

Ynys Môn

THE ISLE OF Anglesey

Topic Paper 3: Housing



Prepared in support of the Wylfa
Newydd Project: Supplementary
Planning Guidance

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I. Introduction

I.1 Purpose of this Topic Paper

I.1.1 The purpose of this topic paper is to bring together the evidence base and policy context in relation to housing to inform the updating of the Wylfa Newydd Supplementary Planning Guidance (Wylfa Newydd SPG). It is one of 11 topic papers that have been prepared to support the:

- Identification of the key matters to be considered in drafting the revised SPG;
- Provision of guidance with respect to how the revised SPG could respond to the challenges and opportunities identified; and
- To offer further information to the public in support of consultation on a draft revised SPG.

I.1.2 **Box I.1** provides a full list of topic papers being prepared in support of the Wylfa Newydd SPG.

Box I.1	Topic Papers Prepared in Support of the Wylfa Newydd SPG
	Topic Paper 1: Natural Environment
	Topic Paper 2: Historic Environment
	Topic Paper 3: Housing
	Topic Paper 4: Economic Development
	Topic Paper 5: Transport
	Topic Paper 6: Amenity
	Topic Paper 7: Climate Change
	Topic Paper 8: Infrastructure
	Topic Paper 9: Waste
	Topic Paper 10: Population and Community
	Topic Paper 11: North Anglesey

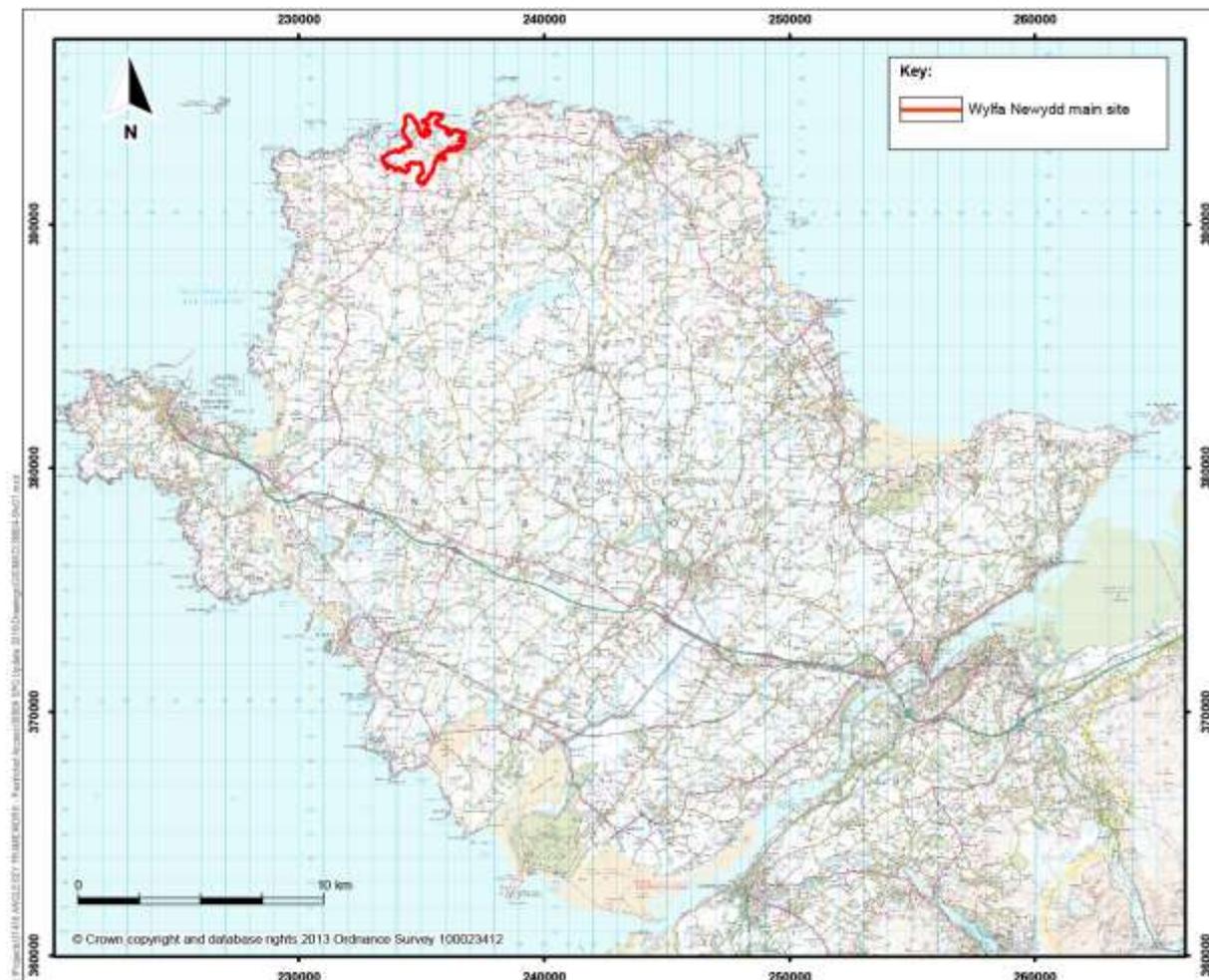
I.1.3 Ten topic papers were originally issued to support the SPG when it was first published by Isle of Anglesey County Council (the County Council) in 2014. Since that time the Anglesey and Gwynedd Joint Local Development Plan (JLDP) has been adopted which has required the topic papers to be updated in line with extant local planning policy including the drafting of an additional topic paper as indicated in **Box I.1** above.

1.2 Context

Wylfa Newydd

- 1.2.1 Wylfa has been identified by the UK Government in the National Policy Statement (NPS) for Nuclear Power Generation (EN-6) as a possible site for a new nuclear power station (see Part 4 and Annex C of the NPS). Horizon Nuclear Power (Horizon) plans to deliver two Advanced Boiling Water Reactors (ABWRs), generating a minimum of 2,700MW, on the Wylfa Newydd main site. The Wylfa site is approximately 300 hectare (ha) in size and it is located beside the existing Magnox nuclear power plant (which ceased electricity generation in December 2015). The project will also include associated development both on the Wylfa Newydd site and at various other off-site locations (see Figure I.1).

Figure I.1 Location of the Wylfa Newydd Main Site



- 1.2.2 Construction of the new nuclear power station is a Nationally Significant Infrastructure Project (NSIP) under the Planning Act 2008. Legislation provides that projects like Wylfa Newydd are of such potential importance to the UK that a

different consenting process to the “normal” grant of planning permission by the local planning authority applies. Under this process, Horizon (the project promoter) proposes to submit an application for a Development Consent Order (DCO) for the power station to the Secretary of State for Business, Energy and Industrial Strategy (Secretary of State). The application will be made through the Planning Inspectorate who, following examination, will recommend to the Secretary of State whether development consent should be granted or not. The final decision on whether to grant or refuse development consent rests with the Secretary of State¹.

- 1.2.3 Although the County Council is not the consenting authority for the NSIP, it will seek to ensure that development has regard to the strategic policies and principles of the Development Plan (the JLDP), the relevant NPSs, national (Wales) planning policy and guidance, and relevant Supplementary Planning Guidance. The JLDP is the spatial plan that gives effect to, *inter alia*, the Anglesey Economic Regeneration Strategy and the Energy Island Programme (EIP).
- 1.2.4 In addition to the proposed power station, Horizon will bring forward other projects directly related to Wylfa Newydd. These include off-site power station facilities and other facilities and works connected with the development (associated developments). In accordance with the NPS (para 2.3.4), associated development may be proposed at the main site, or may relate to works on land located off the main site. Associated development applications are now covered by the Planning Act 2008 in Wales and can, therefore, also be determined through the DCO process. Separately, third parties may bring forward development proposals indirectly related to the project. These might include, for example, sites for housing that will be occupied by construction workers. These development proposals would require consent under the Town and Country Planning Act (TCPA).
- 1.2.5 Since the previous version of this Topic Paper, Horizon has refined the likely off-site power station facilities and associated development required as part of the Wylfa Newydd Project. It has undertaken three stages of pre-application consultation (in 2014, 2016 and 2017) relating to the proposals and, in the third of these stages (PAC 3), it presented a series of preferred options. The off-site power station facilities are now proposed on one site in Llanfaethlu and the associated development is likely to include:
- Site preparation, clearance and enabling works for the new power station (within the Wylfa Newydd main site);

¹ Further information on the DCO application process is available via the Planning Inspectorate’s website: <http://infrastructure.planningportal.gov.uk/application-process/the-process/>.

- Marine Off-Loading Facility (MOLF), breakwaters and Holyhead Deep, a deepwater disposal site for inert construction material;
- Off-line Highway improvements in four sections along the A5025;
- Temporary Freight Logistics Centre at Parc Cybi;
- Temporary Park and Ride facility at Dalar Hir; and
- Temporary accommodation for the construction workforce on the Site Campus (within the Wylfa Newydd main site).

1.2.6 In addition to the above associated development (that form part of the DCO application), Horizon also proposes to submit TCPA applications for site preparation and clearance works and for on-line improvements to the A5025. In this context, reference to the Wylfa Newydd Project in this document includes the proposed power station and other development on the Wylfa Newydd main site and also the off-site power station facilities and associated development proposals, including the TCPA applications. However, the Wylfa Newydd Project does not include the North Wales Connection Project (NWCP) which will connect Wylfa Newydd to the electricity transmission infrastructure (i.e. the National Grid). The NWCP is also an NSIP. It is being promoted by National Grid and will be subject to a separate DCO application process.

1.2.7 The term 'project promoter' relates to both Horizon and any other third parties proposing development in direct response to Wylfa Newydd (for example, the provision of construction worker accommodation or related employment uses).

Wylfa Newydd Supplementary Planning Guidance

1.2.8 Supplementary Planning Guidance is a means of setting out detailed thematic or site-specific guidance on the way in which development plan policies will be applied in particular circumstances or areas. The purpose of the Wylfa Newydd Supplementary Planning Guidance (Wylfa Newydd SPG) is to provide supplementary advice on important local direct or indirect matters and to set out the County Council's response to national and local policy and strategies in the context of the Wylfa Newydd Project. The SPG is supplemental to the recently adopted JLDP.

1.2.9 The Wylfa Newydd SPG is intended to:

- Inform the position which will be adopted by the County Council in its Local Impact Report² and relevant sections of the Statement of Common Ground³;

² As part of the Planning Act 2008 process, the County Council will be invited to submit a Local Impact Report giving details of the likely impact of the proposed Wylfa Newydd Project on Anglesey. Further information on the preparation of

- Provide a planning framework (alongside the Development Plan and other planning policy guidance) that helps guide the applicant(s) and influences the design and development of the Wylfa Newydd Project elements to ensure sustainable outcomes, with a focus on associated development;
- Inform pre-application discussions related to the main site and associated developments;
- Offer supplementary local level guidance, consistent with the relevant NPSs, which the Planning Inspectorate and the Secretary of State may consider both important and relevant to the decision-making process; and
- Form a material consideration in the assessment of any Wylfa Newydd Project related TCPA applications submitted by Horizon or other development promoters and businesses who may have, or wish to pursue, an interest in the project.

1.3 Housing Overview

- 1.3.1 The issue of housing is one which affects all communities on Anglesey. Access to housing for many in the community can be difficult as a result of the increase in house prices and rents, the greater difficulty in obtaining mortgages and a corresponding lack of affordability as wages, in particular, do not keep pace with house prices. Recent changes at the national (England and Wales) level to the way in which housing benefit is calculated may also exacerbate the difficulty that some have in paying for accommodation.
- 1.3.2 Housing also needs to be in the right location and of the right type and tenure to meet the needs of the community. An appropriate mix of rented and owner-occupied housing is required to meet the needs of the existing communities.
- 1.3.3 To construct the proposed nuclear power station at Wylfa Newydd there will be a requirement for a large number of construction workers. These workers will be sourced from a wide area (depending upon the skills required) and whilst some will already reside within the community, or within commuting distance of the main site, others will require accommodation on the Island. As a result, the project promoter, Horizon or any third party acting on its behalf will be required to ensure that there is full and detailed consultation on how construction workers will be accommodated so that any adverse implications are identified and mitigated. The amount and type of

local impact reports is available via the Planning Inspectorate's website: <http://infrastructure.planningportal.gov.uk/wp-content/uploads/2013/04/Advice-note-1v2.pdf>.

³ A statement of common ground is a written statement prepared jointly by the applicant and another party or parties such as the County Council, setting out any matters on which they agree. Statements of common ground help focus on the examination on the material differences between the main parties.

accommodation to be provided will have implications for the Island's communities. Too little, or inappropriate accommodation (in terms of location, design type and tenure) could lead to additional pressure upon the Island's existing housing market which could displace existing occupiers, increase rents and prices and reduce the amount of tourism accommodation available if not properly managed.

- 1.3.4 In this context, this topic paper seeks to identify the current pressures and trends facing housing provision on Anglesey using existing research and information. Policy solutions, including those already identified by IACC, are highlighted.

1.4 Structure of this Topic Paper

- 1.4.1 The remainder of this topic paper is structured as follows:

- **Section 2:** Identifies the key messages relative to housing arising from a review of national (England and Wales), regional and local strategies/policies;
- **Section 3:** Presents the baseline information about housing in the Anglesey area, drawing on the evidence base; and
- **Section 4:** Identifies the key matters related to housing to be addressed by the Wylfa Newydd SPG and considers how the SPG could respond to each.

2. Policy Context

2.1 Introduction

- 2.1.1 The Wylfa Newydd SPG will influence, and be influenced by, other plans and programmes at an international/ European, UK, national, regional and local level. This section of the topic paper identifies the most relevant plans and programmes to housing in the context of the project and distils the key policy messages that will need to be reflected in the SPG. As housing policy is set and influenced at the national level and below, this section begins with this tier of document.

2.2 National Plans and Programmes

Overarching National Policy Statement for Energy (EN-1) (2011)

- 2.2.1 This National Policy Statement (NPS) sets out the criteria by which applications for nationally significant energy infrastructure projects will be determined and the recommended focus of analysis for the accompanying Environmental Statement. EN-1 highlights that the construction, operation and decommissioning of energy infrastructure may have socio-economic impacts at local and regional levels. The NPS requires an applicant to consider all relevant socio-economic impacts which could include matters such as the impact of a changing influx of workers during the different construction, operation and decommissioning phases of the energy infrastructure. It recognises that this could change the local population dynamics and could alter the demand for services and facilities in the settlements nearest to the construction work (including community facilities and physical infrastructure such as energy, water, transport and waste). There could also be effects on social cohesion depending on how populations and service provision change as a result of the development.

National Policy Statement for Nuclear Power Generation (EN-6) (2011)

- 2.2.2 NPS EN-6 is the primary decision-making framework for development consent applications for new nuclear power stations in England and Wales. It identifies Wylfa Newydd as site for a new nuclear power station. With regard to socio-economic effects (which can include housing), the document does not add to the issues raised within EN-1. Volume II of the NPS provides site specific information but again does not add materially to the consideration of socio-economic impacts set out within EN-1.

Wales Spatial Plan Update (2008)

- 2.2.3 The Wales Spatial Plan is the overarching framework and integration tool for Wales. It provides important policy underpinning a range of matters including, for example, the understanding and meeting of affordable housing needs.
- 2.2.4 The Plan identifies a number of Welsh regions including North West Wales (within which Anglesey is located). To ensure that North West Wales creates sustainable places with vibrant bilingual communities, both for the current workforce, and to attract young skilled people back to North West Wales, the Plan requires (amongst other interventions) that there must be adequate, affordable and quality housing available within both urban and rural areas. It notes that (as of 2008) a local housing market assessment was in preparation between Gwynedd, Anglesey, Conwy and Denbighshire local authorities and the Snowdonia National Park Authority in partnership with Bangor University and that its purpose was to help identify the housing needs across the region as a whole.

Planning Policy Wales: (9th Edition) (2016)

- 2.2.5 Planning Policy Wales (PPW) sets out the policy framework for local planning authorities' development plans and the considerations to be taken when determining planning applications. Section 9 deals specifically with housing and begins with a recap of the Government's approach to housing, as set out within the National Housing Strategy.
- 2.2.6 The document states that the Welsh Government will seek to ensure that:
- Previously developed land is used in preference to greenfield sites;
 - New housing and residential environments are well designed, meeting national standards for the sustainability of new homes and making a significant contribution to promoting community regeneration and improving the quality of life; and that;
 - The overall result of new housing development in villages, towns or edge of settlement is a mix of affordable and market housing that retains and, where practical, enhances important landscape and wildlife features in the development.
- 2.2.7 Paragraph 9.2.3 requires that local authorities maintain a 5-year supply of available housing land and paragraph 9.2.5 that local authorities when producing their development plans, devise a settlement strategy which establishes housing policies in line with their local housing strategy and a spatial pattern of housing development balancing social, economic and environmental needs. Paragraph 9.2.6 also requires local planning authorities to address the scope and potential for rehabilitation,

conversion, clearance and redevelopment when considering suitable sites for housing development.

- 2.2.8 PPW stipulates that a community's need for affordable housing is considered a material planning consideration which must be taken into account in formulating development plan policies. Affordable housing for the purposes of the land use planning system is 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. However, it is recognised that some schemes may provide for staircasing to full ownership. Where this is the case, there must be secure arrangements in place to ensure the recycling of capital receipts to provide replacement affordable housing.
- 2.2.9 PPW sets out that affordable housing includes social rented housing owned by local authorities and registered social landlords and intermediate housing where prices or rents are above those of social rent but below market housing prices or rents. All other types of housing are referred to as 'market housing', that is private housing for sale or rent where the price is set in the open market and occupation is not subject to control by the local planning authority. Affordable housing can be provided through the use of exception sites, and further policy guidance is provided to evidence policies which seek to deliver on this.

Technical Advice Note (TAN) 1: Joint Housing Land Availability Studies (2015)

- 2.2.10 This TAN provides guidance on the preparation of Joint Housing Land Availability Studies (JHLAS) and the methodology for calculating whether an area has a 5-year housing land supply. The purpose of the JHLAS is to:
- Monitor the provision of market and affordable housing;
 - Provide an agreed statement of residential land availability for development planning and control purposes; and
 - Set out the need for action in situations where an insufficient supply is identified.

TAN 2: Planning and Affordable Housing (2006)

- 2.2.11 TAN2 provides national planning advice for the delivery of affordable housing. It includes suggested planning conditions which can be applied with consents in order to secure affordable housing provision. The guidance requires local planning authorities to:
- Include an affordable housing target in the development plan which is based on the housing need identified in the local housing market assessment;

- Indicate how the target will be achieved using identified policy approaches; and
- Monitor the provision of affordable housing against the target (via the LDP Annual Monitoring Report) and where necessary take action to ensure that the target is met.

2.2.12 Paragraph 4.1 of TAN 2 provides the following definition of affordability:

“The concept of affordability is generally defined as the ability of households or potential households to purchase or rent property that satisfies the needs of the household without subsidy (further guidance is provided in the Local Housing Market Assessment Guide). This could be based on an assessment of the ratio of household income or earnings to the price of property to buy or rent available in the open market in the required local housing market area.”

- 2.2.13 Affordable housing is considered to include social rented and intermediate housing.
- 2.2.14 When preparing their LDPs, local authorities should first establish the need for affordable housing. They should then identify either site thresholds or a combination of site thresholds and site-specific targets.

TAN 6: Planning for Sustainable Rural Communities (2010)

- 2.2.15 TAN 6 supports national planning policy on sustainable rural communities and includes policy advice for rural housing. Section 4 provides guidance for sustainable rural housing. With reference to rural areas, especially where there are environmental constraints or social or cultural considerations, it sets out that planning authorities may wish to give priority to affordable housing to meet local needs, by identifying those smaller villages and clusters where future housing development will be limited to this category. The requirement for market and general affordable housing need should be accommodated elsewhere in the planning authority’s area.
- 2.2.16 Guidance is also provided on the circumstances where housing in connection with rural enterprises will be appropriate.

England and Wales – Welfare Changes

Housing Benefit and Universal Credit

- 2.2.17 UK Government (England and Wales) introduced new rules for the size of accommodation that Housing Benefit, and then Universal Credit, will cover for working age tenants renting in the social sector. This brings them in line with those renting in the private rented sector.

- 2.2.18 As of April 2013 all current and future working age tenants renting from a local authority, housing association or other registered social landlord no longer receive help towards the costs of a spare room.
- 2.2.19 The new rules allow one bedroom for each person or couple living as part of the household with the following exceptions:
- Children aged under 16 of the same gender are expected to share;
 - Children aged under 10 are expected to share regardless of gender;
 - A disabled tenant or partner who needs a non-resident overnight carer is allowed an extra room;
- 2.2.20 Children who cannot share a bedroom because of a disability or medical condition may be entitled to an extra room;
- 2.2.21 The effect of the changes is to reduce the benefit received by households should they be deemed to possess a spare room.

Universal Credit

- 2.2.22 UK Government has begun to introduce Universal Credit. It seeks to integrate the following six working-age benefits and tax credits into a single payment:
- Housing benefit;
 - Child Tax Credit;
 - Income support;
 - Working Tax Credit;
 - Income-based Jobseeker's Allowance;
 - Income-related Employment and Support Allowance.
- 2.2.23 Similar to the recent changes to Housing Benefit, the Credit will be paid direct to the claimant such that support towards the payment of rent will be paid to the tenant who will be responsible for payment to the landlord. Universal Credit is paid in arrears such that claimants may wait six weeks for first payment. A maximum award can be paid where a household has no other earnings and savings or capital of £6,000 or less.
- 2.2.24 The UK Government's programme of implementation suggests that the Universal Credit system will become active in the Isle of Anglesey in March 2018.

Improving Lives and Communities – Homes in Wales: The National Housing Strategy

2.2.25 The National Housing Strategy identifies a number of policy and programme developments which had occurred before 2010 and sets out the challenges faced for housing in Wales. These challenges are:

- The demand for housing continues to outstrip supply, which needs to be met by new houses and by bringing back into use empty properties;
- The credit crunch has increased the demand for affordable housing;
- The ageing population has significant implications for the design of houses and the support available to help people to live independently for as long as possible;
- The age and quality of current social housing stock means that substantial improvement is required, not least on energy efficiency. Stock transfers are addressing this in some areas;
- There is increased demand on housing and housing-related support services, including those that deal with homelessness.

2.2.26 In response to these challenges, the Strategy identifies an approach which seeks to provide more housing of the right type, with more choice, to improve existing homes including improved energy efficiency and to improve housing-related services and support, particularly for vulnerable people and people from minority groups.

2.2.27 To implement the approach, a list of actions is provided. These will seek to:

- Increase the number of affordable homes for purchase or rent, in the right location and specifically in rural areas;
- Increase the level of private sector investment in housing;
- Improve the quality and standard of all existing houses and rented accommodation, including their energy efficiency;
- Give people more choice by broadening the range of homes and tenancy arrangements to suit people's income and circumstances;
- Give tenants a clear voice in decisions that affect them;
- Make it easier for people to find suitable accommodation, particularly people from minority groups;
- Ensure services reflect the needs of those who use them not the needs of organisations that deliver them; and

- Make best use of investment in housing and other regeneration activity to create more jobs and training opportunities, and to improve the look and feel of communities, and the services and facilities available to local people.

Mobile Homes (Wales) Act 2013

2.2.28 The Act came into force in 2014 and it is designed to provide a greater degree of protection to residents of mobile homes in situation where they do not own the land on which it sits. The main features of the Act are that:

- Site owners will be required to apply for a licence from their local authority to operate a site. The licence will last up to 5 years;
- Site managers will need to pass a 'fit and proper person' test before being awarded a licence;
- Site owners will no longer be able to block the sale of a mobile home. The mobile home owner will be free to sell their home to who they wish;
- Local Authorities will be able to inspect sites and issue a fixed penalty notice to site owners if conditions on the site are not kept properly;
- In more serious instances, Local Authorities will be able to issue the site owners with a compliance notice to make sure that site conditions are upheld;
- Pitch fees can only be increased in line with the Consumer Prices Index;
- Site owners and residents will be able to appeal to the Residential Property Tribunal in certain circumstances.

Housing (Wales) Act 2014

2.2.29 The Act seeks to improve the supply, quality and standards of housing in Wales. Key elements of the Act are:

- Introduction of a compulsory registration and licensing scheme for private rented sector landlords and letting and management agents, which will be delivered by Rent Smart Wales;
- Reform of homelessness law, including placing a stronger duty on local authorities to prevent homelessness and allowing them to use suitable accommodation in the private sector;
- Placing a duty on local authorities to provide sites for Gypsies and Travellers where a need has been identified;
- Introduction of standards for local authorities on rents, service charges and quality of accommodation;

- Reform of the Housing Revenue Account Subsidy system;
- Giving local authorities the power to charge more than the standard rate of council tax on long-term empty properties and certain types of second homes;
- Assisting the provision of housing by Co-operative Housing Associations; and
- Amendment of the Leasehold Reform, Housing and Urban Development Act 1993.

Rent Smart Wales

2.2.30 One of the measures introduced via the Housing (Wales) Act, Rent Smart Wales has required since November 2015 that all landlords register with Rent Smart Wales for a period of five years, at which point re-registering is required. The purpose of the register is to record the name and details of those owning and renting property in Wales. All rental properties, including houses in multiple occupation are included with enforcement available should landlords fail to register.

Abolition of the Right to Buy and Associated Rights (Wales) Bill

2.2.31 The Bill, when enacted will replace The Housing (Wales) Measures 2011 ending the right to buy for new social housing stock two months after the Bill is enacted. For existing social housing stock, the Bill will take effect after a period of twelve months. The Housing (Wales) Measures 2011 allowed local housing authorities to apply to suspend the right to buy and related rights in areas of housing pressure for up to five years only.

Renting Homes (Wales) Act 2016

2.2.32 The Act was introduced to simplify the process of renting a home. It replaces various legislation controlling tenancies and licences with two types of occupation contract which are:

- Secure contract - modelled on the current secure tenancy issued by Local Authorities;
- Standard contract - modelled on the current assured shorthold tenancy used mainly in the private rented sector.

2.2.33 Once implemented, the Act will require landlords to issue a written statement of the occupation contract which clearly sets out the rights and responsibilities of landlords and those renting from them. A minimum six-month occupation period will also be maintained by the Act and landlords will have to ensure the property is fit for human habitation. The Act will also help protect people from being evicted should they complain about the condition of the property.

- 2.2.34 The Act also includes provisions to help to prevent current homelessness situations where a joint tenant leaves the tenancy, thereby ending the tenancy for others who may be occupying the house. A new succession right for carers is also created.
- 2.2.35 The Act supports landlords when attempting to repossess an abandoned property and allows them to take possession without the need for a court order.

Help to Buy (Wales)

- 2.2.36 Introduced in 2014 5,838 purchases have been completed using a Welsh Government Help to Buy-Wales shared equity loan by October 2017⁴. Help to Buy is an initiative to help first time buyers and existing home owners purchase a new-build home up to a value of £300,000 with a reduced deposit. Welsh Government has announced a Phase 2 of the scheme to support the construction of a further 6,000 new homes by 2021. This will provide shared equity loans of up to 20% of the price of a new build property, interest free for the first three years.

2.4 Local Plans and Programmes

Joint Local Development Plan (JLDP)

- 2.4.1 The Anglesey and Gwynedd Joint Development Local Plan (JLDP) sets out the planning policy framework and strategic aims for development and land use from 2011 to 2026.
- 2.4.2 The JLDP identifies a number of key matters particularly relevant to housing. These matters are summarised in **Box 2.1**.

Box 2.1 JLDP Key Matters Relevant to Housing

- Impact of holiday / second homes on communities and the housing market;
- Need to provide for students;
- Need to provide for construction workers associated with major infrastructure projects;
- Insufficient supply of housing and responding to the need for a better range of housing in terms of location, type, size and affordability for local people;
- Respond to the housing needs of Gypsies and Travellers;
- Many current houses are considered to be too old and of poor design in terms of their performance and sustainability to satisfy modern needs;
- Capacity of settlements to deal with additional housing.

⁴ <https://stats.wales.gov.wales/Catalogue/Housing/Help-To-Buy/helptobuywalescompletedpurchases-by-localauthorityarea-numberofbedrooms> (accessed November 2017)

- 2.4.12 The JLDP is underpinned by several strategic objectives that related to housing including:
- SO15: To ensure that a sufficient and appropriate range of housing sites are available in sustainable locations in accordance with the settlement hierarchy to support economic growth; and
 - SO16: To provide a mixture and good quality and affordable housing units, of a range of types and tenures to meet the housing requirements of all sections of the population.
- 2.4.13 The JLDP sets out housing requirement (the target) for the Plan area of 7,184 dwellings over the plan period, although the Councils are planning to make provision for an 10% over this target, thus the overall housing land supply stands at 7,902 for the Plan area during the plan period (2011-2026). The Councils' spatial strategy is to distribute this development in accordance with the following settlement hierarchy (as defined in Strategic Policy PS17: Settlement Strategy):
- Urban Service Centres: In Anglesey these include Amlwch, Holyhead and Llangefni;
 - Local Service Centres: In Anglesey these include Beaumaris, Benllech, Bodedern, Cemaes, Gaerwen, Llanfair Pwllgwyngyll, Menai Bridge, Pentraeth, Rhosneigr, Valley;
 - Villages: Including service villages (in Anglesey these include Gwalchmai, Newbrough, Llanerch-y-medd), local villages and coast/rural villages; and
 - Clusters: smaller villages where local need affordable housing units will be permitted on infill or extension plots in acceptable and sustainable locations.
- 2.4.14 53% (4,195) of the dwellings are planned for the Sub-regional centre of Bangor (Gwynedd) and the urban service centres of Gwynedd and Anglesey.
- 2.4.15 The JLDP contains several strategic policies relevant to housing. These are summarised in **Box 2.2**.

Box 2.2 Summary of JLDP Strategic Policies Relevant to Housing

- **Policy ISA 1: Infrastructure Provision** identifies a range of purposes for which financial contributions can be sought, where appropriate, including affordable housing;
- **Strategic Policy PS 5: Sustainable Development** sets out that housing units should meet the needs of the local population in terms of their quality, tenure and affordability;
- **Strategic Policy PS 8: Proposals for National Significant Infrastructure Projects and Related Developments** stipulates that proposals for accommodation should contribute to a balance of positive outcomes for local communities, visitors and the environment;
- **Strategic Policy PS 9: Wylfa Newydd and Related Development** sets out that accommodation requirements of construction workers should be met in a way that minimises impact on the local housing market, including the ability of those on low incomes to access the private rented sector, affordable housing and other housing services, and not result in unacceptable adverse economic, social, linguistic or environmental impacts;
- **Strategic Policy PS10: Wylfa Newydd Campus Style Temporary Accommodation for Construction Workers** sets out the considerations to be taken into account in the preparation of a Local Impact Report;
- **Strategic Policy PS16: Housing Provision** sets out the number of housing units the Councils will need to make provision for;
- **Strategic Policy PS 17: Settlement Strategy** seeks to distribute new housing in accordance with a settlement strategy based on a settlement's level of service provision, function and size (population) and subject to its environmental, social and infrastructure capacity to accommodate development⁵;
- **Strategic Policy PS 18: Affordable Housing** sets out that development opportunities have been identified to provide a minimum of 1,572 affordable homes. Thresholds and distribution of affordable housing are set out in Policy TAI15.

2.4.16 These JLDP strategic policies are supporting by more detailed development management policies. Those relevant to housing are set out in **Box 2.3**.

⁵ The JLDP states at PS 9 that the development of campus –style temporary accommodation for construction workers is not required to comply with Policy PS 17.

Box 2.3 JLDP Development Management Policies Relevant to Housing

- Policy TAI 1 Housing in Sub-regional Centre & Urban Service Centres⁶;
- Policy TAI 2 Housing in Local Service Centres;
- Policy TAI 3 Housing in Service Villages;
- Policy TAI 4 Housing in Local, Rural and Coastal Villages;
- Policy TAI 5 Local Market Housing;
- Policy TAI 6 Housing in Clusters;
- Policy TAI 7 Conversion of Traditional Buildings in the Open Countryside to Residential Use;
- Policy TAI 8 Appropriate Housing Mix;
- Policy TAI 9 Subdivision of Existing Properties to Self-Contained Flats & Houses in Multiple Occupation (HMOs);
- Policy TAI 10 Campus Style Accommodation for Construction Workers;
- Policy TAI 15 Affordable Housing Threshold & Distribution.

Supplementary Planning Guidance: Affordable Housing (2004)

2.4.17 The Affordable Housing Supplementary Planning Guidance (SPG) provides a definition for affordable housing and housing need. It refers to the Anglesey Housing Need Survey 2001 for evidence to suggest that there is a significant need for affordable housing. The SPG refers back to the relevant Local Plan and at that time UDP policy concerning affordable housing thresholds. It provides advice on design, procedures and legal agreements pertinent to the delivery of affordable housing via the planning system.

Strengthening Communities in Anglesey and Gwynedd – A Single Integrated Plan for Anglesey and Gwynedd (2013-2017)

2.4.18 The Isle of Anglesey Single Integrated Plan brings together the arrangements for health, social care, community, children and safety for the next 12 years. It identifies housing provision and affordability as a key challenge. The Joint Local Service Board's document seeks to jointly focus efforts on making Anglesey and Gwynedd healthy, safe and prosperous places to live and work. It recognises that an inability to afford housing, or poor quality housing can affect a person's health,

⁶ The JLDP is clear at PS 9 that the development of campus –style temporary accommodation for construction workers is not required to comply with Policies TAI 1, TAI 2, TAI 3, TAI 4, TAI 5, TAI 10 and TAI 15.

wellbeing and educational attainment. The Strategy seeks to improve the supply of affordable housing, improve quality and mitigate the impact of welfare reform.

Anglesey Local Housing Strategy 2014-2019

2.4.19 This Strategy considers the Council's strategic housing function, and how it interacts with other corporate objectives and other strategies. It requires the Council to take an informed overview of the entire housing market in Anglesey.

2.4.20 The Strategy sets out the six priorities of the Isle of Anglesey County Council Housing. These are:

- Increasing the amount of affordable housing and choice;
- Tackling homelessness;
- Improving the quality of housing across all tenures;
- Working towards achieving sustainable housing options for vulnerable households;
- Tackling fuel poverty and increasing energy efficiency; and
- Community sustainability and social inclusion.

Wylfa Nuclear New Build Accommodation Position Statement

2.4.21 Published in March 2011, this statement was supported by an evidence base and an options paper. The Preferred Option is for the Council to work with key partners to support a mix of accommodation to meet the needs of the construction workers. The working mix of accommodation is as follows:

- 1/3 of workers accommodated in purpose built accommodation (a minimum on-site to meet operational requirements but the majority off-site);
- 1/3 in private rented accommodation (mix of new and existing); and
- 1/3 in tourist accommodation (mix of new and existing).

2.4.22 Since its publication, the timescale for the construction of Wylfa Newydd, the breakdown and size of the workforce has changed substantially with the effect that, whilst the Position Statement has not been revoked, the assumptions contained within it have changed. The Revised Wylfa Newydd SPG will provide new guidance on the Council's preferred approach towards the accommodation of construction workers but until revoked the Position Statement will remain as a material planning consideration.

Anglesey Local Housing Market Assessment (LHMA) Update 2016

2.4.23 Produced on behalf of the Council, this document updated the model developed in 2013 to understand future housing needs on the Island up to 2033. Using publically available data, supplemented by re-weighted questionnaire surveys, the study identified the level of demand for accommodation across the Island, including the tenure and size of accommodation required. The study concluded that there is a requirement for 132 affordable houses per annum with the need for four bedroomed affordable housing the most acute. With regard to specific tenures, intermediate (mixed tenure) housing requirements are for 681 additional intermediate rented dwellings over the next 18 years, 34.1% of which should be three bedroom properties with a 29.4% two bedroom accommodation. 25.1% should contain four or more bedrooms and 11.5% a single bedroom. Baseline information on the local housing market which is presented within this document has been used to inform Section 3 of this Topic Paper.

2.5 Key Policy Messages for the Wylfa Newydd SPG

2.5.1 Based on the review of plans and programmes in this section, a number of key messages/issues relevant to housing have been identified that will need to be considered in preparing the Wylfa Newydd SPG. These messages are summarised in **Box 2.4** below.

Box 2.4 Key Policy Messages for the Wylfa Newydd SPG: Housing

- An appropriate mix of market and affordable housing should be sought;
- There is a need to ensure that construction workers' accommodation provision does not adversely affect the local housing market;
- Affordability remains a big issue in Wales and in Anglesey and more affordable homes are required for purchase or rent in the right locations and specifically in rural areas;
- Housing can have a strong influence on a household's health and wellbeing;
- Improvements to the quality of existing housing including energy efficiency are required;
- Preference should be given to the construction of housing on previously developed land, and in accordance with the settlement strategy identified in the JLDP;
- Welfare changes may encourage more households to seek smaller units of accommodation.

3. Baseline Information and Future Trends

3.1 Introduction

3.1.1 This section describes the existing baseline characteristics of Anglesey in respect of housing and identifies how this baseline could change in the future, taking into account the proposed nuclear power station at Wylfa Newydd. This helps develop an understanding of the key opportunities and challenges that should be addressed by the Wylfa Newydd SPG. It draws on the following research undertaken/commissioned by Anglesey and Gwynedd Councils with respect to housing:

- Topic Paper 3: Population and Housing (2013);
- Local Housing Market Assessment Update 2016 (Isle of Anglesey County Council); and
- Gwynedd Council and Ynys Môn County Council Affordable Housing Viability Study Update 2014 (AHVS).

3.2 Baseline Information

Tenure

3.2.1 In Anglesey the 2011 census recorded 30,594 households of which 21,034 (68.8%) are owner occupied, 4,487 (14.7%) socially rented and 5,073 (16.6%) privately rented or living rent free according to the 2011 Census. In terms of a national comparison, this suggests that it is in the area of social renting where Anglesey has fewer households than the national average, with a greater emphasis instead towards private rented/rent free.

3.2.2 Wards with the highest numbers of owner occupier are Cwm Cadnant (85.1%), Trearddur (83.1%), Llanbedrgoch (80.3%), Brynteg (80.3%) and Llanddyfnan (79.9%) whilst those with the highest proportion of socially rented households are to be found in Tudur (54.2%), Morawelon (49.1%), Maeshyfryd (31.0%), London Road (29.1%) and Porthyfelin (23.8%). Private rented is strongest in Holyhead Town (39.4%), Cadnant (26.9%), Llanfair yn Neubwll (25.6%), Beaumaris (20.4%) and Rhosneigr (18.2%). Houses that are socially or privately rented therefore are most prominent within the urban wards.

House Numbers and Types

3.2.3 The 2011 Census indicated that there were 34,183 dwellings in the Isle of Anglesey in 2011, and that since 2001 the number of dwellings had increased by 10.1%, over

3,100 properties. In comparison, the dwelling stock in Wales increased by 8.6% between the 2001 and 2011 Census. The predominant house type is the detached dwelling with 47.5% of households consisting of detached houses or bungalows. This is much higher than the average figure for the whole of Wales (27.8%). Due to this high percentage, it is not surprising to understand that the percentage of households living in semi-detached houses (22.2%) is much lower than the corresponding percentage for the whole of Wales which is 31.9%. Similarly, the percentage of all households living in terraced housing (22.6%) is also lower than the Wales average (27.7%) as is the percentage of households who live in flats in Anglesey (7.0% as opposed to 12.3%).

House Age, Fitness and Suitability

- 3.2.4 The age of the housing stock is closer to the all Wales average with 32% of all households constructed before 1919.
- 3.2.5 The Isle of Anglesey Private Sector House Condition Survey 2008 suggests that 2% of private dwellings are unfit with the far largest private tenure being the private rented sector which had 5.7% of total stock classed as unfit. Whilst this survey has not been updated, primary survey data undertaken to inform the 2013 LHMA suggests that approximately 10% of residents currently occupy 'inadequate housing' that is housing which is considered to be either on grounds of size, cost, form and/or services available.

Household Size

- 3.2.6 Average household size has decreased from 2.52 in 1991 to 2.25 by 2011. This is on a par with Gwynedd (at 2.21%) although Anglesey's household size started from a higher base. Reflective of this decrease in household size is the fact that the number of one person households has increased by 19% in the period 2001 to 2011 with a total percentage of 32% being classified as one person households in 2011 compared to a Wales percentage total of 30%.

Household Age

- 3.2.7 The Local Housing Market Assessment 2016 Update (LHMA 2016) reports that 11.3% of households on Anglesey contain only older people with a further 7.5% containing both older and non-older people. The first figure is 13% higher than the County of Conwy (it adjoins the JLDP area) which has 29.1% of its households occupied by pensioners only (Census 2011). Many of the older households in Anglesey currently under-occupy their home although in the survey undertaken to inform the LHMA 2013 a large majority, 77.2% stated that they were 'very satisfied' with their existing accommodation.

3.2.8 On Anglesey, in April 2017 there were 29 registered Residential and Nursing Homes. However, the Single Integrated Plan concludes that fewer people are choosing to use residential care. It notes that this is a national trend and has been consistent for a number of years. In Anglesey as a whole, it concludes that there is an overdependence on residential care beds with the need to develop more services in the community. As an example of the way forward for older care provision the County Council in partnership with Pennaf Housing Group are in the process of constructing an extra care facility on the site of the former Ysgol y Bont site, Llangenfi. This will provide 63 Extra Care 1 and 2 bedroom apartments for rent, with communal facilities for individuals aged 60 years and over managed by Clwyd Alyn Housing Association.



The Housing Market

3.2.9 The mean house price in Anglesey in the third quarter of 2015 was reported within the LHMA 2016 as £186,229, higher than the average for Wales (£162,904). Data showed that prices had recorded substantial increase since the market downturn, (see Table 3.1).

Table 3.1 Change in Average Property Prices

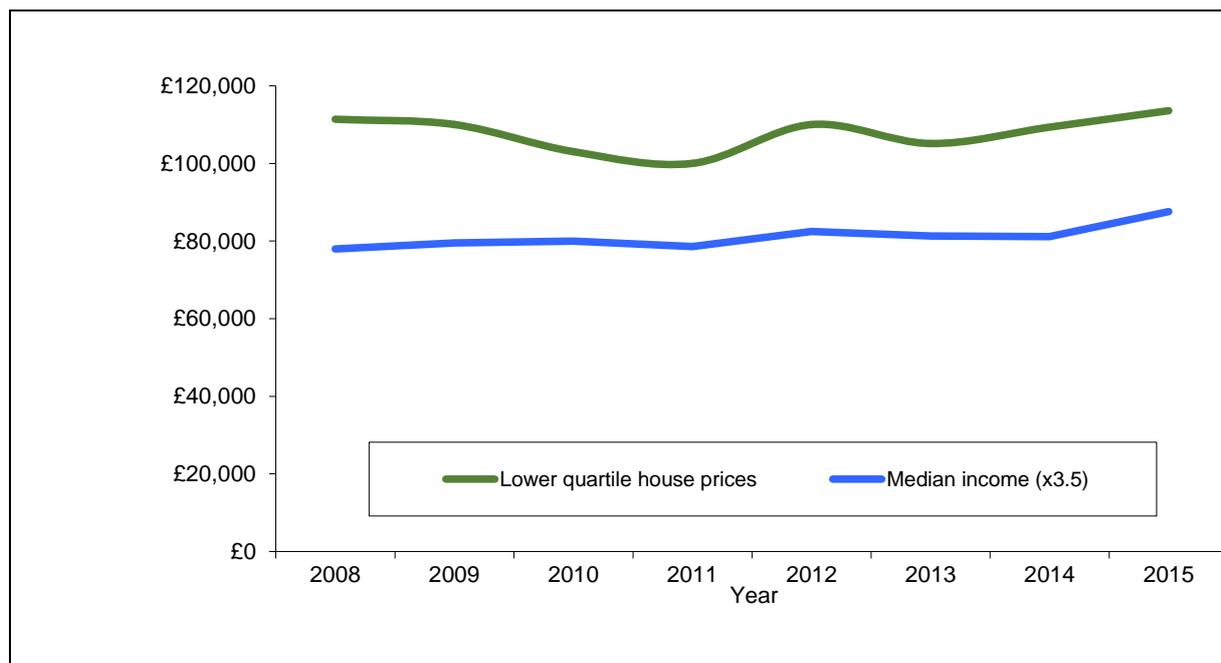
Area	Average Price Jul-Sep 2011	Average Price Jul-Sep 2015	Percentage Change Recorded 2011-2015
Isle of Anglesey	£153,030	£186,229 ⁷	21.7%
Wales	£156,621	£162,904	9.2%

Source: Isle of Anglesey Local Housing Market Assessment Update, 2016: Land Registry via CLG

⁷ Land Registry 2017 shows a decrease from the figure quoted with average Anglesey house prices February 2017 of £153,012 compared to a Wales average of £145,294 demonstrating recent market instability. (<https://www.gov.uk/government/publications/uk-house-price-index-wales-february-2017/uk-house-price-index-wales-february-2017>).

- 3.2.10 Work undertaken to inform the LHMA 2016 identified the entry-price levels of properties in Anglesey and sub-divided the area into distinct market areas. The conclusions provided within the report were entry-level prices in Isle of Anglesey had risen from those identified in 2013 and constituted a range from £80,000 for a two bedroom home in the Holyhead price area up to £312,500 for a four bedroom property in the Menai Straits price area. Entry-level rents show a similar range of pricing with a rental price starting from £350 per month for a two bedroom home in the Rest of Anglesey price area up to £675 per month for a four bedroom property in the Menai Straits price area. Both rental prices represented a reduction in values over the figures quoted within the LHMA study of 2013.
- 3.2.11 **Table 3.1** suggests that whilst house prices in Anglesey have fluctuated between 2008 and 2015, housing continues to be unaffordable when compared to average incomes as demonstrated by **Figure 3.1** below.

Figure 3.1 Median Income Multiple (x3.5) compared with Lower Quartile Prices



Source: Land Registry via CLG; Annual Survey of Hours and Earnings

- 3.2.12 The LHMA 2016 report also sets out the relative prices of different property sizes. It finds that in all price areas the difference between the price of a four bedroom home and a three bedroom home is larger than the difference between two and three bedroom properties. Overall, prices were found to be highest in the Menai price areas. Two bedroom homes were cheapest in the Holyhead price area with three and four bedroom properties cheapest in the Amlwch & Hinterland price area.

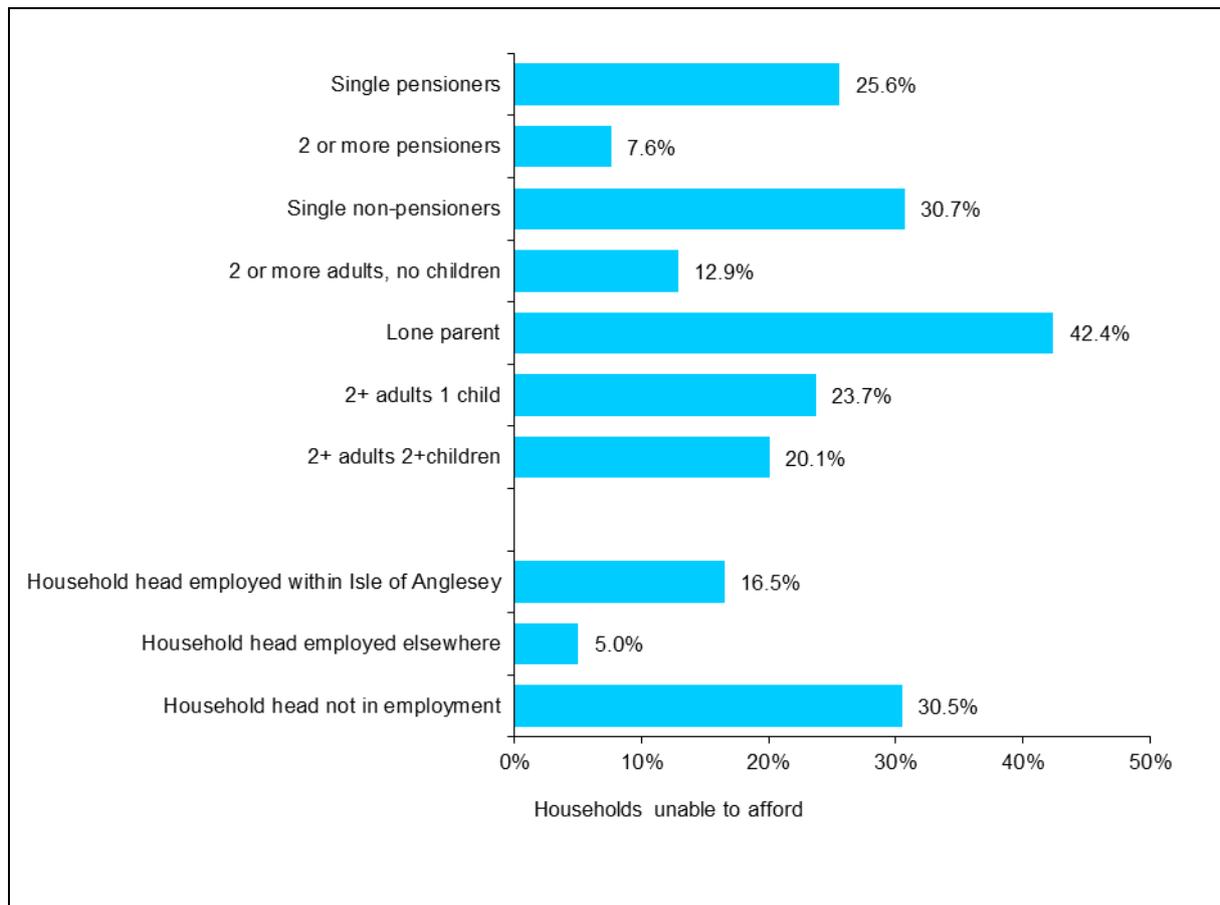
3.2.13 **Table 3.2** shows the size of the gaps in each of the three market areas identified by the LHMA Update in the Isle of Anglesey. The data is based on the cost of a three bedroom home. The table indicates, for example, that market entry rents are 39.6% higher (in terms of income required) than the cost of social rented accommodation in the Holyhead market area. The gap between private renting and buying is larger in comparison to the gap between social and private rent. It varies across the market areas in the Isle of Anglesey ranging from 50.7% in the Holyhead market area to 97% in the rest of Anglesey market area. This represents a change for the data analysed and reported within the LHMA 2013 which found that the gaps between private renting and buying to be smaller than the difference between social and private rent.

Table 3.2 Scale of Key Housing Market Gaps in Isle of Anglesey (Three-bedroom Housing)

Market Area	Social Rent/Market Entry (private rent)	Rent/Buy Gap
Holyhead	39.6%	50.7%
Menai Straits	52.7%	91%
Rest of Anglesey	33.8%	97%

Source: Isle of Anglesey Local Housing Market Assessment, 2016

3.2.14 Based on the affordability criteria set out in the LHMA Guide the report finds that 42.4% of lone parent households would be unable to afford a home on the Island if they were to move now (2016) (see **Figure 3.2**). Interestingly, 16% of households with a household head employed within Anglesey would not be able to afford market housing, compared to just 5% of those employed elsewhere. This inability to afford has decreased since the LHMA 2013 study which recorded a figure of 21.6%.

Figure 3.2 Theoretical Affordability of Market Housing in Isle of Anglesey

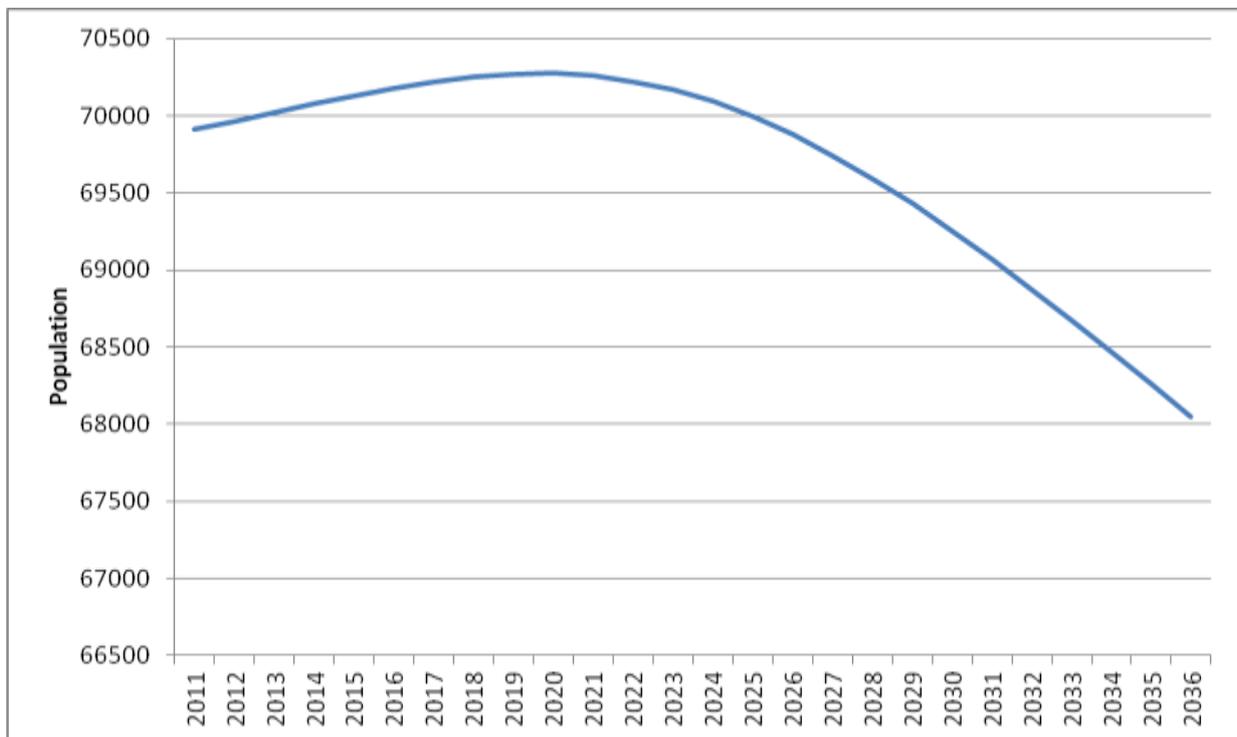
Affordable Housing Need and Viability

- 3.2.15 The LHMA 2016 looks at scenarios against which to base an assessment of housing need. It concludes that under current circumstances (i.e. without the effects of Wylfa Newydd or other Energy Island projects) there is a requirement for 182 affordable units per year which is a substantial increase on the figure forecast presented within the 2013 Assessment of 134 per annum.
- 3.2.16 The Affordable Housing Viability Study Update 2014 (AHVS) looked at the viability of sites for housing in order to provide policy advice to inform the JLDP of the thresholds against which the requirement for affordable housing should be set. It found that residual values (that is the development value of land following the deduction of development costs) are reasonably robust across the JLDP area (Gwynedd and Anglesey) but that they differed in size. It therefore recommended a split target approach rather than a Plan-wide target. This recommendation was taken forward in the development Plan with JLDP Policy TAI 15 setting out Affordable Housing Thresholds and Distributions.

3.3 Future Trends

3.3.1 **Figure 3.3** shows population projections from a base year of 2011 to 2036. It highlights that the population of the Island is forecast to peak in 2020 at 70,274, an increase of 0.5%. The population is then forecast to decline to below 2011 levels by 2036 to 68,053. This represents a total decline over the period of 2.7%. This trend is a reflection of the ageing population in Anglesey, which is exacerbated by a forecasted decrease in births. It should be noted that population projections using past trends do not make allowances for the effects of local or central government policies on future population levels or distribution (e.g. the Energy Island Programme); they indicate what is expected to happen if past and current trends continue.

Figure 3.3 Population Projections (2011-2036)



StatsWales (2013) Population Projections

Market Accommodation

3.3.2 The LHMA 2016 has considered the size of market accommodation required by households by 2033 in comparison to the current housing stock profile. In addition to an absolute increase in housing numbers, it identifies a requirement for a shift in the size of accommodation with greater emphasis towards two and three bedroom dwellings and smaller increases in single and four or more bedroomed housing. In total, the research identifies a requirement for 2,879 market homes, with 40.8% being of three bedrooms (see **Table 3.3**).

Table 3.3 Size of New Market Accommodation Required in Isle of Anglesey over the Next 18 Years

Dwelling size	Current size profile	Size profile 2033	Change required	% of change required
One bedroom	904	1,101	197	6.8%
Two bedrooms	5,925	6,817	892	31.0%
Three bedrooms	13,452	14,627	1,175	40.8%
Four or more bedrooms	6,355	6,970	615	21.4%
Total	26,636	29,515	2,879	100.0%

Source: Isle of Anglesey Local Housing Market Assessment Update, 2016

Social Rented Housing

3.3.3 The requirement for social rented housing is also considered in the LHMA 2016. The assessment predicts that of the 277 additional social rented units required by 2033, the majority (in contrast to the market sector) should be the larger unit sizes (see **Table 3.4**).

Table 3.4 Size of New Social Rented Accommodation Required in Isle of Anglesey over the Next 20 Years

Dwelling size	Current size profile	Size profile 2033	Change required	% of change required
One bedroom	507	582	75	27.2%
Two bedrooms	1,609	1,659	50	17.9%
Three bedrooms	2,215	2,258	43	15.6%
Four or more bedrooms	120	229	109	39.3%
Total	4,451	4,728	277	100.0%

Source: Isle of Anglesey Local Housing Market Assessment Update, 2016

Specialist Accommodation

3.3.4 The LHMA 2016 indicates that the majority of future population growth will be in the older age groups with a 20% increase in those aged over 65 predicted by 2026. This is likely to lead to an increased requirement for specialist accommodation.

3.3.5 Demand for specialist accommodation, or for help with current housing costs, is also likely to come from households with support needs such a medical condition, physical disability, learning difficulty, a mental health problem, or someone with a severe

sensory disability or those with another condition. The vast majority of these people current live in their own home; they are predominantly owner occupiers of larger properties, reflective of the fact that the majority are older people. However, there is a significant demand in the social rented sector for one bedroomed accommodation.

Total Affordable Requirement to 2033

3.3.6 The LHMA 2016 concludes that there is an annual need for 398 affordable dwellings on Anglesey, calculated in accordance with the approach set out in the LHMA Guide and therefore comparable with historical estimates and figures derived elsewhere. However, where assumption around the percentage of income available to spend on rent to change, and if single persons under the age of 35 were to be excluded, then the annual figure would drop to 182 affordable dwellings per annum. In the period 2011/12 to 2015/16 affordable housing completions ranged from 7 to 77 dwellings per annum with an average of 33 per annum⁸.

Joint Local Development Strategy

3.3.7 The JLDP Strategy takes forward a requirement of 7,902 dwellings over the plan period across both Council areas, (this includes a 10% slippage allowance). The Councils' settlement strategy is to distribute this development in accordance with the following settlement hierarchy within Anglesey (as defined in Strategic Policy PS 17: Settlement Strategy):

- Urban Service Centres: In Anglesey these include Amlwch, Holyhead and Llangefni;
- Local Service Centres: In Anglesey these include Benllech, Bodedern, Cemaes, Gaerwen, Llanfairpwll, Menai Bridge, Pentraeth, Valley;
- Villages: Including service villages (Gwalchmai, Newbrough, Llanerchymedd), local villages and coast/rural villages;
- Clusters: Smaller villages considered appropriate for affordable housing for local needs.

3.3.8 53% of all housing is to be found within the Sub-regional Centre of Bangor (Gwynedd) or in Urban Service Centres with 22% in Local Service Centres and 25% in Villages and Clusters.

⁸ Information supplied by JPPU

3.4 Key Issues for the Wylfa Newydd SPG

- 3.4.1 Based on the findings of the baseline analysis and evidence base, a number of key issues relevant to the topic of housing have been identified that will need to be considered in preparing the Wylfa Newydd SPG. These issues are summarised in **Box 3.1** below.

Box 3.1 Key Issues for the Wylfa Newydd SPG: Housing

- There is a lower proportion of socially rented accommodation than the Welsh average with a higher percentage of privately owned;
- There are consequently limited opportunities for construction and operational workers to access rented accommodation which if left unaddressed may lead to rent increases for existing properties as demand outstrips supply even further;
- Properties, both social and private are predominantly in the urban areas and local service villages suggesting that these areas will accommodate the greater proportion of construction workers and that there is therefore a requirement to ensure that communities are not overwhelmed. These settlements are also identified as appropriate for the majority of new construction;
- There is a relatively high proportion of detached dwellings when compared to the Wales average and consequently fewer smaller terraced and flatted accommodation of the type potentially most suitable to construction workers. This may increase demand (and lessen affordability) for these property types;
- The private rented sector includes for the greatest number of unfit properties and increased demand raises the prospect of an increase in Houses in Multiple Occupation. The Wylfa Newydd project provides an opportunity to initiate improved monitoring of the sector and to improve quality through grants and other financial incentives;
- Private rented is a potentially attractive tenure for short-term renting and could be facilitated through the establishment of a housing/accommodation officer operating from a 'housing hub';
- Baseline trends suggest a requirement for larger dwellings within the private rented sectors, but for both larger (4 bed) and smaller (1 bed) properties in the social rented sector; demand from construction workers could increase the squeeze on those seeking accommodation in smaller properties and make it even harder for local residents to find satisfactory accommodation;
- Older households are most likely to 'under-occupy' yet tend to accept the situation suggesting they are less likely to take advantage of lodging opportunities;
- Average housing prices have fluctuated since 2006 yet affordability remains a serious issue. Demand from construction and operational workers could potentially lead to a rise in average house prices/rents, increasing the affordability gap for local residents. Increases in prices, which driven by complex forces, might be mitigated providing future build rates are in line with the JLDP housing strategy. Anglesey wages are potentially lower (16.5% of Households employed on Anglesey cannot afford market housing), this could lead to local residents being priced out of the housing market unless opportunities are available to maximise job opportunities for local residents

Box 3.1 Key Issues for the Wylfa Newydd SPG: Housing

related to the project;

- Those household most likely to be unable to afford market housing are lone parents.

4.1 Challenges and Opportunities

4.1 Introduction

4.1.1 Based on the review of plans and programmes presented in **Section 2** and analysis of the baseline and emerging evidence base in **Section 3**, this section draws together the key strengths, weaknesses, opportunities and threats related to housing to be addressed by the Wylfa Newydd SPG. Where appropriate, it also provides guidance in respect of how the SPG could respond to the issues identified in order to help inform the preparation of the document.

4.1.2 In summary there are a number of issues facing the housing sector in Anglesey that the County Council considers require mitigation. These include:

- Measures to address the fluctuation in average house prices in recent years; a stronger economy will help to increase wages and consequently investment in homes. At the same time, the project promoter should ensure that sufficient accommodation is provided for construction workers to mitigate substantial price and rent rises in communities already struggling with issues of affordability;
- Addressing the imbalance in house prices between Menai and Holyhead for example; regeneration in Holyhead should improve its attractiveness as a place to live and may lead to a rise in property values. The project promoter should consider Holyhead as a location for construction worker accommodation ensuring that a legacy use is also provided;
- Improving affordability: increasing the number of affordable homes constructed for rent and sale and by supporting economic development that will lead to an increase in household incomes. The project promoter should provide sufficient construction worker accommodation to reduce demand arising for accommodation within the general housing market stock. Where new construction worker accommodation is provided, ensure a legacy of affordable homes and also consider the direct funding of affordable housing in local communities;
- Protecting from displacement those most vulnerable to increases in rents introducing a locally sensitive lettings policy;
- Making more properties available to all household age ranges (one third of all properties are occupied by older people); a greater number of new homes are required which should include a broader range of sizes compatible with all lifestyles. The project promoter could provide support to prospective landlords to enable them to convert under-occupied larger dwellings to flats for example;
- Providing more homes which are affordable to first-time buyers because nearly half of those wanting a home cannot afford one; a strong local economy should

encourage the construction of more dwellings for sale or rent. The project promoter could include for the financing of new build accommodation; and

- Increasing the number of socially rented homes, particularly one-bed and four-bed homes, as well as the amount of specialist accommodation; the potential for greater demand during the construction phase of the project may reduce the amount of accommodation available, driving up prices. The project promoter should support the County Council in identifying alternative accommodation providers, such as latent accommodation, the re-use of empty homes and property conversions.

4.2 SWOT Analysis

4.2.1 **Table 4.1** presents an analysis of the strengths, weaknesses, opportunities and threats associated with the project during construction and operation on housing and in the context of the revised Wylfa Newydd SPG.

Table 4.1 SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • A significantly large proportion of households are owner occupied; • The population of Anglesey is increasing in the medium term which should help to drive the market and encourage developers to construct more accommodation; • The greatest proportion of rented accommodation is in urban areas where access to services and facilities is greatest. 	<ul style="list-style-type: none"> • There is a comparative lack of smaller dwellings (one and two bedroomed); • Affordability remains a key problem with those who work on the Island in greater difficulty than those who work off it; • Loan parents are the most vulnerable to increases in accommodation costs and most likely to struggle to afford housing; • Availability of either private or socially rented accommodation is weakest in the rural areas; • There will be an increasing demand for supported living as the Island's population ages.

Opportunities	Threats
<ul style="list-style-type: none"> • The project will introduce a significant number of workers which could increase demand for accommodation and support improved rates of construction; • There are opportunities, and existing policy support, to develop new construction worker accommodation which could be used as longer term legacy accommodation by local communities; • Policy provides a framework to deliver affordable housing which could benefit local residents as well as longer term Wylfa Newydd workers; • Supported worker accommodation could be adapted for older persons living as a legacy benefit; • Relatively high numbers of under-occupied, privately owned housing could provide accommodation for construction workers. 	<ul style="list-style-type: none"> • Demand from construction and later operation workers could drive up house prices increasing problems of affordability for local residents, particularly vulnerable groups; • Demand for smaller (one or two bedroomed) accommodation will increase as these sizes are likely to be the most attractive to workers, particularly during construction; • Cheaper accommodation prices in Holyhead may attract a larger proportion of workers making access to accommodation more difficult for local residents living in some of the most social and economically depressed Wards in Wales; • A lack of rented accommodation in rural areas such as North Anglesey may force construction works to commute further to the main site.

4.3 Summary of Key Matters to be addressed by the SPG

- The need to ensure that access to housing for local residents is maintained once demand rises as a result of an increase in workers on the Island and furthermore that access is improved through the provision of affordable housing as a legacy;
- The need to ensure that sufficient homes are provided, and of the appropriate size to reflect the changing demographics on the Island;
- The need to increase provision of rented accommodation, particularly in rural communities as there is a predominance of renting in the Island's urban centres at present. New rented accommodation should be a mixture of private and social rented;

- The need to protect households which are potentially the most vulnerable to the price and rent rises;
- The need to ensure that construction workers are not concentrated in existing accommodation in a small number of locations (such as Holyhead and North Anglesey) to the exclusion of local residents but instead in a combination of new and existing accommodation in sustainable, accessible locations over a wider area.

4.4 How should the SPG Respond?

4.4.1 The Wylfa Newydd SPG will need to include guidance and detailed criteria which seeks to ensure that the Wylfa Newydd project addresses the issue of housing. More specifically, the SPG should:

- Ensure that sufficient accommodation is provided in a range of sectors and tenures to support the needs of construction workers;
- Ensure that the private rented sector does not become overly dominated by construction workers to the exclusion of local residents through the identification of mitigation strategies such as a construction workers accommodation strategy to encourage lodging and other forms of private renting administered via a 'housing hub' or similar;
- Promote the use of tourism accommodation but seek measures to prevent an imbalance of construction workers in existing tourist areas and in periods of high tourist demand through the adoption of mitigation measures;
- Ensure that the quality of private rented accommodation is maintained and improved through registration and inspection and consider the potential to offer initiatives such as 'improvement grants' or similar through mechanisms such as a housing/accommodation fund;
- Encourage the project promoter to consider measures to return empty homes to residential use. Also, to implement measures to encourage the supply of other forms of latent accommodation such as lodging;
- Should permanent self-contained units be provided for construction workers linked to Wylfa Newydd, ensure that a proportion are affordable in line with current planning policy;
- Provide locational guidance for the development of construction workers accommodation ensuring, where appropriate, that it is distributed in accordance with the JLDP settlement strategy, in accessible locations and not overly concentrated in one area;
- Encourage the project promoter to fund the provision of affordable shared ownership and social rented accommodation for local residents in communities

most likely to experience high levels of demand for construction worker accommodation;

- Encourage the conversion of existing buildings and the development of new units to accommodate construction workers. Encourage their retention post construction for use by the local community; and
- Where supported worker accommodation is provided, seek retention and conversion to older persons supported housing as a legacy benefit where such retention would be compatible with JLDP policy.



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