



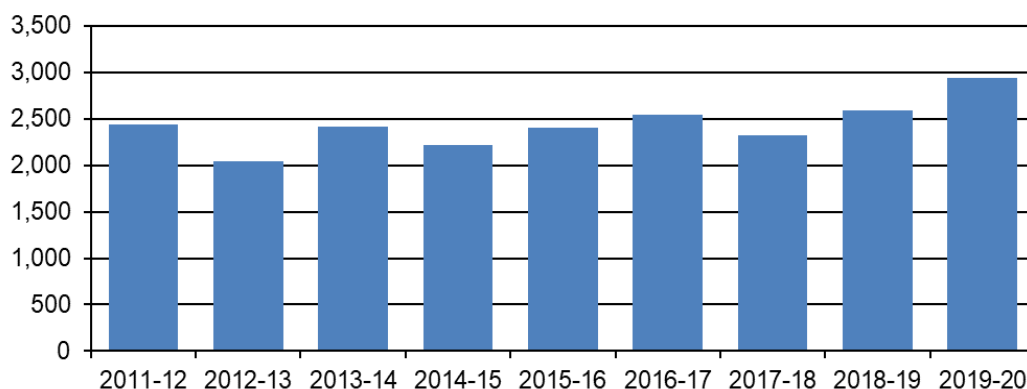
Affordable Housing Provision in Wales, 2019-20

11 March 2021
SB 8/2021

Affordable housing applies to housing where secure mechanisms are in place to ensure that it is accessible to those who cannot afford market housing, both on first and subsequent occupation as defined in [Technical Advice Note \(TAN\) 2](#). The Welsh Government's work programme '[Taking Wales Forward 2016 -2021](#)' includes a commitment to deliver an extra 20,000 affordable homes during 2016-21, including supporting the construction of more than 6,000 homes through the Help to Buy scheme. Commentary on progress towards the target is presented on pages 3-4 of this release. Data on Help to Buy purchases is available on [StatsWales](#).

The figures cover all additional affordable housing units, whether through new build, purchase, acquisition, leasing or conversion of existing dwellings. They do not take account of any loss of affordable housing stock through demolitions or sales during the year.

Additional affordable housing provision



- 2,942 additional affordable housing units were delivered across Wales. This is a 14% increase on the previous year and the 2019-20 figure is the highest annual total to date.
- An additional 60 housing units were delivered under the Rent to own – Wales¹ scheme introduced in February 2018
- Welsh Registered Social Landlords (RSLs) continued to make the largest contribution to additional affordable housing in Wales, delivering 84% of all additional affordable housing provision during 2019-20 (2,470 units).
- 62% of affordable housing units were delivered with capital grant funding.

About this release

This annual Statistical Release presents information about the number of additional affordable housing units delivered across Wales during 2019-20.

The analysis in this bulletin relates to the period 1 April 2019 – 31 March 2020 which is, therefore, largely prior to the coronavirus (COVID-19) pandemic.

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

1. Additional affordable housing

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

2. Wider context

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

The total number of dwellings in Wales at 31 March 2020 was estimated to be 1.44 million, an increase of 5 per cent over the last 10 years. There has been a general fall however in the percentage of social sector dwellings which were estimated to account for 16 per cent of all dwellings at 31 March 2020 compared with 19 per cent in 2000-01.

Whilst no new information is collected on the number of affordable housing units demolished, during the five years between 2013-14 and 2017-18, an average of 193 units were demolished annually.

Between 1 April 2007 and 31 March 2019, 3,619 social dwellings were sold via the RTB and RTA schemes. It should be noted that the Abolition of the Right to Buy and Associated Rights (Wales) Act 2018 abolished the Right to Buy with a final deadline for application to the scheme being 26 January 2019. Between 1 April 2007 and 31 March 2019, a further 3,120 social dwellings were sold via voluntary and other schemes (also includes non-social housing owned by social landlords).

On 6 November 2019, ONS published two reports on affordable housing statistics as part of a UK wide programme of work to improve housing and planning statistics:

- (a) [Comparing affordable housing in the UK](#), an article making cross-UK comparisons of affordable housing statistics
- (b) [Affordable Housing Statistics in the UK](#), a review of definitions, terminology and the feasibility of harmonising affordable housing statistical definitions.

2.1 Measuring progress on the Welsh Government commitment to deliver an extra 20,000 affordable homes during 2016-21

In September 2016, the current Welsh Government announced the Programme '[Taking Wales Forward 2016 -2021](#)' which includes a commitment to work in partnership to deliver an extra 20,000 affordable homes in the next term, including supporting construction of more than 6,000 homes through the Help to Buy scheme. Under the Help to Buy- Wales scheme, loans are available to buyers wishing to purchase a new-build property worth up to £300,000. Further information on the Help to Buy-Wales scheme is available in the [Quality report](#) accompanying this release.

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

In February 2018 the Welsh Government introduced two new schemes, [Rent to Own – Wales and Shared Ownership - Wales](#), aimed at offering the opportunity of home ownership to households who can afford the monthly mortgage payments but do not have the level of deposit normally required to purchase a home. Under Rent to Own – Wales, aspiring buyers will pay market rents for new-build homes from participating housing associations, and will have the option to purchase these from the end of the second year of their rental period. Shared Ownership - Wales is a part-buy, part-rent scheme suitable for aspiring buyers who have some deposit but are unable to obtain the level of mortgage to purchase the home outright. The number of units delivered via the Shared Ownership – Wales scheme have been included in the overall total for additional affordable housing shown in this release. The Rent to Own – Wales scheme however does not conform to the TAN2 definition of affordable housing and units delivered via this scheme have not been included in the total but are shown separately within the release.

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

Totals from three statistical series mentioned contribute to measuring progress towards the target to deliver 20,000 affordable homes:

- Affordable housing, as defined in Technical advice note (TAN) 2: from 2016-17 to 2019-20 (provisional), 10,396 additional affordable housing units were delivered across Wales.
- ‘Rent to Own - Wales’ scheme: from February 2018 to March 2020, 105 additional units were delivered under this scheme.
- ‘Help to Buy - Wales’ scheme: from April 2016 to December 2020, 8,503 purchases have been made under this scheme.

It has been reported, by local authorities and Registered Social Landlords, that a further 4,001 affordable housing units are planned for delivery during 2020-21. Comparing statistics on planned and delivered units in previous years, along with intelligence on delivery of affordable housing units in the first half of 2020-21, indicates how reliable the statistics on units planned in 2020-21 are likely to be.

In recent years, figures on units planned have overestimated at an all Wales level what is actually delivered in a year, therefore should be treated with caution.

Further information is provided in the ‘Accuracy’ section of the [Quality report](#) accompanying this release.

Considering the three statistical series described above, in addition to affordable housing (TAN 2) units planned in 2020-21, indicates that in excess of 20,000 affordable homes are expected to be delivered by March 2021.

3. Additional affordable housing delivered

Affordable Housing Units delivered through the Rent to Own scheme-Wales are not included in the total additional affordable housing figures shown within this section as they do not fully conform with the TAN 2 definition. A separate breakdown of the Rent to Own-Wales figure has, however, been provided in section 6 of this release.

Between 1 April 2019 and 31 March 2020, a total of 2,942 additional affordable housing units were delivered across Wales. Since 1 April 2007, when information on affordable housing was first collected, a cumulative total of 30,995 additional affordable housing units have been delivered. The 2,942 additional affordable housing units delivered during 2019-20 was an increase of 14% (350 units) compared to the previous year and the highest figure since data was first collected in 2007-08.

RSLs delivered 6% more additional affordable housing units during 2019-20 than in the previous year (2,470 compared with 2,338). The proportion of all affordable housing units that were delivered by RSLs decreased from 90% in 2018-19 to 84% in 2019-20. Of these 2,160 (87%) were newly built properties.

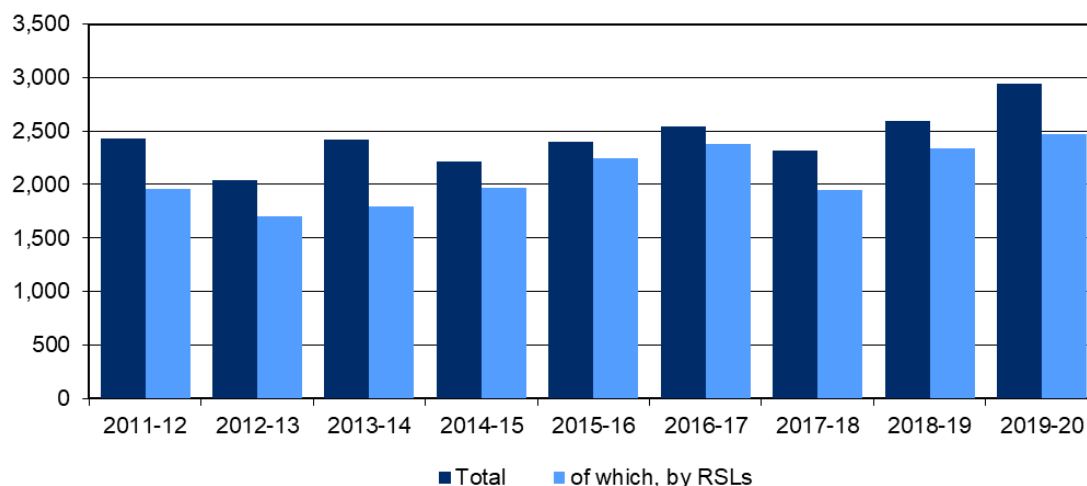
A further 393 units (13%) were local authority owned social rented units. The vast majority of these (82%), were delivered by just 4 local authorities, Cardiff (198 units), Flintshire (47 units), Carmarthenshire (43 units) and Denbighshire (33 units). Of these 393 units, 124 (32%) were newly built properties. In Flintshire and Bridgend, all new affordable housing was through newly built properties (47 and 10 units respectively) while Cardiff had a split between new builds (67 units) and acquired properties (131 units). The other 8 local authorities that reported additional affordable units were all acquired properties.

The remaining 79 units (3%) were delivered by other providers and included additional affordable housing units delivered directly by private developers through the planning system via Section 106 agreement.

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

It is estimated, by local authorities, that a further 4,001 affordable housing units are planned for delivery during 2020-21. However these figures have always been overestimates and may be subject to change so should be treated with caution. Further information is provided in the 'Accuracy' section of the [Quality report](#).

Chart 1 - Additional affordable housing delivered in Wales



Source: Affordable Housing Provision data collection, Welsh Government

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

The additional affordable housing figures shown within this release includes those housing units leased to provide accommodation for homeless families where the lease is for more than a year. Since 2014-15, the number of these units has been significantly lower than in previous years. This may have been influenced by local authorities adapting their practices both in anticipation of and following the introduction of new Homelessness legislation in April 2015 which put greater emphasis on homelessness prevention. In 2019-20 there were 39 such housing units, up from the 27 units in 2018-19.

The number of additional affordable housing units delivered within the National Park areas increased slightly during 2019-20, with 31 units delivered compared with 25 a year earlier. This represented 1 per cent of all additional affordable housing provision during 2019-20, the same proportion as 2018-19 ([Table 1](#)).

Table 1 - Additional affordable housing provision in Wales, 2014-15 to 2019-20 (a)

Provider	Delivered:						Planned (a)
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Isle of Anglesey	37	35	70	53	124	27	83
Gwynedd	182	54	46	54	118	97	96
Conwy	78	85	104	71	40	79	79
Denbighshire	74	55	67	60	35	119	313
Flintshire	96	43	84	249	163	96	287
Wrexham	56	71	45	21	159	25	457
Powys	49	63	91	64	51	75	154
Ceredigion	21	85	42	15	34	38	121
Pembrokeshire	158	140	150	93	126	164	119
Carmarthenshire	47	185	95	117	124	192	40
Swansea	142	156	171	152	254	245	181
Neath Port Talbot	88	95	106	38	153	171	64
Bridgend	137	136	154	61	148	94	150
Vale of Glamorgan	169	164	286	226	105	294	358
Cardiff	256	329	256	303	305	439	555
Rhondda Cynon Taf	117	120	244	230	96	135	249
Merthyr Tydfil	31	38	22	31	21	21	0
Caerphilly	181	163	132	49	82	126	86
Blaenau Gwent	30	54	59	0	31	12	138
Torfaen	74	82	97	132	121	141	74
Monmouthshire	53	64	88	100	125	113	165
Newport	142	183	137	197	177	239	232
Wales	2,218	2,400	2,546	2,316	2,592	2,942	4,001
Of which, total delivered in National Parks:							
Snowdonia NP	32	14	23	12	6	0	79
Pembrokeshire NP	0	5	44	6	16	28	4
Brecon Beacons NP	6	10	26	61	3	3	33
Total National Parks	38	29	93	79	25	31	116
Total outside National Parks	2,180	2,371	2,453	2,237	2,567	2,911	3,885
Wales	2,218	2,400	2,546	2,316	2,592	2,942	4,001

Source: Affordable Housing Provision data collection, Welsh Government

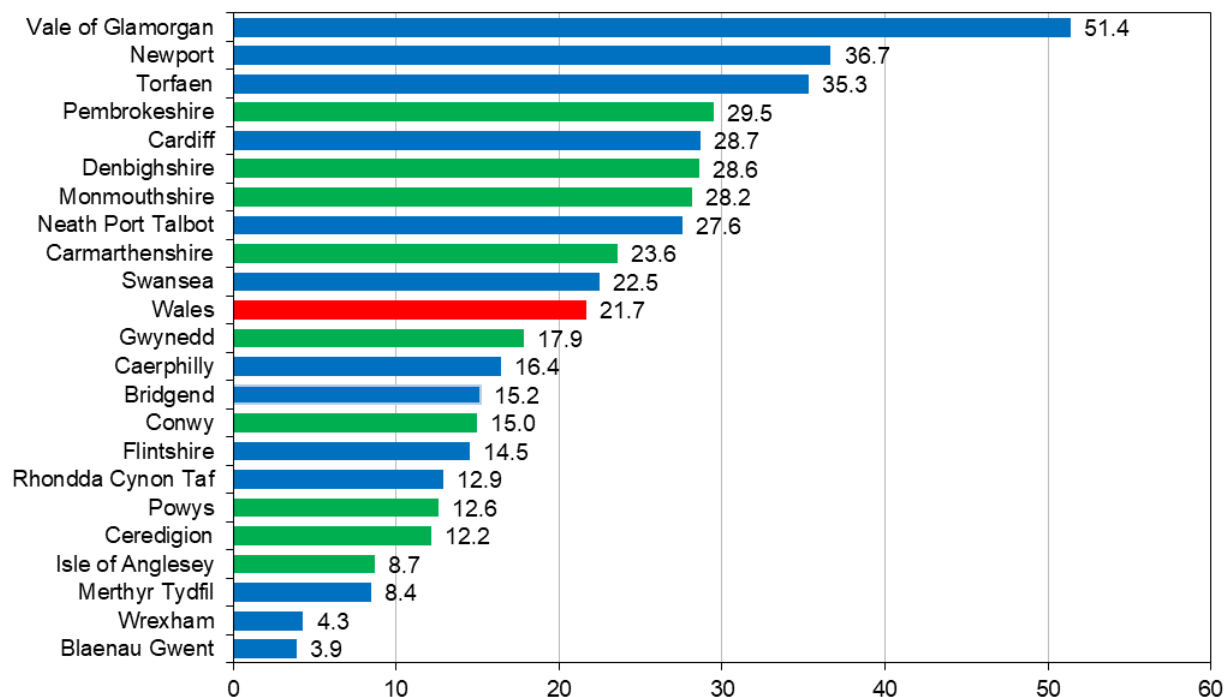
(a) The figures collated from local authority returns cover planned and proposed provision for all tenures including provision by RSLs, local authorities and the private sector. Figures for these years are estimates and are subject to change when reported as 'Delivered' in 'future years.

Table 1 shows that at an individual local authority level, 13 of the 22 authorities reported increases in the provision of affordable housing during 2019-20 compared to the previous year, with notable increases in Denbighshire (from 35 to 119) Vale of Glamorgan (105 to 294) and Cardiff (from 305 to 439). Each local authority sets an affordable housing target and this will influence provision ([Table 1](#)).

4. Rate of all additional affordable housing

To take into account the number of households in each area, for 2019-20, the rate of additional affordable housing provision per 10,000 households has been calculated using mid-2018 household estimates² for Welsh local authorities produced by the Welsh Government.

Chart 2 - Rate of all additional affordable housing units delivered per 10,000 households, by local authority area, 2019-20



Source: Affordable Housing Provision data collection, Welsh Government, and mid-2018 Household Estimates, Welsh Government

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

Chart 2 shows that during 2019-20 the rate of additional affordable housing delivery across Wales as a whole was 21.7 units per 10,000 households.

The local authority with the highest number of affordable housing units delivered in 2018-19 was Cardiff (439 units or 15% of the Wales total). However, when considering the number of households in each area, Vale of Glamorgan was the authority with the highest delivery rate at 51.4 units per 10,000 households.

Blaenau Gwent had the lowest delivery rate at 3.9 units per 10,000 households with 12 units delivered in 2019-20, compared to 31 in 2018-19.

² The 2018 mid year household estimates are available from [StatsWales](https://www.statswales.gov.wales/).

5. Additional affordable housing by funding source

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

Table 2 - Additional affordable housing delivered by funding source

<u>Additional affordable housing</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Number delivered:						
With capital grant funding	1,539	1,765	1,809	1,243	1,903	1,811
Without capital grant funding	679	635	737	1,073	689	1,131
Total	2,218	2,400	2,546	2,316	2,592	2,942
Percentage (%) delivered:						
With capital grant funding	69.4	73.5	71.1	53.7	73.4	61.6
Without capital grant funding	30.6	26.5	28.9	46.3	26.6	38.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Affordable Housing Provision data collection, Welsh Government

62% of affordable housing units were delivered through capital grant funding in 2019-20. This is lower than the proportion for 2018-19 (73%), but is due to the increase of affordable housing units delivered without capital grant fund which went up from 27% (689 units) in 2018-19 to 38% (1,131 units) in 2019-20.

Throughout Wales only 15% of additional affordable housing units delivered by local authorities were delivered with capital grant funding, whilst 5 local authorities provided all of their new affordable housing units without capital grant funding, a further 3 delivered more than 60% through capital grant funding. This is a substantial change from 2018-19, when most local authorities delivered a high proportion of affordable housing through capital grant funding. ([Table 3](#)).

During 2019-20, 71% of all RSL affordable housing provision in Wales were delivered with some form of capital grant funding, down from 81% during the previous year. Across Wales, RSL provision with capital grant funding reached over 80% in 10 local authorities

Inside the National Parks, 84% of all affordable housing was delivered with capital grant funding during 2019-20, up from 12% a year earlier.

Table 3 - Additional affordable housing delivered by funding source and local authority area, 2019-20 (a) (b)

Local Authority	<i>Numbers</i>					
	Total	With capital grant funding	Without capital grant funding	Of which are by RSLs		
				Total	With capital grant funding	Without capital grant funding
Isle of Anglesey	27	20	7	20	20	0
Gwynedd	97	55	42	97	55	42
Conwy	79	43	36	79	43	36
Denbighshire	119	85	34	86	76	10
Flintshire	96	37	59	37	37	0
Wrexham	25	13	12	10	7	3
Powys	75	63	12	70	63	7
Ceredigion	38	22	16	23	22	1
Pembrokeshire	164	128	36	146	126	20
Carmarthenshire	192	108	84	120	108	12
Swansea	245	210	35	237	210	27
Neath Port Talbot	171	130	41	171	130	41
Bridgend	94	77	17	84	67	17
Vale of Glamorgan	294	93	201	294	93	201
Cardiff	439	169	270	225	148	77
Rhondda Cynon Taf	135	121	14	128	121	7
Merthyr Tydfil	21	11	10	21	11	10
Caerphilly	126	87	39	117	78	39
Blaenau Gwent	12	7	5	12	7	5
Torfaen	141	75	66	141	75	66
Monmouthshire	113	52	61	113	52	61
Newport	239	205	34	239	205	34
Wales	2,942	1,811	1,131	2,470	1,754	716
Of which, total delivered in:						
Snowdonia National Park	0	0	0	0	0	0
Pembrokeshire National Park	28	26	2	26	26	0
Brecon Beacons National Park	3	0	3	0	0	0
Total National Parks	31	26	5	26	26	0
Total outside National Parks	2,911	1,785	1,126	2,444	1,728	716
Wales	2,942	1,811	1,131	2,470	1,754	716

Source: Affordable Housing Provision data collection, Welsh Government

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

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

6. Additional affordable housing delivered by RSLs

Welsh Registered Social Landlords (RSLs) continue to make the largest contribution delivering 84% of all additional affordable housing in Wales in 2019-20. As the major provider of additional affordable housing across Wales, RSLs are required to provide more detailed information including the tenure type of the housing units delivered and the number which are delivered by RSLs within the National Park areas.

Welsh RSLs delivered all of the additional affordable housing in 9 of the 22 local authorities across Wales and more than half in a further 11 local authorities. The exceptions were Flintshire and Wrexham, with RSLs responsible for 39% and 40%, respectively, of all affordable housing provision in 2019-20.

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

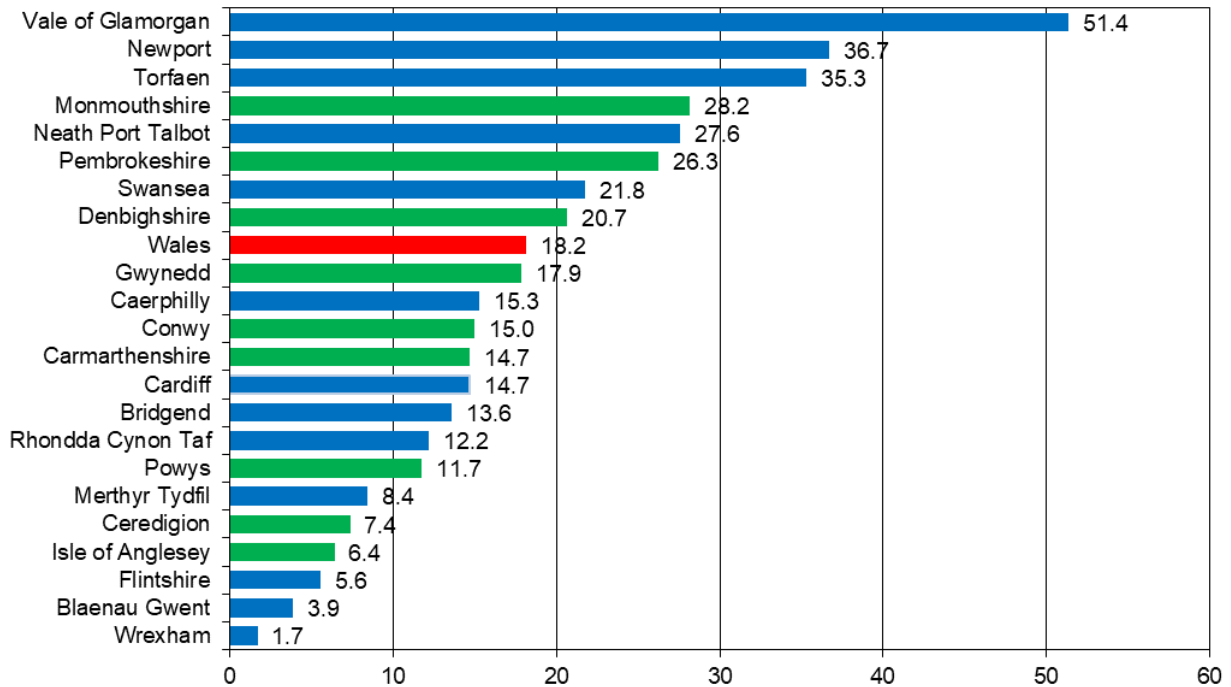
<u>Local Authority</u>	<i>Numbers</i>					
	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Isle of Anglesey	35	27	53	41	111	20
Gwynedd	97	29	46	48	112	97
Conwy	72	75	104	71	40	79
Denbighshire	40	43	46	38	19	86
Flintshire	44	43	72	89	121	37
Wrexham	56	71	45	21	156	10
Powys	49	63	91	58	51	70
Ceredigion	16	66	42	15	34	23
Pembrokeshire	158	133	144	74	117	146
Carmarthenshire	17	148	36	35	28	120
Swansea	142	156	171	134	251	237
Neath Port Talbot	88	95	106	38	153	171
Bridgend	137	136	154	61	148	84
Vale of Glamorgan	169	164	286	223	105	294
Cardiff	256	329	239	281	255	225
Rhondda Cynon Taf	109	103	207	214	87	128
Merthyr Tydfil	31	38	22	31	21	21
Caerphilly	181	163	132	45	75	117
Blaenau Gwent	30	54	59	0	31	12
Torfaen	74	82	97	132	121	141
Monmouthshire	53	49	88	100	125	113
Newport	117	183	137	197	177	239
Wales	1,971	2,250	2,377	1,946	2,338	2,470
Of which, total delivered in National Parks:						
Snowdonia NP	10	14	23	12	0	0
Pembrokeshire NP	0	2	41	6	15	26
Brecon Beacons NP	6	10	26	55	3	0
Total National Parks	16	26	90	73	18	26
Total outside National Parks	1,955	2,224	2,287	1,873	2,320	2,444
Wales	1,971	2,250	2,377	1,946	2,338	2,470

Source: Affordable Housing Provision data collection, Welsh Government

6.1 Rate of delivery by RSLs

Taking into account the number of households in each area, during 2019-20, RSLs delivered 18.2 additional affordable housing units per 10,000 households across Wales.

Chart 3 - Rate of additional affordable housing units delivered by Welsh Registered Social Landlords per 10,000 households, by local authority area, 2019-20



Source: Affordable Housing Provision data collection, Welsh Government, and mid-2018 household estimates, Welsh Government

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

Chart 3 shows the highest rate of additional affordable housing delivery by RSLs during 2019-20 was in the Vale of Glamorgan at 51.4 units per 10,000 households.

The lowest rate of provision was in Wrexham at 1.7 units per 10,000 households.

6.2 RSL delivery by tenure

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

<u>Tenure</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Number:						
Social rented	1,205	1,601	1,775	1,546	1,955	1,870
Intermediate rented	631	451	436	236	223	392
Shared equity (b)	135	198	166	163	121	133
Shared ownership-Wales (c)	.	.	.	1	39	75
Total	1,971	2,250	2,377	1,946	2,338	2,470
Percentage (%):						
Social rented	61.1	71.2	74.7	79.4	83.6	75.7
Intermediate rented	32.0	20.0	18.3	12.1	9.5	15.9
Shared equity (b)	6.8	8.8	7.0	8.4	5.2	5.4
Shared ownership-Wales (c)	.	.	.	0.1	1.7	3.0
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Affordable Housing Provision data collection, Welsh Government

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

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

(c) Shared Ownership - Wales was introduced in February 2018 and is a part-buy, part-rent scheme suitable for aspiring buyers who have some deposit but are unable to obtain the level of mortgage to purchase the home outright. The total includes one unit delivered under this scheme during the 2017-18 financial year.

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

Table 5 shows that of the 2,470 affordable housing units delivered by Welsh RSLs during 2019-20, 76% were social rented housing (1,870 units). This is a 4% decrease from 2018-19 and the second highest number of social rented units by RSLs since the start of the data collection in 2007-08. The social rented housing units provided by RSLs during 2019-20 accounted for 64% of all additional housing delivered by all providers.

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

During 2019-20 a total of 392 intermediate rented properties were delivered by RSLs, an increase of 76% on 2018-19. Intermediate rented properties accounted for 16% of all RSL provision.

RSLs also provide shared equity units for those who are not eligible for social housing, but who cannot afford to buy or rent a property on the open market. During 2019-20, 133 shared equity units were delivered, an increase of 10% on the previous year. Shared equity units accounted for just 5% of all RSL provision.

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

Through April 2019 to March 2020, RSLs across Wales had delivered 75 additional affordable housing unit via the Shared-ownership - Wales scheme introduced in February 2018 (see glossary).

1% (26 units) of the 2,470 units delivered by RSLs during 2019-20 were inside the National Park areas. Of these 25 units, 14 were socially rented, the remaining unit was shared ownership.

Most of the additional affordable housing provided during 2019-20 by RSLs were 'general needs' properties. These properties include self contained units that are not reserved for specific client groups and also properties that are adapted for use for people with disabilities but where no additional services or support are provided as part of the terms of occupancy. During 2019-20 these types of property accounted for 92% (2,268 units) of all additional affordable housing provision by RSLs. The remaining 8% (202 units) were housing units provided for use by particular client groups or for specific purposes.

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

Rent to Own – Wales

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

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

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

In 2019-20 a total of 60 units had been delivered under the Rent to Own – Wales scheme. In 2018-19, 35 units were delivered under Rent to Own – Wales.

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

7. Additional affordable housing through planning obligations

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

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

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

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

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

<u>Planning obligations</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
Number granted planning permission:						
Local Authorities	1,448	872	1,440	1,843	1,773	1,094
National Parks	35	58	49	18	54	125
All Wales	1,483	930	1,489	1,861	1,827	1,219
Number delivered:						
Local Authorities	760	691	861	717	573	699
National Parks	36	14	71	56	31	28
All Wales	796	705	932	773	604	727
Percentage (%) of all additional affordable housing delivered through planning obligations:						
	35.9	29.4	36.6	33.4	23.3	24.7

Source: Affordable Housing Provision data collection, Welsh Government

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

During 2019-20, the number of additional affordable housing units granted planning permission decreased by a third to 1,219. This was due to a decrease of 38% in those granted planning permission in Local Authorities. Affordable housing units granted planning permission in National Parks increased over 130% from the previous year to 125, the highest total to date.

During 2019-20, the number of additional affordable housing units delivered through planning obligations (section 106 agreements) increased by 20% compared with the previous year to 727 units.

The number of additional affordable housing delivered through planning obligations was up by 22% for local authorities and down by 10% in National Parks during 2019-20 ([Table 6](#)).

During 2019-20, 25% of all additional affordable housing delivered was through planning obligations compared with 23% per cent the previous year and 33% per cent during 2017-18.

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

8. Additional affordable housing on housing exception sites

Affordable housing exception sites³ are small scale housing sites within or adjoining existing settlements for the provision of affordable housing to meet local needs, which would not otherwise be allocated in the development plan. Prior to July 2010 these were known as 'rural exceptions sites'.

The number of affordable housing units granted planning permission to be built on affordable housing exception sites increased to 64 units in 2019-20. All of these were outside the National Park boundaries ([Table 7](#)).

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

	<i>Numbers</i>					
Affordable housing exception sites	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Number Granted planning permission:						
Local Authorities	61	21	33	43	51	64
National Parks	8	1	0	6	1	0
All Wales	69	22	33	49	52	64
Number delivered:						
Local Authorities	19	36	41	14	120	91
National Parks	0	1	8	3	0	0
All Wales	19	37	49	17	120	91

Source: Affordable Housing Provision data collection, Welsh Government

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

Table 7 shows that in 2019-20, the number of additional affordable housing units delivered on affordable housing exception sites decreased by 24% to 91 units compared to 120 in the previous year. The majority of these were in The Vale of Glamorgan (34 units), The Isle of Anglesey (16 units), Gwynedd and Powys (13 units each).

³ Where a local planning authority has identified a lack of affordable housing it must consider including an 'affordable housing exception site' policy in its development plan, setting out the circumstances where sites may be released for 100% affordable housing to meet local needs as an exception to the policies for general housing provision

9. Additional affordable housing on public sector land

[Table 8](#) below shows the extent to which the public sector, including local authorities, is releasing their own land for the purpose of providing additional affordable housing.

During 2019-20, the number of additional affordable housing units delivered on all public sector land increased by 10% to 716 units and accounted for 24% of all affordable housing provision. As was the case last year, most of these additional affordable housing units (63%) were delivered on local authority land.

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

	2018-19			2019-20		
	With capital grant funding	Without capital grant funding	Total	With capital grant funding	Without capital grant funding	Total
Public Sector						
Local authority land	344	52	396	270	178	448
Other public sector land	180	74	254	181	87	268
All public sector land	524	126	650	451	265	716

Source: Affordable Housing Provision data collection, Welsh Government

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

[Table 8](#) shows the majority of units delivered on all public sector land continued to be delivered with capital grant funding however the percentage of units delivered with capital grant funding decreased from 81% in 2018-19 to 63% in 2019-20.

The number of units delivered with capital grant funding on local authority land was down on the previous year from 344 units to 270 while on other public sector land increased by 1 to 181 units ([Table 8](#)).

The local authority with the highest percentage of units delivered on local authority land was Cardiff at 33%, 13 local authorities recorded no units delivered on local authority land.

Only 8 of the 22 authorities reported additional affordable housing units being delivered on land released by other public sector bodies during 2019-20. The highest percentage was in Torfaen at 53% followed by Swansea with 26%.

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

Glossary

Affordable housing exception sites

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

Additional affordable housing

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

Capital Grants Funding

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

Conversions

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

Delivered

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

Extra care (sheltered housing)

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

General needs

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

Granted planning permission

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

Housing Finance Grant

Housing Finance Grant, which is an additional funding package for RSLs, was introduced during 2013-14. The Housing Finance Grant is a 30 year grant scheme, which contributes to borrowing costs incurred by RSLs to fund additional affordable homes to be built in 2013-14, 2014-15 and 2015-16. A second phase of HFG (HFG2) was launched in 2017/18 for 3 years, covering 2017/18 – 2019/20

Housing unit

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

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

Integrated care fund (ICF)

The Integrated Care Fund (capital) is a nominally allocated to Regional Partnership Boards and paid via Health Boards to support a range of interventions including accommodation led solutions to health and social care. ICF can be used to support affordable housing delivered by local authorities and RSLs.

Intermediate rented housing

Where prices or rents are above those of social rented housing but below market housing prices or rents. This can include equity sharing schemes (for example Home buy). Intermediate housing differs from low cost market housing, which the Welsh Government does not consider to be affordable housing for the purpose of the land use planning system.

National Park Authorities (NPAs)

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

Other public sector bodies

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

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

Planned

This refers to any additional affordable housing units which are currently being developed and are scheduled to be delivered during the financial year 2020-21.

Planning obligations (Section 106 agreements)

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

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

Rent to Own – Wales

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

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

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

Section 106 agreements

See 'Planning obligations'.

Shared equity

This includes units where:

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

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

Shared Ownership – Wales

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

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

Sheltered housing

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

Social rented housing

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

Stair-casing

Stair-casing is when the owner of a Shared Ownership – Wales property exercises their legal right to acquire additional shares (equity) in their property.

Supported housing

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

Vibrant and viable places

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

10. Further information

The affordable housing statistics are normally published in November, however, the collection and publication of these statistics has been due to the coronavirus (COVID-19) pandemic. Provisional figures for a small subset of the data were published on 3 February. The number of affordable housing units delivered was revised slightly between the provisional and the final 2019-20 statistics, from 2,940 to 2,942 units.

The document is available at

<https://gov.wales/affordable-housing-provision>

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

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

Next update

Autumn 2021 (Provisional)

We want your feedback

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

stats.housing@gov.wales

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