RHE 2)

Local authorities and their approaches to Section 106 policy, within which a housing development is permitted subject to the building of a negotiated percentage of affordable housing, were criticised:

Actually policy is just guidance and OK - it's open to interpretation but you've got take the bull by the horns and use it for it to be effective. A big part of what an RHE does is just that - to try and drive the bodies involved to do to do that. I'll give you an example the quota or the Section 106 it's more often known is where a planner says yes, you can have 30 houses on that scheme but we want 10 of them to affordable or whatever. All that policy says - they've been arguing for years about what it should say and what it shouldn't say - but the first thing it said is the Planning Authority may wish to seek to negotiate. That's all it says, so if you don't wish to seek to negotiate…No, either you don't have to or you may as well forget the rest of the policy. A lot of them have been arguing about what the policy says but haven't been having the bloody negotiation. (RHE 3)

It was, however, recognised that 'ruralness' was a problem for planning. In rural areas, land, with its relationship to landscape and beauty, tended to be an emotive subject. Consequently, affordable and social housing developments often met with resistance.

In the longer term I hope Government will give local authorities more teeth to deal with this issue. Planning is quite a blunt tool in this situation and we could do with other mechanisms aimed at addressing the problem. (Brecon Beacons NPA)

The issues surrounding planning connected with an identified 'Not in my back yard' syndrome.

6.1.7 The 'Not in my back yard' syndrome [NIMBY]

The NIMBY syndrome was identified in the earlier analyses as a factor in addressing housing needs, and all agencies and institutions perceived NIMBY as an obstacle. In summary:

> *Theoretically Local Authorities' obligation is to serve the greatest need. Now the greatest need is the social sector, but the community doesn't always see it like that.* (RHE 3)

> *There is a common perception that new social rented housing development will attract unsavoury characters with no links with, or sense of belonging to, the local community.* (Snowdonia NPA)

In an attempt to overcome the NIMBY obstacle, Snowdonia NPA was working with RSLs to develop localised lettings policies.

6.1.8 Welsh language and culture

To a certain extent the NIMBY syndrome connected with issues surrounding housing, and Welsh language and culture:

> *There is a 'perception' that more homes in rural Wales is bad news; it will dilute and destroy the Welsh language; bring into the countryside social problems and crime; and break-up communities. Yet without more homes, many rural communities will lose vital services and change anyway.* (Pembrokeshire Housing)

More specifically, it was argued that the points system for rented housing discriminated against local people in that it favoured people who had multiple problems. Local people perceived that they were being penalised and that people with social problems were being brought into communities, and having an adverse effect on those communities. It was further argued that Welsh language and culture were important to many rural communities:

Such communities are very sceptical of Housing Associations and Councils who provide homes for homeless and non – Welsh and out of county people. You know it's a big concern for communities. (RHE 2)

Some called for radical policy changes to address Welsh language and culture issues, and to allocate housing for local people on the basis of language and culture. They pointed to the English Lake District, where, it was observed, local housing authorities exercised positive discrimination in favour of local people:

An example of the case in point is the Lake District - the Lake District National Park has very strict guidelines in terms of having a policy for local people only. Up until now they've not been challenged on that by anybody. Whether they will be I don't know but they have a very strict policy and I would like a little bit more like that adopted by WAG.

It was suggested that WAG had not introduced positive discrimination for fear of contravening ethnic or language laws:

It's because of the language I'm absolutely certain of that, because it's OK for the Lake District to say to no people say from Manchester or Birmingham because they are the same nation - they all speak the same language. I think that is why the Welsh Assembly Government won't do it.

I think we need a bit more leadership from the Assembly. I think the Assembly should seriously consider policies that are positively discriminatory for local people. The Assembly won't do that because they're afraid of the law - they won't do it because they're afraid of being racist in inverted commas. I think there has got to be some positive discrimination for local people, and I don't think the measures that they're undertaking at the moment are really quite good enough.

6.2 GENERAL RESPONSES TO HOUSING NEED

The most recent WAG response to housing needs was the promulgation of the re-issued TAN 1 and TAN 2 consultation documents, and the draft Affordable Housing Toolkit. These documents are discussed in the opening chapter of this report but the interview data included a number of observations and arguments concerning them.

6.2.1 TAN 1, TAN 2, and the Affordable Housing Toolkit

Responses to these consultation documents varied. At the time of interview, some of the respondents had not studied the documents. Others argued that they were complying broadly with, or were ahead of, the recommendations. There were some critical comments, and indications of consultation responses:

> *If the new system operates as intended, it will offer a improvement in the SNPA's ability to help deliver affordable housing for its local communities. However the Authority has commented in response to the consultation that the proposed market led system is inappropriate for NP circumstance and could cause problems in relation to aspirational housing.* (Snowdonia NPA)

> *They sort of fudge the issue slightly and there's been a little bit of lack of direction. It's a bit woolly, some of the directions of the TAN. Yes, it will affect affordable housing in rural areas but I think they missed an opportunity to really give clear guidance and clear direction for the Planning Department. Cynically, it is only a consultation draft but I've seen so many different consultations in so many different areas and in reality it's not going to change much. I don't believe it is anyway but that's me being cynical maybe.* (RHE 1)

> *Policy really is a bit - I mean it's not all open to negotiation, some of it is a bit more prescriptive but you've got to interpret it in a certain way to use it. All the amendments to TAN 2, I welcome, I think the concept of allocating affordable housing sites is a good one. It's a bit like the Exception Site Policy but pre-allocating it.* (RHE 3)

> *The feedback that we've had from the House Builders Federation for example is that they feel that the TAN 2 guidance is more of a housing document than a planning document, which I'll take as a compliment. They feel it might be a bit sort of radical in that respect.* (Powys CC)

6.2.2 The Rural Housing Enablers

The appointment of the four RHEs was universally welcomed. To a great extent the RHE role was to be a bridge between the disparate elements and actors of housing need in rural Wales. It was argued that local authorities, individual departments in local authorities, housing associations, national parks, developers, WAG, WFHA, councils, and communities had their own agendas and foci; the RHE role was to direct the various foci on to particular housing needs issues, and to enable a resolution:

Our remit is to identify the need for affordable housing, definitions of which vary regionally but in very general terms means anything except open market housing. That could go right down to homelessness and right up to people who can only just not access open market, whether it's rental or ownership.

So a planner in the Housing Department would say we've not been able to do that because we haven't had the resources to do that, well OK, well the RHE is potentially a resource to do that.

If a Development Consortium is working in an area with 2 large urban conurbations, well those potentially are the places that are easier to develop particularly if you want to deliver economies of scale because land is possibly cheaper, you can develop larger schemes. You're talking about schemes of 50 plus houses rather than 5 or 6 - a lot easier to deliver. The whole concept of going to consortia in terms of economies of scale, potentially is a concern. But the way to get around that is to put the best case forward for rural areas. And to be honest with you, the only way that can happen, the only way you can have enough resource to do that is by having a Rural Housing Enabler.

6.2.3 Cross – boundary working and partnerships

The RHE role is primarily concerned with creating partnerships and there was a range of partnerships responding to housing need in rural Wales. This range included the Rural Housing Authorities Network [RHAN], the Rural Housing Associations Group [RHAG], and partnership groupings of local authorities in the north and south of the country, such as the North Wales Housing Partnership and the South East Wales Housing Forum. Through these partnerships it was hoped to develop critical policy appraisal, a coherent housing policy framework, and, more practically, cross-boundary housing need assessments, housing market assessments, and responses, as called for in the recent WAG documentation (WAG, 2005). But, at present, some information was not being disseminated:

> *The NPA is not a housing authority, and therefore depends on its constituent housing authorities to provide information on the levels of need across the area. Despite housing needs studies having been undertaken and published for both Gwynedd and Conwy, the findings have not been disaggregated for the National Park area. The NPA would benefit hugely from up-to-date information on housing markets and need which is relevant to the National Park development plan area.* (Snowdonia NPA)

Housing associations called for partnerships and co-operative working:

> *There is a need to prioritise more resources and co-operation with large agencies such as the WDA, CCW, the National Parks, Forestry Commission etc.* (Clwyd HA)

It was argued that addressing housing need through partnerships, particularly the locality-based approaches integral to the RHE role, resonated with the holistic, sustainable community development ethos of the Wales Spatial Plan.

7. SUMMARY AND CONCLUSIONS

The remit of this research project falls broadly into three sections. Firstly, the project set out to identify the scale, geography and nature of housing need in rural Wales. Secondly, it examined current policy responses to rural housing need issues. Thirdly, and drawing on the evidence obtained during research, the project sought to identify obstacles to addressing housing need in rural Wales; to suggest good practice; and to develop solutions to overcome the identified obstacles.

This chapter attempts to initiate possible sustainable solutions aiming at a coherent framework to address housing need; solutions that involve consensus, co-operation and partnership. In this concluding chapter, we first discuss what the evidence reveals about the scale, geography and nature of housing need in rural Wales. We then discuss suggested elements for good practice to address housing need in rural Wales. Finally, we begin to develop some solutions to the issues surrounding housing need in rural Wales.

7.1 The Scale, Geography and Nature of housing need in rural Wales

7.1.1 Scale

For people trying to buy a home, particularly first time entrants to the market, there are three key factors: house prices, household income, and the availability of houses of the type they require. The statistics for these factors, given in detail in Chapter 2 of this report, constitute the dimensions of housing need. For example, between 1997 and 2003 house prices in the nine rural authorities in rural Wales increased by an average of 82.9%, compared with an all-Wales increase of 73.2%. The majority of rural authorities had average house price increases above the average for Wales, with the largest percentage increases recorded in the authorities that border England: Monmouthshire (106.7%), Powys (99.5%) and Denbighshire (98.8%).

Household incomes, of course, also increased but affordability is best shown by considering the affordability ratio: the ratio of house prices and income. A higher affordability ratio indicates that households would have to commit a greater proportion of their income to securing a home: i.e a high affordability ratio means that it is more

difficult for householders to buy houses. For 2003 the average affordability ratio for rural Wales was 4.21, compared to an all Wales ratio of 3.72. Three rural authorities had affordability ratios below the Wales average. By 2005, however, rural affordability ratios had risen by an average of 28.8% to 5.92, while the ratios for all Wales had increased by 29.24% to 5.26. Moreover, only Carmarthenshire at 5.11 had a lower affordability ratio than the all- Wales figure. Within rural authorities in 2005, Monmouthshire (6.86), Powys (6.62) and Ceredigion (6.42) had the highest affordability ratios; retaining the positions that they held in 2003. These data indicate that while across Wales houses were in general becoming less affordable, the more affluent eastern parts of rural Wales retained high ratios, and those rural areas in the west that had previously been more affordable were now less affordable.

The third component of housing need is the availability of dwelling stocks, which affects all types of tenure. Data for dwellings available for rent from local authorities show a 42% decrease in total numbers between 1981 and 2004, which is comparable with the 45% decrease across all Wales. Total dwelling stocks rose in the same period, which was to be expected, but the research data from local authorities indicate that few of these were affordable dwellings provided in rural Wales. Moreover, the local authority housing assessments all point to actual and forecast shortfalls of affordable housing provision.

There was a contra-indication to increasing housing need, to which we will return later in this summary. Household survey evidence showed that perceptions of the scale of housing need tended to exceed the scale of actual housing need. The survey indicated that 42% of households surveyed considered that most people in their local area were in housing need, and that a further 37% thought that some people were in housing need. But analysis of the survey data indicated that 4% of those surveyed were themselves in need. Nevertheless, taken together the factors of increasing house prices and affordability ratios, and decreasing stocks of social rented and affordable housing indicate that housing need exists in rural Wales at a significant scale.

7.1.2   Geography

Spatially, it could be argued that Wales is at the western edge of a long-term upwards trend in house prices, which originated in south-east England and has moved inexorably

westwards and northwards. Evidence in Milbourne et al (2006) and the WRO report entitled 'Rural Labour Markets: exploring the mismatches' (2006) supports this thesis. Both reports observe an east-west gradient in Wales, with areas in the east such as Monmouthshire, Powys and Denbighshire exhibiting higher house prices than western areas of Wales. [4] The maps at Fig 2.6 and Fig 2.7 indicate this spatial distribution of affordability, with western areas having lower affordability ratios. As indicated earlier, however, the statistical data in this report reveal that, as an indicator of increasing housing need, affordability ratios in all areas of rural Wales were rising.

The research data from interviews with local authorities, RHEs and householders show that the general increase in affordability ratios over spatially different economies resulted in different types of housing need pressure. For example, in the north-western local authority areas there was a combination of lower but rising house prices coupled with a low income economy, leading to general housing need pressures on local groups of people. In the more buoyant economies on the English borders there was a combination of high and rising house prices and higher average household incomes. Here, house prices were perceived to be driven upwards by wealthy in-migrants and commuters, with housing need pressures on rural pockets of lower income households.

7.1.3 Nature

The research evidence showed that a range of causes contributed to housing need in rural Wales. Some may be considered endemic to modern life in 21st century Britain, and a function of wider, even global forces. For example, cited among the principal supply-side issues affecting housing need were the inflexibility of the planning system and its effect on supply; rising house prices, together with rising land prices, and development and building costs; low and decreasing stocks of social housing, widely attributed to the effects of the 'right to buy'; the NIMBY syndrome in the context of both social housing and Housing Association developments; and the inadequate real value of the Social Housing Grant. Demand-side issues cited included local economies with low income levels; a lack of local job opportunities; inadequate public transport; the increase in homelessness; and unsustainable communities.

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[4] The main thrust of the argument of the WRO report is that economies tend to be more buoyant in the

Within this list of wider causes, there were underlying factors attributable to rural Welsh locations. The issues surrounding the un-sustainability of some rural communities, rural economies, high house prices and low incomes and public transport in rural areas are well-documented but nevertheless real. Similarly, there are widespread concerns regarding under-used agricultural land and derelict farm buildings, which tend to exacerbate land and house prices in rural areas. This research has revealed additional dimensions to these issues. For example, there was a perceived shortage of building contractors in rural Wales, which resulted in high tender values for development projects, thus driving up house prices. Other particularly Welsh dimensions are discussed below.

The NIMBY syndrome is, of course, not specifically Welsh or rural, and the research evidence indicated symptoms of NIMBY–ism in rural Wales that one might expect to encounter in many locations across the UK. These included expressed desires to prohibit social housing and even Housing Association developments on the grounds that these developments tended to become sink estates, where anti-social elements in the population made life miserable for law-abiding householders. But the research also revealed a particularly rural Welsh dimension connected to the especially beautiful countryside of rural Wales, which has attractive coasts and large areas of mountains, forests and agricultural landscapes. Coupled with house prices that are low relative to England, it was widely argued by interviewees including local authorities, national parks, RHEs and local people that rural Wales had become a target area for wealthy in-migrants. This phenomenon was reported in all areas; principally in the English borders, concerning both retirees and commuters, and in Pembrokeshire, which was perceived to be attractive to retired English people. Respondents in Conwy also reported concerns about the affect of in-migrant workers from England. In addition, there was a growing tourist-related housing and employment sector, with a number of second homes, holiday lets, buy-to-lets, and conversely, low-paid seasonal jobs. The tourist-related issues were held to particularly affect the coastal areas and the national parks. It was argued, that, taken together, these factors had driven local property values and rents upwards beyond the reach of local people, particularly young, first-time buyers. In reaction to these perceived aggravating factors there were calls for policies aimed at addressing housing needs that favoured local, Welsh people.

eastern areas of rural Wales.

As a counter to the arguments concerning widespread and increasing housing need in rural Wales, there were arguments that the perception of need exceeded the actual scale of need. In support of these arguments, we return to the data in Chapter 5 and to our observations concerning 'Scale' at 7.1.1, where in the survey of 4023 householders in rural Wales, 42% considered that 'most' people in the local area were experiencing difficulty accessing affordable housing, and a further 37% considered that 'some' people in the local area were experiencing problems. Analysis of the same survey showed that 4% of those surveyed were themselves experiencing difficulties.

While the analysis above strikes a cautionary note, we reiterate that the research showed clearly that housing need was an increasingly important issue in rural Wales. The remainder of this summary is concerned with how best to address housing need.

7.2 Good Practice

We discuss below the suggested elements for good practice to address housing need in rural Wales. Some of the elements were proposed by respondents to the research project, others have been developed from the analyses. A general inference from the research interview evidence, particularly from local authorities, was that there were three major perceived shortcomings in current approaches housing need:

- No definition of housing need
- No coherent definition of affordable housing
- No indication of how targets relate to need

The good practice suggestions set out below represent an attempt to address these perceived shortcomings. Two points must be emphasised concerning the following discussion of good practice. First, 'good practice' is a practice and ethos that, it is suggested, those charged with addressing housing need could aim towards. It may be that implementation of some of the suggestions will be constrained by political and institutional considerations. Second, partnership is the key term in the good practice discussed. Adhering to the ethos of partnership, it is not suggested that best practice should be imposed by government. Rather, it is suggested that best practice should

emerge from partnership discussion and consensus, accompanied and reinforced by strong leadership from government.

7.2.1 A Process-based approach

Taking the evidence together, it appears that housing need would be best addressed as a separate process, with a coherent and inclusive framework involving all interested parties. The details of a process-based approach would be agreed at national level, to set consistent standards and ensure transparency at all levels: WAG, local authority, RHE, RSL, Housing Association, private rented sector, and community council. Construction and maintenance of this framework would be directed by evidence-based policy. More specifically, within the policy framework for housing need, clear and robust planning and housing policy would be directed towards the provision of affordable housing.

There would be ongoing evaluation and monitoring of the process of meeting housing need. This would involve setting aims and objectives for each level of the process. In conjunction with the aims and objectives, local-specific targets would be set. Oversight at all levels would enable checks and balances, and adjustments to the process.

7.2.2 Standards

It is suggested that there should be an agreed set of fit for purpose standard definitions of the components of housing need, for example: housing need, affordable housing, social housing and housing demand. In addition, some terminology used by housing departments tends to be opaque to the layman, which would include many people in housing need. Most importantly, then, definitions should be appropriate, clear and concise to ensure transparency. Standard methodologies, for all parts of the housing need process, should be adopted, including the questions that are used to compile housing registers. While the adoption of standard methodologies would assist cross-boundary co-operation, clear and concise standard definitions would assist users of the housing system, and would promote stronger feelings of inclusion in the process.

7.2.3 Education and skilling

To complement the standard definitions and methodologies discussed above, it is suggested that the housing needs process should include mechanisms for the education and skilling of all interested parties, including local councillors. For example, as indicated at 4.4.6, the concept of affordable housing was perceived as opaque by many concerned with housing need. Education, in its broadest sense, of interested parties in the housing need process would help to raise the profile of housing need issues; better position housing need on agendas; and help to facilitate discussion on issues such as investment from both private sector and government, and the Social Housing Grant.

7.2.4 Evidence-based identification of need

As indicated in Chapter 3, the housing need assessments carried out by local authorities vary in both design and frequency. It is suggested that harmonisation of local authority housing need assessments, designed on a common basis, would be a necessary and important feature of the process. The design would include mechanisms aimed at capturing hidden need. Most importantly, accurate analysis, using agreed standardised methods, of locally-based need surveys would supply current, up-to-date data to inform action.

7.2.5 Spatial matching of supply to need

The setting of aims and objectives, and targets, for each stage of the housing need process suggested at 7.2.1 above implies the separation of the demand and supply elements of housing need at the assessment and analysis stages of the process. The interview research evidence from both local authorities and Housing Associations suggests, however, that nearer the point of delivery and meeting housing need, supply must be matched and targeted to meet the demand constituted by identified local need. For example, at 4.2 it is observed that, under current housing register practise, a household that requires a particular type of housing in a particular location would not be registered on the waiting list if housing of the required type was not available in that location. Consequently, some housing need is hidden, particularly in villages without social housing, as local people in need tend not to register. The identification of hidden

need, discussed above, together with spatial matching of supply to need, would assist in the provision of affordable housing to meet identified locality-specific need, rather than providing housing elsewhere in order to meet wider targets.

7.2.6   Partnership working

As stated in the introduction to this section on 'good practice', partnerships are perceived to be an important factor in addressing housing need in rural Wales, and from the interview evidence much progress has been made in this important element of good practice: for example RHAN, RHAG, and partnership groupings of local authorities in the north and south of the country, such as the North Wales Housing Partnership and the South East Wales Housing Forum. These partnerships should be encouraged to ensure dose co-operation between local authorities, departments within local authorities, private sector actors such as RSLs, Housing Associations and private landlords, developers, community councils, and the wider community. As indicated at 6.2.2 and 6.2.3 the appointment of the four RHEs, was universally welcomed.

RHEs would appear to have an important role in the partnership process; facilitating community engagement by involving community councils and by involving the wider public through local needs assessments.

7.2.7   Forward planning, based on evidence, for budgetary purposes

It is suggested that the housing need process incorporates a mechanism to facilitate forward planning locally. Forward planning for housing need would take account of demographics, economics, statistics, housing provision, including discussions with developers, and budgetary considerations.

7.3 Towards the development of solutions

We conclude the report by beginning to develop some solutions for overcoming the obstacles to addressing housing need in rural Wales that this research has identified. While it is recognised that some of these solutions will, to a certain extent, be in place in some locations and situations, it is suggested that further development would be

worthwhile. Similarly, some of the suggested solutions connect with the good practice discussed above. The first development towards solutions, then, would be to formulate a good practice to address housing need. Particular note should be made of the requirement for standard definitions of the components of housing need.

7.3.1 The Demand side

7.3.1.1 Identifying Housing Need

In order to address housing need it is first necessary to identify households in need. The research evidence suggests that common housing registers, or waiting lists, held jointly by local authorities and the Housing Associations and other RSLs in the authority area were the best way forward. Even those authorities that did not operate common registers considered them to be preferable. The development problems pointed to were cost and resource related. Some authorities were waiting for new computer software to facilitate common housing registers.

Mechanisms are required that capture all aspects of housing need. For example, it was argued that housing registers were supply led, with applicants adjusting their stated preferences to localities where they thought they had the best chance of a home – but not being given the option of stating a preference for where they either needed to be or wanted to be. This system had resulted in pockets of low stocks of affordable housing. There should, then, be consideration of the development of standardised applications procedures that capture data that will not only list applicants, but will inform affordable housing development.

Further developing the theme of identifying housing need, housing need assessments would best be carried out to standard formats at both local authority and local need assessments levels. In addition, the design of local need assessments should include mechanisms that will capture hidden need in rural areas.

7.3.1.2 Local need priority

The research evidence in Chapter 6 suggests that some people concerned with housing in rural Wales hold that higher priority should be given to meeting the needs of local, Welsh people. Indeed, it was claimed that some local authorities were operating allocations systems that gave priority to local people, and that such a system was in operation the English Lake District. It is suggested that there should be further research into this sensitive issue, and that the ramifications of allocations that take account of local priorities be investigated.

7.3.1.3 Homelessness

As evidenced at 4.3.2 some local authorities argued that dealing with homelessness stood out as a major obstacle to addressing housing need in rural Wales, with all local authorities reporting problems. This was because statutory obligations regarding homelessness, and also other 'special categories' of housing need were imposing an impossible burden on departments striving to address housing need, and were disadvantaging those in what might be termed 'general' housing need.

Homelessness is, of course, a significant issue, and one not amenable to quick and easy solutions. Indeed, WRO are producing a report on homelessness in rural Wales. Drawing solely on this current research, some local authorities suggested that a way forward would be to consider the development of separate mechanisms, particularly at budgetary and housing supply levels, to deal with homelessness. Such a development would, of course, require a considerable amount of research, consultation with all parties, and forward planning.

7.3.2   The Supply side

7.3.2.1 Planning for affordable housing

House prices largely respond to market forces and as such are generally beyond the reach of local policy. In addition, there is often a stark tension between the aims and targets of the different departments in local authorities, national parks and other non-institutional

actors involved in planning and development processes. What is clear from the research is that there is a need to develop a coherent and integrated plan for the provision of affordable housing. The point of departure for the plan would be a clear, concise and standard definition of affordable housing, and of the other terms and components of housing needs. By integration, it is suggested that all parties concerned with the development and provision of affordable housing should be meaningfully involved in both the formulation, operation and maintenance of a plan for affordable housing.

7.3.2.2 Releasing land for affordable housing

Interview research with the local authorities and RHEs revealed a number of initiatives aimed at releasing land for affordable housing. These included community land trusts and local authorities releasing land at less than best value, although there were reported intra-departmental tensions. RHEs were involved in negotiations with local landowners, developers, communities and charitable trusts such as Land for People in a range of initiatives. It is suggested that the various ways of releasing land for affordable housing could be investigated, encouraged and provided with investment.

7.3.2.3   The Right to Buy

At 4.4.2 it is argued that the RTB had made serious in-roads into social housing stocks. There were, however, indications in the research evidence that RTB sales were slowing down. Moreover, it must be recognised that it is an aspiration, and one that is encouraged by government, for people to own their house. Interview respondents pointed to cases where houses had been sold under the RTB and were now for re-sale. It is suggested that way to return these houses to the social housing stock could be investigated.

7.3.2.4 Homefinder and financial schemes to assist home buying

In the earlier analyses there are outline details of a number of schemes to assist access to affordable housing, particularly from Powys. Examples given by respondents included Homefinder; private sector leasing, which sometimes captured RTB houses that had come to the market and returned them to the social housing stock; the establishment of

local authority social housing grant funds; and private sector leasing. It is suggested that the development of these and similar schemes should be investigated.

7.3.2.5 The role of Housing Associations

As discussed at 5.2, several respondents argued that Housing Associations should be encouraged to take a more active role in the provision of affordable housing in rural locations. Also at 5.2, respondents observed that Housing Association developments tended to become areas with social problems. To help to address this issue, interview respondents suggested that the design of housing association developments should be attractive and sympathetic to the surroundings.

7.4 Conclusion

In conclusion we consider two general and cross-cutting themes that emerge from the research: partnerships and sustainable communities. It has been emphasised throughout this report that partnerships are crucial to addressing housing need, and several partnerships exist in this field. These partnerships should be developed as part of a coherent joined-up approach to housing need in rural Wales. The key role here is the RHE, which was universally approved. It is suggested that consideration is given to a review of the RHE role, with a view to more permanency and possibly more RHE positions.

At the beginning of this report it was stated that housing need could not be considered in isolation. Similarly, solutions to housing need issues must be taken in the broad and deep context of wider society and existing democratic frameworks. Much of the research evidence points to the ways in which addressing housing need connects with the wider aims of sustainable development and building sustainable communities. For example, at 5.2 interviewees from the household survey observed that, in their experience, both housing associations and social housing developments tended to be blighted by an association with perceived anti-social behaviour. Other research evidence is concerned with sustaining rural populations of all ages, abilities and economic circumstances, and with issues of Welsh culture and language, and shows that addressing housing need in

rural Wales intersects other agendas such as planning, education, economy, employment, public transport and the environment. It is suggested that the elements of good practice and possible solutions to housing need identified in this report could be integral components of a framework for the sustainable development of rural Wales.

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APPENDICES

APPENDIX 1

HOUSING NEEDS INTERVIEW SCHEDULE – LOCAL AUTHORITY

On behalf of the Welsh Assembly Government, the Wales Rural Observatory is undertaking a major study of housing needs in rural Wales. The aim of this research project is to identify the nature, scale and geography of housing needs in rural Wales and to explore the practice and policy adopted to address such needs at the local level.

A factual background to this research is provided by data from the 2001 Census and Welsh Housing Statistics together with a review of Local Housing Strategies and local Housing Needs Assessments. The recently announced Local Housing Assessment Guide, revised versions of TAN 1, TAN 2 and the Affordable Housing Toolkit consultation drafts will all play a future key role in meeting local needs for affordable housing in Wales. The opportunities these proposals offer will be discussed in the interview.

It should be noted that, in parallel to this research project on housing needs, the Wales Rural Observatory is undertaking a separate and more general study of homelessness. The aims of the interviews with housing officers are to discuss how housing needs are defined, evidenced and addressed within each local authority and to identify some of the challenges and potential solutions to meeting future housing needs in rural Wales.

Thank you for agreeing to take part in this timely and important research project. All responses to the questions below are, of course in confidence, and the anonymity of respondents will be respected.

Defining housing needs

1. Does your authority / department <u>operate</u> a formal definition of housing needs?
(prompt for details of this definition, reasons for not having a definition; and where applicable, the extent to which housing needs influence policy locally)

2. How and for what reasons was the definition developed? *(which groups involved - housing department, other departments, other agencies)*

Evidence of housing needs

3. How does your department / authority measure and record housing needs? *(currently)*

4. Has this changed and, if so, in what way over the last ten years?

5. Are you aware of and do you draw on any other evidence on the scale and nature of housing needs in your authority area? *(Other than that produced by your department/Authority)*

6. What does this evidence indicate about the <u>scale</u> *(number of households and location)* of housing needs in your authority area?

7. Has the number of households and location of those in housing need changed significantly in the last 5 years? *(increased, decreased, stayed about the same)*…what about over the last 10 years? *(increased, decreased, stayed about the same)*

8. What does this evidence show about the <u>nature</u> *(type, groups experiencing and location)* of housing needs in your authority area?

9. Does this evidence reveal any changes over the last 5 years and the last 10 years, if so in what way?

10. What does this evidence suggest about the <u>principal causes</u> of housing needs in your authority area?

11. Have the principal causes changed over the last 5 years or over the last 10 years, if so, in what way?

12. Would you say that housing needs impact fairly uniformly across your authority area, or do they impact more on particular geographical areas than others? *(prompt for any differences between towns and villages)*

Social housing stock

13. Do you consider that your authority has a sufficient number of social housing units to deal with the current level of housing need in your area? *(prompt for reasons: changes over 5 years: over 10 years: reasons for changes)*

14. If no, have you produced any estimate of the shortfall in social housing stock in your area? *(ask for estimate, and geographical areas where social housing provision is limited: check on what evidence this estimate was based)*

15. Approximately, how many units of social housing were completed in your authority area last year by:

your department   …….   other departments……..
other registered social landlords……   other agencies……..

16. Where were these units located? *(Specify number/place – town/countryside)*

17. Do you operate a joint waiting list and common allocation/priority practice between the authority and other registered social landlords?

18. How many and what type of households are currently on your social housing waiting list?
(Single, or Joint)

19. How is priority for housing established for those applying? *(Obtain some evidence here of the criteria used on application forms and how needs priority is established)*

20. Over the last five years how many new lettings per year have been possible in the social housing stock?

21. What proportion do those housed represent of all households on the waiting list?

Responding to housing needs

22. In what ways is your department responding to housing needs in your authority area? *(prompt for examples)*

23. In what ways, if at all, are other departments within your authority addressing housing needs? *(prompt for departments and types of activity)*

24. And are there any other agencies operating in your authority area that are addressing the housing needs of specific groups? *(prompt for names and types of activity)*

25. In what ways, if at all, is your department involved in partnership working with other departments / local authorities / external agencies to deal with housing needs in your area? *(prompt for and record details of partnership activity)*

26. Thinking about all of these activities, how successful do you feel they have been in addressing housing needs in your authority area? *(prompt for reasons)*

27. In what ways, if at all, do you consider that the response to housing needs could be improved?

28. In your opinion, are there any groups whose needs are not being addressed by some / all these activities? *(prompt for names of groups, reasons for their needs not being addressed)*

29. What do you feel are the main obstacles to addressing housing needs in a rural authority area, such as your own?

30. In what ways could some or all of these obstacles be overcome?

31. What would you say are the essential features of good practice in tackling housing needs in a predominantly rural local authority area, such as your own?

Broader perceptions of housing needs

32. In your opinion, how is the issue of housing needs in your authority area perceived and represented by the following groups:

       officers in other departments of your authority

       local councillors

       local newspapers

       political / pressure groups active in your area

33. In what ways, if at all, do you interact with these groups?

Taking Housing Needs forward

In July 2005 the Welsh Assembly Government issued a set of draft documents for consultation, concerned with meeting housing needs through the provision of affordable housing, (TAN1, TAN 2, Affordable Housing Toolkit).

34. Has your authority already applied any of the procedures included in the tool kit? *(if yes, which of the strategies have been employed locally and what has been the outcome)*

35. If not – why has it not been possible to employ such strategies?

36. How effective do you consider these proposals might be in addressing the issue of housing needs in your district?

Other comments

37. Finally, are there any other issues that you would like to raise concerning housing needs and responses to these needs in your authority area?

APPENDIX 2

HOUSING NEEDS INTERVIEWS – HOUSING ASSOCIATIONS

On behalf of the Welsh Assembly Government, the Wales Rural Observatory is undertaking a major study of housing needs in rural Wales. This research also has the approval of the Welsh Federation of Housing Associations. The aim of this research project is to identify the nature, scale and geography of housing needs in rural Wales and to explore the practice and policy adopted to address such needs at the local level.

A factual background to this research is provided by data from the 2001 Census and Welsh Housing Statistics together with a review of Local Housing Strategies and local Housing Needs Assessments. In addition, the Wales Rural Observatory is gathering data from representatives of local authority Housing Departments and Housing Associations. It should be noted that, in parallel to this research project on housing needs, the Wales Rural Observatory is undertaking a separate and more general study of homelessness.

The aims of this interview are to obtain evidence concerning the practices of Housing Associations with interests in rural areas and to identify some of the challenges and potential solutions to meeting future housing needs in rural Wales. We define rural Wales as those areas, including towns, villages and open countryside, covered by the following local authorities: Anglesey (Yns Mon), Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd, Monmouthshire, Pembrokeshire and Powys.

Thank you for agreeing to take part in this timely and important research project. All responses to the questions below are, of course, in confidence, and the anonymity of respondents will be respected.

Please name the Housing Association for which you work.

Please provide your name and job title.

Please outline your responsibilities

Defining housing needs

1. Does your Housing Association <u>operate</u> a formal definition of housing needs?

2. How and for what reasons was the definition developed?

Evidence of housing needs

3. How does your Housing Association measure and record housing needs?

4. Has this changed and, if so, in what way over the last ten years?

5. Are you aware of and do you draw on any other evidence on the scale and nature of housing needs in rural areas?

6. What does this evidence indicate about the <u>scale</u> of housing needs in the rural areas where you operate?

7. Has the number of households in housing need in these rural areas changed significantly in the last 5 years?

8. What does this evidence show about the <u>nature</u> of housing needs in these rural areas?

9. Does this evidence reveal any changes over the last 5 years and the last 10 years, if so in what way?

10. What does this evidence suggest about the <u>principal causes</u> of housing needs in these rural areas?

11. Have the principal causes changed over the last 5 years or over the last 10 years, if so, in what way?

12. Would you say that housing needs impact fairly uniformly across these rural areas, or do they impact more on particular geographical areas than others?

Social housing stock

13. Do you consider that there are a sufficient number of social housing units to deal with the current level of housing needs in the rural areas where you operate?

14. If no, have you produced any estimate of the shortfall in social housing stock in the rural areas where you operate?

15. How many units of social housing were completed in the last year by your HA?

16. Where were these units located?

17. Do you operate a joint waiting list and common allocation/priority practice with the local authority and/or other Housing Associations?

18. How many/what type of households are currently on your social housing waiting list?

19. How is priority for housing established for those applying?

20. Over the last five years how many new lettings per year have been possible in your Housing Association's stock?

21. What proportion do those housed represent of all households on the waiting list?

Responding to housing needs
22. In what ways is your HA responding to housing needs in rural areas?

23. In what ways, if at all, are local authorities addressing housing needs in the rural areas where your HA operates?

24. And are there any other HAs and agencies operating in rural areas that are addressing the housing needs of specific groups?

25. In what ways, if at all, is your Housing Association involved in partnership working to deal with housing needs in rural areas?

26. Thinking about all of these activities, how successful do you feel they have been in addressing housing needs in rural areas?

27. In what ways do you consider responses to rural housing needs could be improved?

28. In your opinion, are there any groups, in rural areas, whose needs are not being addressed by some / all these activities?

29. What do you feel are the main obstacles to addressing housing needs in rural areas?

30. In what ways could some or all of these obstacles be overcome?

31. What would you say are the essential features of good practice in tackling housing needs in a predominantly rural area?

Broader perceptions of housing needs

32. In your opinion, how is the issue of housing needs in rural areas perceived and represented by the following groups:

      local authority departments
      local councillors
      local newspapers
      political / pressure groups active in your rural area

33. In what ways, if at all, do you interact with these groups?

34. Does the evidence gathered by local authorities, Housing Associations and others accurately reflect the housing needs situation?

35. If no – why not and in what ways?

Other comments

36. Finally, are there any other issues that you would like to raise concerning housing needs and responses to these needs in your authority area?

APPENDIX 3

HOUSING NEEDS INTERVIEW SCHEDULE – NATIONAL PARKS

On behalf of the Welsh Assembly Government, the Wales Rural Observatory is undertaking a major study of housing needs in rural Wales. The aim of this research project is to identify the nature, scale and geography of housing needs in rural Wales and to explore the practice and policy adopted to address such needs at the local level.

A factual background to this research is provided by data from the 2001 Census and Welsh Housing Statistics together with a review of Local Housing Strategies and local Housing Needs Assessments.

It should be noted that, in parallel to this research project on housing needs, the Wales Rural Observatory is undertaking a separate and more general study of homelessness.

The aims of the interviews with National Parks officers are to discuss how housing needs are defined, evidenced and addressed within each National Park authority and to identify some of the challenges and potential solutions to meeting future housing needs in rural Wales.

Thank you for agreeing to take part in this timely and important research project. All responses to the questions below are, of course in confidence, and the anonymity of respondents will be respected.

National Park Authority

Please provide your name and job title.

Please outline your responsibilities

Responding to Housing Needs

1. How significant is the issue of housing needs in your national park?

2. In what ways is your national park authority responding to housing needs in your area? *(prompt for examples)*

3. Are there any other agencies operating in your national park authority area that are addressing the housing needs of specific groups? *(prompt for names and types of activity)*

4. In what ways, if at all, is your authority involved in partnership working with local authorities / external agencies to deal with housing needs in your national park area? *(prompt for and record details of partnership activity)*

5. Thinking about all of these activities, how successful do you feel they have been in addressing housing needs in your national park authority area? *(prompt for reasons)*

6. In what ways, if at all, do you consider that the response to housing needs in your national park could be improved?

7. In your opinion, are there any groups, in your national park area, whose needs are not being addressed by these activities? *(prompt for names of groups, reasons for their needs not being addressed)*

8. What do you feel are the main obstacles to addressing housing needs in your national park authority area?

9. In what ways could some or all of these obstacles be overcome?

10. What would you say are the essential features of good practice in tackling housing needs in a national park?

Broader perceptions of housing needs

11. In your opinion, how is the issue of housing needs in your authority area perceived and represented by the following groups:

> officers in other departments of your national park authority
> local councillors
> local newspaper
> political / pressure groups active in your area

12. In what ways, if at all, do you interact with these groups?

Taking Housing Needs forward

In July 2005 the Welsh Assembly Government issued a set of draft documents for consultation, concerned with meeting housing needs through the provision of affordable housing, (TAN1, TAN 2, Affordable Housing Toolkit).

13. How effective do you consider these proposals might be in addressing the issue of housing needs in your national park?

Other comments

14. Finally, are there any other issues that you would like to raise concerning housing needs and responses to these needs in your authority area?

APPENDIX 4

HOUSING NEEDS INTERVIEW – RURAL HOUSING ENABLERS

On behalf of the Welsh Assembly Government, the Wales Rural Observatory is undertaking a major study of housing needs in rural Wales. The aim of this research project is to identify the nature, scale and geography of housing needs in rural Wales and to explore the practice and policy adopted to address such needs at the local level. We define rural Wales as those areas, including towns, villages and open countryside, covered by the following local authorities: Anglesey (Ynys Mon), Carmarthenshire, Ceredigion, Conwy, Denbighshire, Gwynedd, Monmouthshire, Pembrokeshire and Powys.

A factual background to this research is provided by data from the 2001 Census and Welsh Housing Statistics together with a review of Local Housing Strategies and local Housing Needs Assessments. In addition, the Wales Rural Observatory is gathering data from representatives of local authority Housing Departments, Housing Associations and Rural Housing Enablers. It should be noted that, in parallel to this research project on housing needs, the Wales Rural Observatory is undertaking a separate and more general study of homelessness.

The aim of this interview is to obtain evidence concerning the practices of Rural Housing Enablers, and to identify some of the challenges and potential solutions to meeting future housing needs in rural Wales.

All responses to the questions below are, of course, in confidence, and the anonymity of respondents will be respected.

Please provide your name and job title.

Please describe the area that you cover.

Please outline your responsibilities

Background of RHEs ?

And what does the work of an RHE entail?

Defining housing needs

1. As an RHE do you <u>operate</u> a formal definition of housing needs?

2. How and for what reasons was the definition developed?

Evidence of housing needs

3. How do you measure and record housing needs?

4. Are you aware of, and do you draw on, any other evidence on the scale and nature of housing needs in the area in which you operate?

5. What does this evidence indicate about the <u>scale</u> of housing needs in the <u>areas</u> where you operate?

4. Has the number of households in housing need in these rural areas changed significantly in the last 5 years?
   If so – in what way?

7. What does this evidence show about the <u>nature</u> of housing needs in your area?

8. Does this evidence reveal any changes over the last 5 years and the last 10 years - if so in what way?

9. What does this evidence suggest about the <u>principal causes</u> of housing needs in your area?

10. Have the principal causes changed over the last 5 years or over the last 10 years - if so, in what way?

11. Would you say that housing needs impact fairly uniformly across your area, or do they impact more on particular geographical areas than others?

Social housing stock

12. Do you consider that there are a sufficient number of social housing units to deal with the current level of housing needs in your areas? - why do say that?

Responding to housing needs

13. In what ways do you respond to housing needs in your area?

14. In what ways, if at all, are you as an RHE involved in partnership working to deal with housing needs in your area?

15. Thinking about all of these individual and joint activities, how successful do you feel they have been in addressing housing needs in your area?

16. In your opinion, are there any groups, in your area, whose needs are not being addressed by these activities?

17. In what ways, if at all, do you consider that responses to rural housing needs could be improved?

18. What do you feel are the main obstacles to addressing housing needs in your area?

19. In what ways could some or all of these obstacles be overcome?

20. What would you say are the essential features of good practice in tackling housing needs in rural areas?

Broader perceptions of housing needs

21. In your opinion, how is the issue of housing needs in rural areas perceived and represented by the following groups:

> local authority departments

> local councillors

> local newspapers

> political / pressure groups active

22. In what ways, if at all, do you interact with these groups?

Taking Housing Needs forward

In July 2005 the Welsh Assembly Government issued a set of draft documents for consultation, concerned with meeting housing needs through the provision of affordable housing, (TAN1, TAN 2, Affordable Housing Toolkit).

23. In what ways, if at all, will these proposals impact on the work of RHEs?

24. How effective do you consider these proposals might be in addressing the issue of housing needs in your area?

Other comments

25. Finally, are there any other issues that you would like to raise concerning housing needs and responses to these needs.