



**Background Paper for Local Development Plan:
Statement of Affordable Housing Need 2011**
Pembrokeshire County Council

Development Plans

February

2012

Contents

Introduction	3
Defining Affordable Housing Need	4
Local Housing Market Assessment	8
Common Housing Register	9
Rural Community Council surveys	15
Conclusions	19
The impact of Affordable Housing Need on the LDP strategy	21
<i>Appendices</i>	22

1 Introduction

1.1 Pembrokeshire County Council is producing a Local Development Plan (LDP) that will form the basis of spatial planning in much of Pembrokeshire from 2011 – 2021. On its adoption, it will replace the current development plan as the context for land-use planning decisions in the area of Pembrokeshire outside the Pembrokeshire Coast National Park, referred to in this document as “the Plan area”.

1.2 This document was written and published following a public consultation on the Deposit Local Development Plan. Representations on the Deposit Plan demonstrated that the Council could do more to show that its strategy and policies reflect the need for affordable housing in Pembrokeshire. This Statement explains the economic conditions that are causing households to need affordable homes and presents data demonstrating the level and location of need for affordable homes in Pembrokeshire. The Statement includes conclusions on the current level of need and is followed by a short section detailing how it has influenced the LDP strategy.

1.3 This document largely refers to the whole county of Pembrokeshire, rather than the Plan area, as data relating to affordable housing is collected by the Local Housing Authority, which is responsible for the entire county. Where there is data relating specifically to the Plan area it has been provided and annotated clearly.

2 Explaining Affordable Housing Need

2.1 Affordable Housing is needed because buying or renting homes on the open market is too expensive for many households.

Purchasing on the Open Market

2.2 In Pembrokeshire, as in much of Wales, the house price inflation of the past 15 years has not been matched by a proportional inflation of wages. This has caused an increase in the ratio of average or median house prices to average or median incomes, known as the Affordability Ratio.

2.3 The average house price in Pembrokeshire in 2010 was £183,882¹. This represents an increase of 281% over the 10 years period from 2000, when the average house price was £65,343.

2.4 Multiplying Gross household income is the main method used by mortgage lenders to determine how much can be borrowed. In Pembrokeshire in 2009 the median gross household income was £24,735. Table 2.1 below shows average house prices and median gross household incomes in Pembrokeshire in recent years, and how they combine to give a very high Affordability Ratio. As median income remains relatively stable, it requires a fall in average house prices, as experienced in 2009, to reduce the affordability ratio.

Table 2.1. Ratio of Average House Price to Median Household Income in Pembrokeshire, 2006 - 2009.

	2006	2007	2008	2009
Average House Price ² (AHP)	£176,063	£189,371	£185,105	£177,952
Median Gross Household Income ³ (MGHI)	£23,138	£24,367	£24,133	£24,735
Affordability Ratio (AHP : MGHI)	7.6 : 1	7.8 : 1	7.7 : 1	7.2 : 1

¹ Source: Land Registry records

² Source: Land Registry records

³ Source: CACI Paycheck data

2.5 The mortgage market has been subject to significant changes since the onset of the recession in 2008. Fewer applications for mortgages are approved now than before the recession and there are fewer housing transactions. The Council of Mortgage Lenders⁴, however, has forecast that the mortgage market's gentle recovery should continue and gradually return to levels of lending experienced pre-2008.

2.6 In the current mortgage market a household can typically expect to obtain a mortgage of between 3 and 4 times its gross annual income. Factors that affect the amount a household can borrow include the loan:value ratio, the percentage amount it can pay as a deposit, its credit history and rating, and the length of time over which the mortgage will be repaid. There are currently very few mortgage products on offer which allow households to borrow more than four times their income or accept less than a 10% deposit.

2.7 Base interest rates are currently at historically low levels⁵, which in theory should make borrowing cheaper. However, mortgage interest rates have not reduced to the same extent. Mortgage interest rates are set at a level which allows lenders to protect themselves against the risk of households defaulting on their mortgage, which has risen since the recession. The low base interest rate therefore has not helped to improve low income households' access to mortgage finance.

2.8 Fiscal conditions are also affecting households' ability to afford property. The Council for Mortgage Lenders reports that household confidence has been hit by the expectation of public spending cuts⁶, the VAT increase and associated inflation in staple goods such as food and fuel. The effect is that disposable incomes are contracting and households face pressures to balance income and expenditure.

2.9 The demand for affordable housing comes from households with low incomes and therefore it would be misleading to focus entirely on the median

⁴ CML mortgage and housing market forecasts – June 2011 - <http://www.cml.org.uk/cml/publications/newsandviews/90/332>

⁵ At 19 July 2011 the Bank of England's base interest rate was 0.5%, unchanged since March 2009

⁶ See footnote 4

income and average house prices. The table below shows the estimated incomes of households at various percentiles⁷ and an indication of the value of mortgages that in theory could be made available to them.

Table 2.2. Incomes in Pembrokeshire and theoretical mortgage availability

Income Percentile	Household Income (2009)	Value of mortgage – multiple of Income		
		3x	3.5x	4x
10 th Percentile	£10,250	£30,750	£35,875	£41,000
20 th Percentile	£14,000	£42,000	£49,000	£56,000
25 th Percentile / 1 st Quartile	£15,850	£47,550	£55,475	£63,400
30 th Percentile	£17,950	£52,770	£61,565	£70,360
40 th Percentile	£21,100	£63,300	£73,850	£84,400
50 th Percentile / 2 nd quartile / median	£24,735	£74,205	£86,573	£98,940

2.10 Table 2.2 demonstrates the extremely low values that a household with a low income may expect to be able to borrow. Assuming households can obtain a mortgage value of 3.5 times their gross income, more than 20% of households cannot borrow beyond £50,000. As there are approximately 50,000 households in Pembrokeshire, this represents around 10,000 households. To illustrate how restricted these households are in the property market, there are currently just seven properties – three houses and four flats – listed for sale in Pembrokeshire for £50,000 or less on the *Rightmove* website⁸. This corroborates findings made by the Joseph Rowntree Foundation in their 2008 report on Rural Housing in Wales⁹:

“While in previous years, problems of affordability were mainly experienced by unemployed, low-income or vulnerable groups, the evidence presented to us indicates that these problems are now impacting more widely across the rural population of Wales”.

⁷ Percentiles indicate the spread of incomes across all households, i.e. ten percent of households have income less than £10,250 with 90% of households above this level

⁸ www.rightmove.co.uk – Accessed 19th July 2011. Search parameters: Area = Pembrokeshire, Maximum Price = £50,000, Type = Houses & Flats / Apartments

⁹ JRF Commission on Rural Housing in Wales, 2008. <http://www.jrf.org.uk/>

Renting Property on the Open Market

2.11 In the rental market the availability and affordability of finance is not such a concern, as rent is usually paid on a monthly basis and deposits usually constitute a bond to the value of one or two months' rent. While this may be a significant sum to a low income household it is seldom the determining factor in deciding whether to rent on the open market. The market for rented property is however unaffordable to many households as high demand enables landlords to set high rents whilst seeking the best returns on their investments. Private landlords are able to discriminate against low income households on the grounds that they are financially more risky than other potential tenants.

2.12 There are no definitive indicators of current rent levels in Pembrokeshire. The Local Housing Market Assessment¹⁰ however, produced in 2007, contains an indicative guide to rents in Pembrokeshire and estimates that a net household income of £26,000 is required to be able to afford to rent a median 2 or 3 bed property on the open market (figure 51a, page 53). This is based on an assumption that 30% is a reasonable proportion of income to spend on rent¹¹. Using Table 2.2 above, properties charged at the median market rent of £650 per month are financially inaccessible to more than half of all households in Pembrokeshire.

2.13 Informal observations of the rental market in Pembrokeshire suggest that rental values are marginally lower in 2011 than in 2007. Since 2007 the country has experienced a recession and previously major drivers of the market locally, such as the construction of LNG plants at Milford Haven, now have less of an effect on the market as there is a reduced temporary workforce in the area. However these factors are countered by the squeeze on households' purchasing power which has led some to access the rental market instead.

¹⁰ Pembrokeshire LHMA, 2007.

<http://www.pembrokeshire.gov.uk/content.asp?id=15863&Nav=1626,109,141,1014>

¹¹ Above-average inflation to other unavoidable household expenses such as food and fuel may result in rent accounting for less than 30% of income and *still* being unaffordable

3 Local Housing Market Assessment

3.1 Pembrokeshire County Council's Local Housing Market Assessment (LHMA) was produced in 2007. A LHMA is intended to gather evidence to shape and justify Development Plan policies, in accordance with national guidance issued by the Welsh Government (the most recent version - Edition 4 – was published February 2011). One aim of the LHMA is to calculate the need for Affordable Housing.

3.2 Local Housing Market Assessments use a complex formula to calculate how the delivery of affordable housing corresponds to the need for affordable housing, as instructed by the Welsh Assembly Government¹². The Pembrokeshire LHMA concluded that there was an **annual shortfall of 1406 affordable homes** to meet accumulated historical under provision.

3.3 Pembrokeshire County Council, along with the neighbouring Pembrokeshire Coast National Park Authority (PCNPA), has reservations regarding the usefulness and validity of the results of the LHMA. The figure of 1406 exceeds by a large margin what has been delivered historically¹³, both in terms of affordable housing and general market housing. Between 1999 and 2010 only 522 affordable dwellings were built in the Plan area, at an average rate of 47 per year and accounting for around 10% of all new homes.

3.4 A detailed critique of the LHMA methodology and the results it produced was produced by PCNPA prior to the Examination of its LDP¹⁴. In basic terms, the major flaw of the methodology appears to be that it is assumed that every year the Common Housing Register consists of entirely different households, rather than the gradually rolling and evolving list that it actually is. This means that individual households have been counted multiple times, thereby significantly distorting the final figure.

¹² *Local Housing Market Assessment Guide*. 2006. Welsh Assembly Government.

¹³ See Appendix 1 for information on the delivery of affordable homes in Pembrokeshire 1999 - 2010

¹⁴ **PCNPA LDP Background Paper: Housing. March 2010.** Key excerpts of this paper are included at Appendix 3

4 Common Housing Register

4.1 The Common Housing Register is managed by the Housing Division of Pembrokeshire County Council. Households register with the Council and are categorised into bands according to the severity of their need for affordable housing. Those in gold and silver bands are considered in need, while those in the bronze band are not. The Register is a permanent, rolling record of need and is the Council's preferred indicator of the overall need for affordable housing in Pembrokeshire. Whilst it does not forecast newly-arising need, the Council has sufficient past recordings to demonstrate recent trends in the number of households on the Register.

4.2 The Common Housing Register is an indicator of the number of households in need of affordable housing. It holds information on the number of people in the household, their age and any specific housing requirements they may have. Additionally households are required to indicate where they need or would like to live. There is a belief that some households indicate where they would like to live based on where they perceive they have the greatest chance of getting a home. The Register, therefore, is a source of evidence of the type of accommodation that needs to be delivered and a strong indicator of where it should be developed.

4.3 The Common Housing Register is however reliant on households to self-register, which means there may be households who do not realise that they would meet the definition of being in need. There is also a perception that the Register relates only to the need for social housing; the Register is therefore likely to underestimate the number of households that would qualify to purchase affordable housing.

Level of need

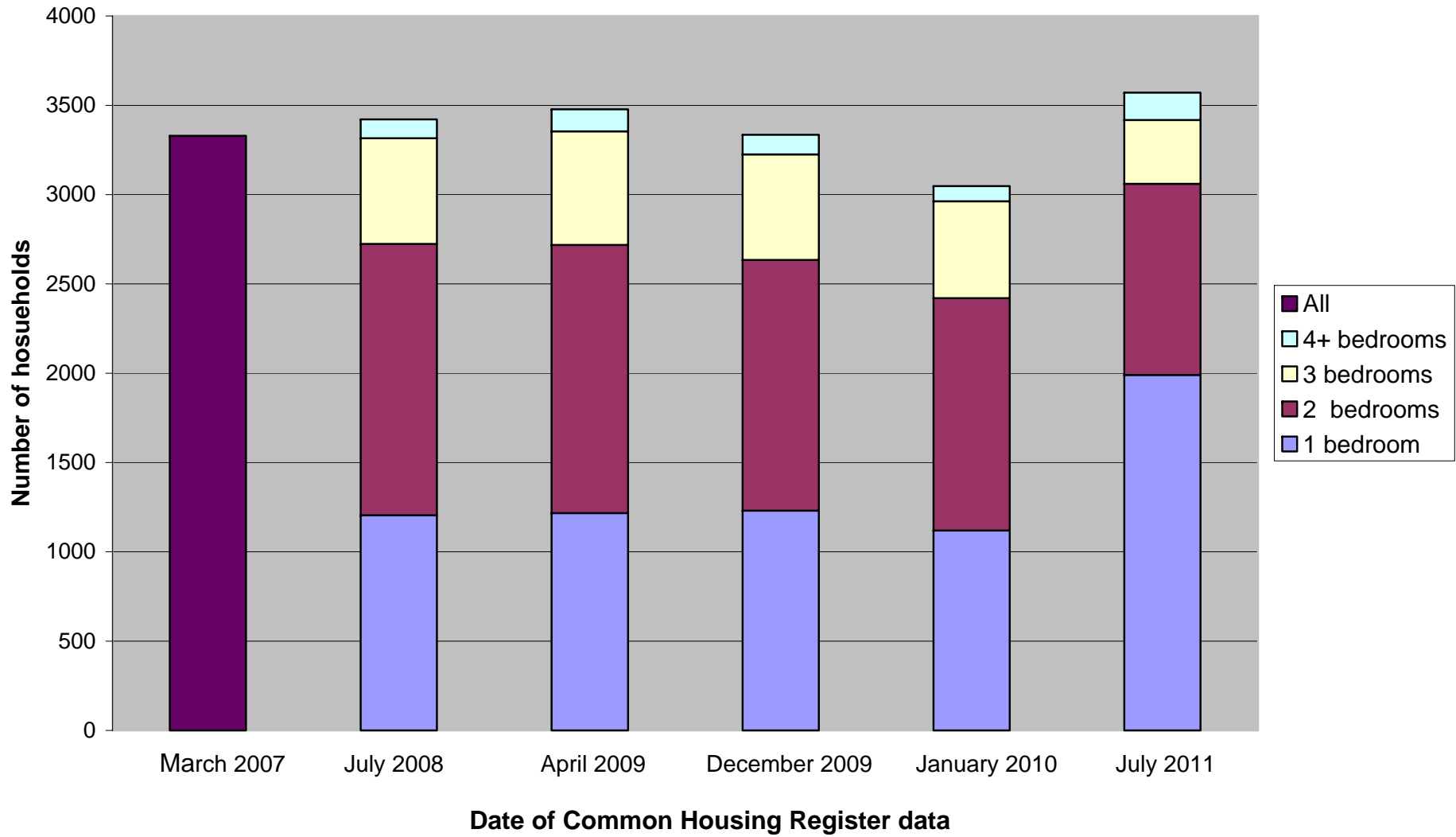
4.4 Table 4.1 below shows the number of households on the Common Housing Register classed as being in need¹⁵ at various points in time during the past 3 – 5 years. The data is also presented in a graph, at Figure 4.2.

¹⁵ All applications to the Common Housing Register are banded according to the severity of the need. Only households in gold and silver bands are considered to be 'in need'.

Table 4.1. Affordable Housing Need in Pembrokeshire recorded in the Common Housing Register at selected dates, 2007 – 2011.

Survey Date		March 2007	July 2008	April 2009	December 2009	January 2010	July 2011
Total households in Gold / Silver band		<u>3330</u>	<u>3422</u>	<u>3478</u>	<u>3335</u>	<u>3048</u>	<u>3572</u>
Percentage of need by dwelling size.	4+ bedrooms	Not known	3.1	3.5	3.3	2.8	4.3
	3 bedrooms	Not known	17.3	18.3	17.7	17.8	10.0
	2 bedrooms	Not known	44.4	43.2	42.1	42.7	30.0
	1 bedroom	Not known	35.2	35.0	36.9	36.7	55.7

Figure 4.2 Affordable Housing Need by dwelling size, 2007 – 2011



4.5 Table 4.1 and Figure 4.2 show that the need for affordable housing has remained relatively constant since March 2007, in spite of the economic conditions described in chapter 2. The Common Housing Register includes an assessment of the number of bedrooms required by households in need. It is clear that the overwhelming need is for small dwellings of one or two bedrooms – they account for at least 78% of the demand throughout the last four years, and currently make up more than 85% of the total.

Spatial distribution of need

The maps below indicate where households registered in need of affordable housing currently live. These maps provide an indication of where affordable housing is needed, though it should be borne in mind that it does not necessarily follow that every household requires a home in that same area.

4.6 Figure 4.3 below shows that the highest requirement for affordable homes is in Pembrokeshire's main towns and desirable coastal areas such as St Davids, Tenby and Newport. The high requirement in urban areas is associated with pockets of deprivation and low income; in coastal areas, which are predominantly in the Pembrokeshire Coast National Park, the requirement is driven by high house prices, affected by immigration of households with greater purchasing power seeking a lifestyle change, by high rates of second-home ownership and the use of property as holiday accommodation.

4.7 The data¹⁶ has also been used to estimate what proportion of the total population in each Community Council area is in need of affordable housing, as shown in Figure 4.4. The results are broadly similar to the basic numbers in need, with the highest proportion of need recorded in the main towns. Rural areas with high proportions of total households in need include Clunderwen and Trecwn, where more than one in twelve households is in need of affordable housing.

¹⁶ Data for each Community Council area is shown in Appendix 2

Figure 4.3. Number of households in need, July 2011

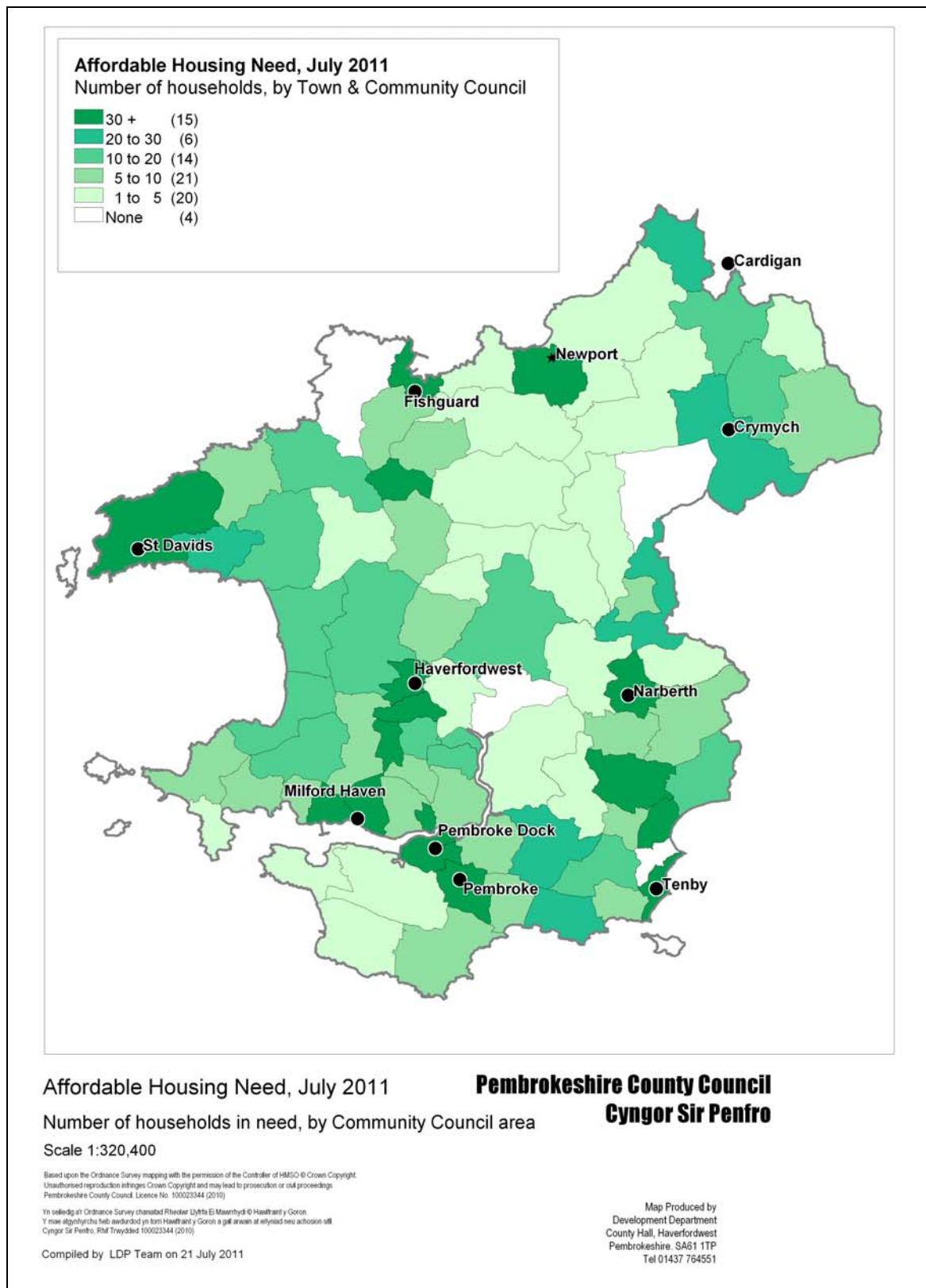
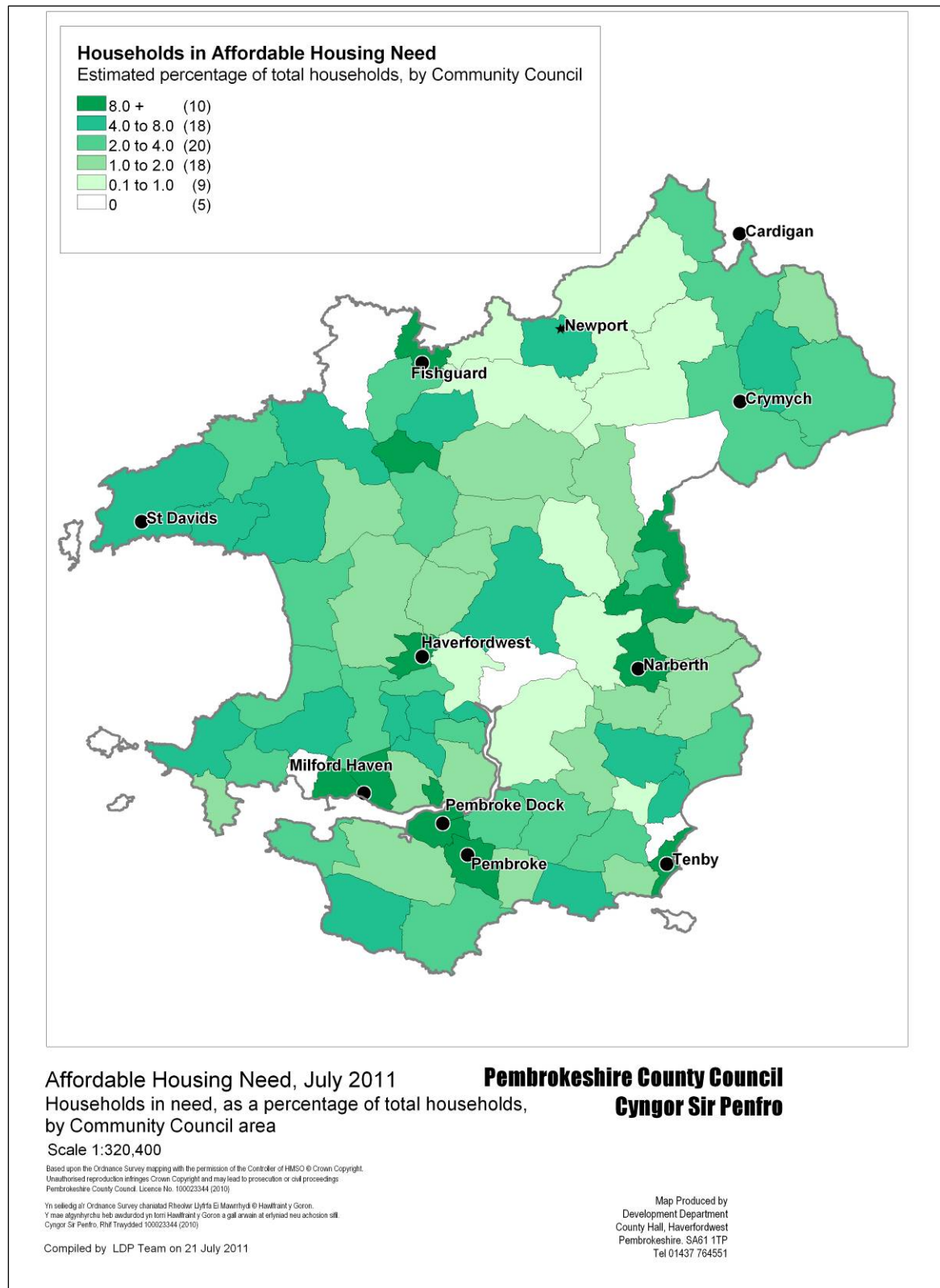


Figure 4.4. Affordable housing need as a percentage of all households, July 2011



5 Rural Housing Needs surveys

5.1 The Rural Housing Enabler (RHE) for Pembrokeshire undertakes surveys of the need for affordable housing specifically in rural areas, at Community Council level. Surveys take the form of a questionnaire distributed to every address on the Council Tax register in the Community Council area along with a freepost return envelope. The methodology employed in conducting surveys is approved by the Local Government Data Unit (Wales).

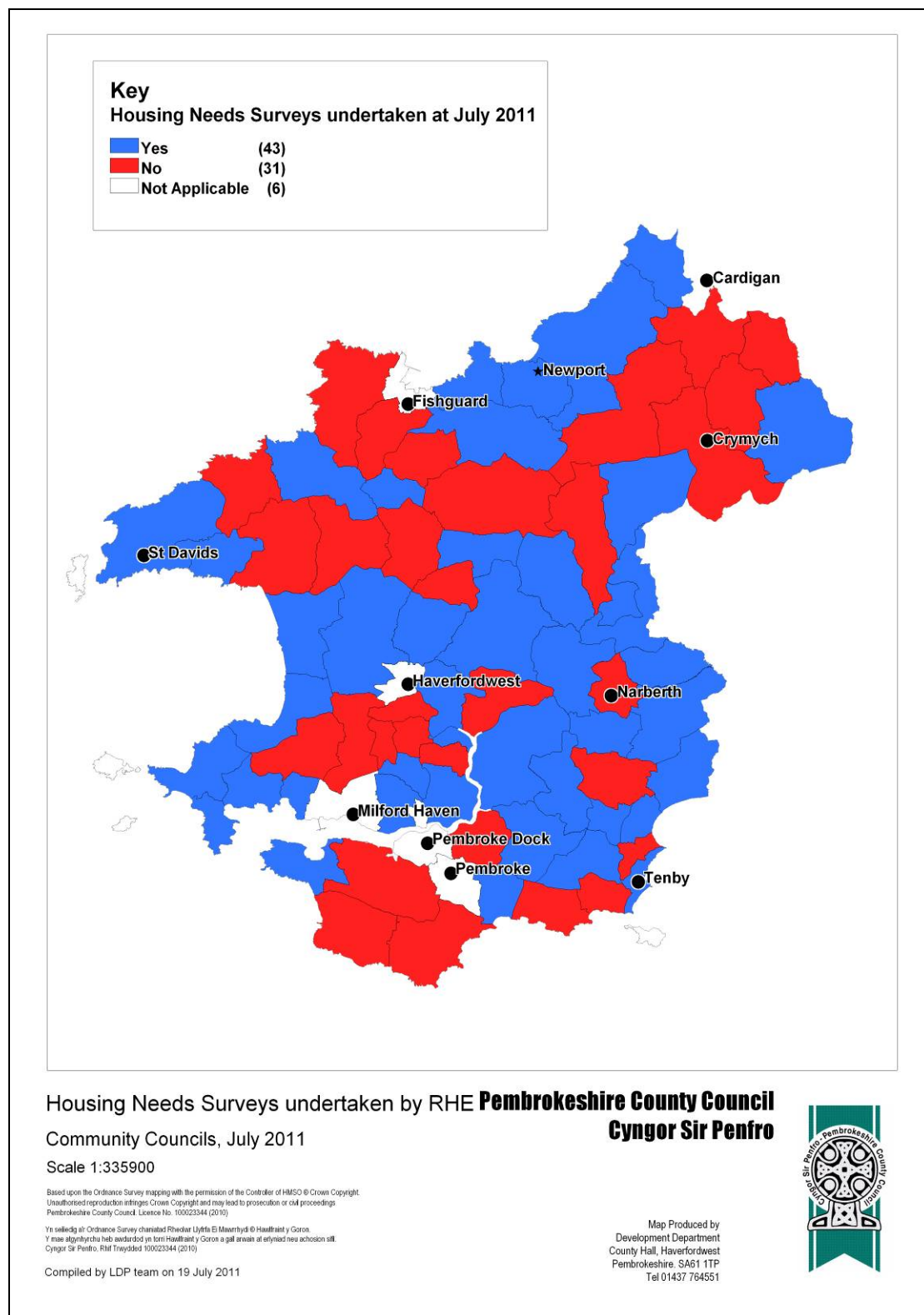
5.2 Rural Housing Needs surveys are used by the two Local Planning Authorities in Pembrokeshire as indicators of need rather than definitive evidence. The surveys are a snapshot of affordable housing need in a specific area, but they are unable to capture evidence of people who may need affordable housing outside of the area and also of need arising from people currently living elsewhere but needing to move into the area. They do however include an assessment of housing need likely to arise in the future, for instance from people living with their parents and aiming to set-up new households within five years. The results of these surveys are particularly useful when assessing rural exception sites proposals, where a local need must be demonstrated. The use of Rural Housing Surveys, instead of an inadequate LHMA, was endorsed by the Planning Inspectorate in its Report into the Eryri LDP¹⁷.

5.3 The map below, Figure 5.1, shows the coverage of Housing Needs surveys undertaken by the Rural Housing enabler between autumn 2005 and July 2011¹⁸. More than half of all rural Community Councils have been surveyed, with the coverage extending to all parts of the County.

¹⁷ Part 5, Report on the Examination into the Eryri Local Development Plan up to 2022. May 2011, <http://www.eryri-npa.gov.uk/planning/local-development-plan-examination>

¹⁸ Source: Pembrokeshire Rural Housing Enabler - <http://www.rhe-pembs.co.uk/>

Figure 5.1. Coverage of Rural Housing Needs surveys, July 2011



5.4 The results of Housing Needs Surveys take the form of an estimated number of affordable dwellings required over a 5-year period by current

residents of the Community Council area. The table below lists, by Community Council, the need identified by the Housing Needs Survey

Table 5.2. Results from Rural Housing Needs Surveys, 2006 - 2011

Community Council	Date of Survey	Dwellings required over 5 years to meet need
Ambleston	October 2007	4 – 6 units
Amroth	June 2008	15 - 23 units
Angle	January 2009	7 – 10 units
Burton	March 2007	6 – 10 units
Camrose	February 2007	17 – 25 units
Carew	April 2007	12 – 18 units
Clunderwen	November 2006	7 – 11 units
Clydau	May 2007	8 – 13 units
Cwm Gwaun	September 2007	3 – 4 units
Dale	October 2005	9 units
Dinas Cross	March 2006	13 units
East Williamston	December 2008	12 -18 units
Herbrandston	December 2005	7 units
Hook	September 2007	7 – 11 units
Jeffreyston	May 2006	10 units
Lampeter Velfrey	May 2007	13 - 19 units
Lamphey	March 2006	16 units
Letterston	March 2007	9 – 14 units
Llanddewi Velfrey	July 2008	2 - 4 units
Llandissilio West	June 2009	3 – 4 units
Llanstadwell	February 2007	5 – 8 units
Llawhaden	June 2008	4 – 7 units
Marloes	October 2005	11 units
Martletwy	September 2006	10 – 15 units
Mathry	September 2007	3 – 5 units
Mynachlogddu	June 2008	4 – 7 units

Nevern	March 2007	7 – 11 units
New Moat	May 2007	4 - 7 units
Newport	February 2006	23 units
Nolton & Roch	March 2006	19 units
Rosemarket	January 2006	11 units
Rudbaxton	October 2009	8 – 12 units
Saundersfoot	October 2007	13 - 19 units
Solva	April 2012	8 – 12 units
St Davids	September 2006	26 – 39 units
St Dogmaels	October 2006	19 – 28 units
St Florence	September 2007	6 – 10 units
St Ishmaels	October 2005	7 units
Templeton	August 2007	4 – 6 units
Tenby	June 2007	50 – 76 units
The Havens	March 2008	12 - 19 units
Uzmaston & Boulston	May 2007	5 – 8 units
Wiston	February 2008	7 – 11 units

5.5 Results from Rural Housing Needs surveys are generally quite consistent with evidence found on the Common Housing Register, particularly in more populous areas such as St Dogmaels, St Davids and Tenby. A number of the results however appear to contradict the Common Housing Register, for instance in Martletwy, Mynachlogddu and Nevern. A speculative explanation for these disparities is that there are many young people living with their parents in rural areas, who would like the opportunity to set-up a household in an affordable home and indicate that in the Rural Housing Needs survey. They do not however consider themselves to be in urgent need and therefore do not apply to be on the Common Housing Register.

6 Conclusions

6.1 This Statement of Affordable Housing Need in Pembrokeshire has explored the factors that cause the need for affordable housing, including local incomes, house prices, rental levels and the mortgage market. Pembrokeshire has experienced a very high rise in average house prices over the past decade, causing the affordability ratio to climb beyond what households can expect to borrow from mortgage lenders.

6.2 The Local Housing Market Assessment was intended to be the key source of evidence of need for affordable housing to inform the Local Development Plan. There are however concerns regarding its accuracy and validity, which are shared by Pembrokeshire County Council and the Pembrokeshire Coast National Park Authority.

6.3 This Statement proposes that the Common Housing Register should form the primary indicator of the need for affordable housing in Pembrokeshire. It has been held over many years and holds details of the type of property each household in need requires. There is clear evidence that the predominant need is for dwellings of one or two bedrooms, with households requiring three or more bedrooms accounting for around 15 - 20% of the overall need. In spatial terms, there is a need for affordable housing throughout much of Pembrokeshire. The Common Housing Register is clear however that the majority of need arises in urban areas and popular tourist areas along the coast, where house prices are particularly high.

6.4 Evidence of need derived from the Common Housing Register could be supplemented with information from Rural Housing Needs surveys where one has been undertaken. This method of assessing need relies on approaching households directly, rather than relying on them applying to the Council. There are instances where survey results do not tie-in with the Common Housing Register and a possible explanation of this trend has been suggested.

6.5 In conclusion, this Statement demonstrates that Pembrokeshire has a significant shortage of affordable housing, with too many households unable to afford to buy or rent property on the open market. Local Development Plan policies relating to affordable housing should acknowledge this need and aim to ensure that as much affordable housing as can be sustainably delivered within the Plan period.

The impact of Affordable Housing Need on the LDP strategy.

7.1 One of the roles of a Development Plan is to establish an authority-wide target for affordable housing, in accordance with Technical Advice Note 2¹⁹. This target must be based on housing need identified in the LHMA but be realistic about the level of affordable housing that can be drawn from developer contributions.

7.2 This Statement has established that evidence of need will be drawn from the Common Housing Register rather than the LHMA. The current figure of households in need of affordable housing is 3,572. Historic records of affordable housing delivered in the Plan area, shown in Appendix 1, along with extensive viability testing²⁰ indicate however that it would be unrealistic for the LDP to aim to meet all of the affordable housing need during the Plan period (up to 2021). The target should therefore be as high as can possibly be achieved.

7.3 The LDP affordable housing target has been set at 1,450 new homes. Based on the outcomes of the viability tests, developer affordable housing contributions are set at 25% on sites of 5 or more units. On Exception Sites every unit must be affordable. These policies are expected to deliver around 1250 affordable homes.

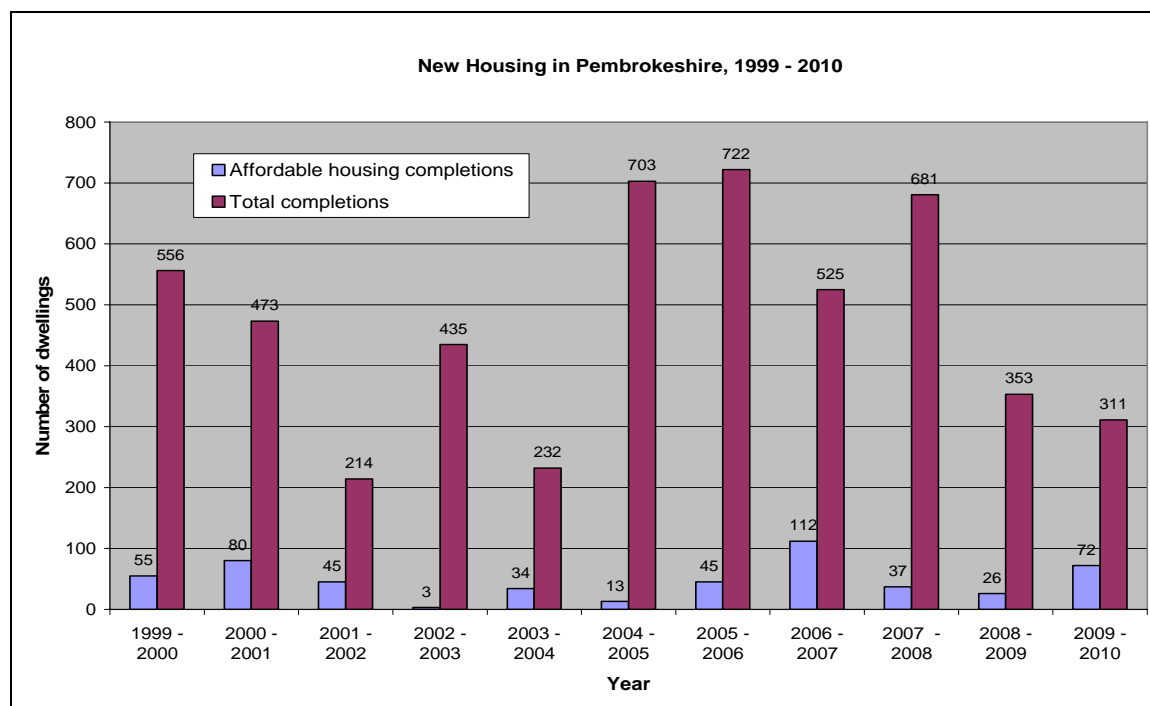
7.4 The Rural Housing Needs Surveys indicate that affordable housing is needed across Pembrokeshire's rural areas, including in villages where there are no housing allocations. These small villages, called 'Local Villages' in the LDP, are generally less sustainable locations for development as there are few services and facilities. The LDP will not support significant development in these places but opportunities have been defined within settlement boundaries for affordable homes. In Large Local Villages, 50% of new homes will be affordable; in Small Local Villages all new homes will be affordable. This policy is expected to deliver around 200 affordable units over the plan period.

¹⁹ Welsh Assembly Government - Technical Advice Note 2: Planning and Affordable Housing, 2006

²⁰ Pembrokeshire County Council - LDP Background Paper HC4 – Affordable Housing Viability Assessment, 2010

Appendices

1 Housing completions in Pembrokeshire County Council planning area, 1999 – 2010.



2 Affordable Housing need, by settlement and Community Council area

Settlement	Number of households registered in need	Community Council Area
Abercych	2	Manordeifi
Ambleston	3	Ambleston
Amroth	5	Amroth
Angle	4	Angle
Begelly	6	Kilgetty & Begelly
Blaenffos	6	Boncath
Boncath	9	Boncath
Bosherston	0	Stackpole
Broad Haven	13	The Havens
Broadmoor	4	East Williamston
Burton	2	Burton
Camrose	5	Camrose
Carew	3	Carew
Castlemartin	3	Castlemartin
Castlemorris	3	Mathry
Cilgerran	14	Cilgerran
Clarbeston	1	Wiston

Clarbeston Road	16	Wiston
Clunderwen	29	Clunderwen
Cosheston	8	Cosheston
Cresselly	1	Jeffreyston
Croesgoch	2	Llanrhian
Crosshands	0	Martletwy
Crundale	7	Rudbaxton
Crymych	23	Crymych
Dale	1	Dale
Dinas Cross	8	Dinas Cross
East Williamston	0	East Williamston
Eglwysrw	3	Eglwysrw
Felindre Farchog	1	Nevern
Fishguard	131	Fishguard & Goodwick
Freystrop	11	Freystrop
Goodwick	59	Fishguard & Goodwick
Hasguard Cross	2	The Havens
Haverfordwest	600	Haverfordwest
Hayscastle	3	Hayscastle
Herbrandston	6	Herbrandston
Hodgeston	0	Lamphey
Hook	19	Hook
Houghton	3	Burton
Hundleton	4	Hundleton
Jameston	7	Manorbier
Jeffreyston	3	Jeffreyston
Johnston	53	Johnston
Jordanston	1	Llanstadwell
Keeston	2	Camrose
Kilgetty	54	Kilgetty & Begelly
Lampeter Velfrey	0	Lampeter Velfrey
Lamphey	7	Lamphey
Letterston	36	Letterston
Llanddewi Velfrey	2	Llanddewi Velfrey
Llandeloy	4	Brawdy
Llandissilio	5	Llandissilio West
Llanfyrnach	4	Crymych
Llangolman	2	Maenclochog
Llangwm	11	Llangwm
Llanrhian	0	Llanrhian
Llanstadwell	3	Llanstadwell
LLanwnda	0	Pencaer
Llanycefn	0	Maenclochog
Llanychaer	1	Cwm Gwaun
Llawhaden	1	Llawhaden
Ludchurch	2	Lampeter Velfrey
Lydstep	0	Manorbier
Maenclochog	2	Maenclochog
Manorbier	17	Manorbier
Manorowen	0	Scleddau
Marloes	4	Marloes & St Brides
Martletwy	1	Martletwy
Mastlebridge	0	Llanstadwell
Mathry	9	Mathry

Merlins Bridge	37	Merlins Bridge
Milford Haven	531	Milford Haven
Milton	2	Carew
Mynachlogddu	0	Mynachlogddu
Narberth	105	Narberth
New Chapel	1	Manordeifi
New Moat	1	New Moat
Newport	33	Newport
Neyland	100	Neyland
Nolton Haven	1	Nolton & Roch
Pelcomb Cross	1	Camrose
Pembroke	279	Pembroke
Pembroke Dock	397	Pembroke Dock
Penally	7	Penally
Pentlepoir	2	East Williamston
Penycwm	5	Brawdy
Puncheston	3	Puncheston
Redberth	0	Carew
Reynalton	0	Kilgetty & Begelly
Robeston Wathen	1	Llawhaden
Robeston West	1	Walwyns Castle
Roch	12	Nolton & Roch
Rosebush	0	Maenclochog
Rosemarket	8	Rosemarket
Sageston	16	Carew
Saundersfoot	63	Saundersfoot
Scleddau	5	Scleddau
Simpson Cross	4	Camrose
Solva	20	Solva
Spittal	4	Spittal
St. Brides	2	Marloes & St Brides
St. Davids	37	St Davids & Cathedral Close
St. Dogmaels	22	St Dogmaels
St. Florence	11	St Florence
St. Ishmaels	7	St Ishmaels
St. Nicholas	0	Pencaer
St. Twynells	0	Stackpole
Stackpole	5	Stackpole
Stepaside	6	Amroth
Steynton	6	Milford Haven
Summerhill	0	Amroth
Sutton	0	Camrose
Tavernspite	5	Lampeter Velfrey
Tegryn	6	Clydau
Templeton	5	Templeton
Tenby	237	Tenby
Tiers Cross	5	Tiers Cross
Trecwn	8	Trecwn
Trefgarn Owen	8	Brawdy
Treffynnon	2	Brawdy
Trefin	6	Llanrhian
Uzmaston	1	Uzmaston & Boulston
Walton East	0	Wiston
Walwyns Castle	8	Walwyns Castle

Waterston	4	Llanstadwell
Wiston	2	Wiston
Wolfscastle	8	Wolfscastle
Outside Pembrokeshire	278	
Unknown	3	
Total	3572	

3 Pembrokeshire Coast National Park Authority LDP Background Paper: Housing. March 2010 update.

Key excerpts of their critique of the Local Housing Market Assessment.

- 140 The Local Housing Market Assessment was prepared in accordance with guidance from the Welsh Assembly Government, using the Stage 2a approach. The Local Housing Market Assessment identifies existing need (backlog need) as the number of households currently on the housing register (in the 'Gold' and 'Silver' categories of need). This does include applicants from outside the planning area (i.e. more than the need arising from within the National Park) but it does provide a reasonable estimate of a 'core' of need.
- 141 The principle flaws in the model used to estimate housing need in the Local Housing Market Assessment surround the estimation of newly arising need. Newly arising need (the households that will be added to the need each year) is estimated as the number of new households applying to the housing authority for housing (and falling into the 'Gold' and 'Silver' categories), plus the number of new households forming and needing affordable housing as indicated by population and household projection models (as directed by the guidance). The estimate of households applying to the Housing Authority for Housing for each year of the Local Housing Market Assessment was based on a single year of actual data, with no reason to believe that this year was representative of either past or future years (only one year of reliable data was available). The tendency to over-estimate may be aggravated as households who join the register and then leave it without being housed will be included in the figures, though they have met their needs in another tenure and/or Housing Authority area. The population and household projection figure was based on a pro-rata apportionment of a projection for Southwest Wales. There is good reason to believe that this is a seriously flawed approach, particularly in areas such as the Pembrokeshire Coast National Park, where the demographic pattern is markedly different from that of the surrounding wider area. Population and household projections subsequently produced by Pembrokeshire County Council specifically for the area of the National Park support this belief. Furthermore, adding the households applying to the Housing Authority to the number of households projected to form is likely to lead to double counting as

many, or most, households projected to form and need affordable housing will also apply to the Housing Authority for housing.

- 142 The model allows for supply of affordable housing due to re-lets of social housing and resale of LCHO type housing. However, this number of re-lets/resale's is fixed based on the years for which data is available to feed into the model, therefore it does not properly evaluate the impact of re-lets throughout the years covered by the Local Housing Market Assessment. If affordable housing is being delivered then the stock of affordable housing will increase and so, it is reasonable to assume, will the number of re-lets/resale's (as it is a function of the total housing stock). Therefore, if the housing need is being estimated over a number of years it is likely to underestimate the contribution to supply from re-lets/resale's.
- 143 For these reasons the Local Housing Market Assessment is likely to overestimate need, possibly to a significant degree. therefore the Pembrokeshire Coast National Park Authority, in preparing its Local Development Plan has used data from the housing register on current need, as we can be confident that this provides a reasonable indication of the need for affordable housing, and is unlikely to be an over-estimate leading to an unnecessary burden on developers or the landscape of the National Park.