

Torfaen Replacement Local Development Plan (RLDP): 2022-2037

Torfaen 2023 Local Housing Market Assessment (LHMA): Executive Summary (April 2025)

Undertaking a periodical review of housing needs is a statutory Council duty; which is undertaken by the Council producing an LHMA following Welsh Government (WG) 'LHMA Guidance' (March 2022) and using their 'LHMA (Excel) Tool', and 'LHMA Template Report'. The LHMA also needs to be submitted to the Welsh Ministers for 'review' and 'sign-off'. Finally, the Council is required to rewrite its LHMA every five years; and refresh it once during that period (between years 2-3).

LHMAs are designed to give broad, long-run estimates of what future local housing need (by tenure and location) might be, rather than precise estimates. They are a crucial part of the evidence base for preparing the Council's RLDP and Local Housing / Homelessness Strategies. They also provide evidence for the Council's Prospectus for the use WG Social Housing Grant which Registered Social Landlords (RSLs) use to build new affordable homes.

Welsh Government Guidance in Planning Policy Wales (PPW12) February 2024 states:-

"Planning authorities must clearly set out the housing requirement in their development plan. These requirements must be based on evidence and clearly express the number of market and affordable homes the planning authority considers will be required in their area over the plan period. Planning authorities should plan for a mix of market and affordable housing types to meet the requirement and specifically consider the differing needs of their communities; this should include the housing requirements of older people and people with disabilities. ..." (para 4.2.5); and

"The latest Welsh Government local authority level Household Projections for Wales, alongside the latest Local Housing Market Assessment (LHMA) and the Well-being plan for a plan area, will form a fundamental part of the evidence base for development plans. These should be considered together with other key evidence in relation to issues such as what the plan is seeking to achieve, links between homes and jobs, the need for affordable housing, Welsh language considerations and the deliverability of the plan, in order to identify an appropriate strategy for the delivery of housing in the plan area. ..." (para 4.2.6).

For information, PPW12 states that affordable housing:-

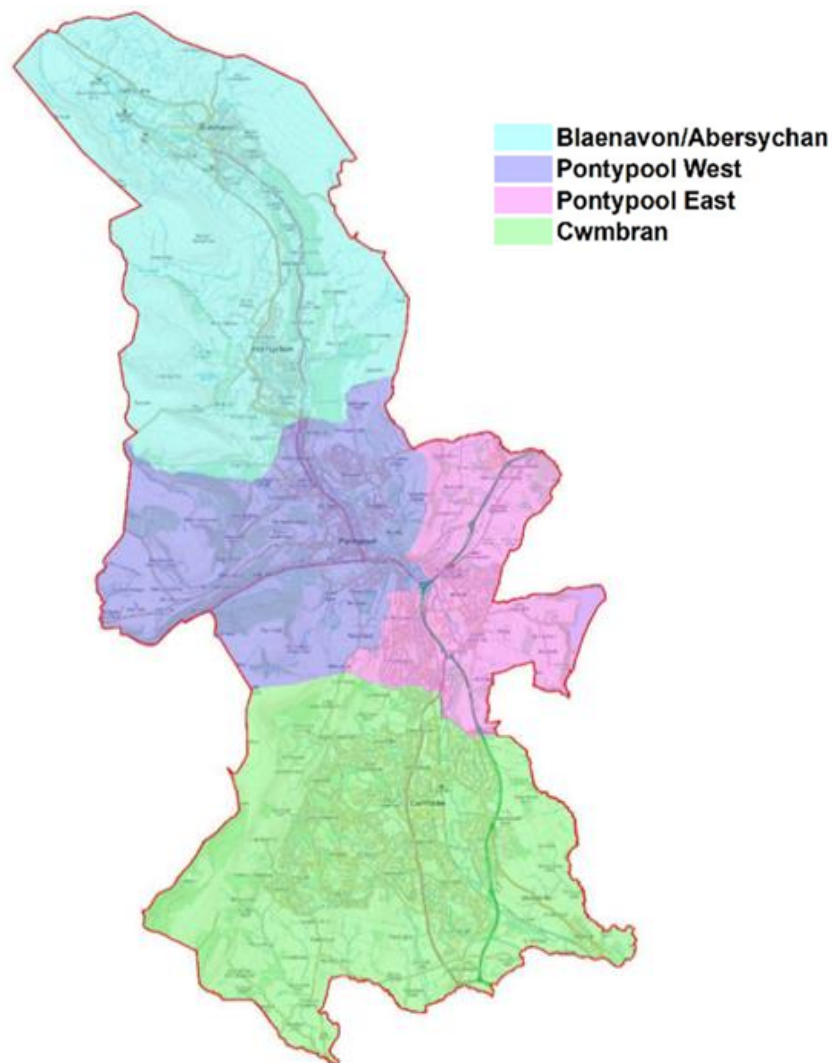
"... is housing where there are secure mechanisms in place to ensure that it is accessible to those who cannot afford market housing, both on first occupation and for subsequent occupiers." (para 4.2.26) and

"Affordable housing includes social rented housing owned by local authorities and RSLs [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 authority. ..." (para 4.2.27).

Therefore, the latest **Torfaen 2023 Local Housing Market Assessment (LHMA)** following the above Welsh Government LHMA guidance, considers the affordable housing need in Torfaen by tenure split to be approximately 64% 'social' rented housing and 36%

'intermediate' low cost home ownership (LCHO) / rented housing; with a need for 315 new affordable homes per annum to meet the current shortfall and future predicted need over the next five years. This has changed from the previous 2020 Torfaen LHMA 77% / 23% tenure split; which also estimated that Torfaen would need to develop approximately 240 new homes p.a. These changes are due to the continued rise of house / rent prices, more people applying to join the Housing Register and Low Cost Home Ownership Scheme, a fall in the annual turnover of social rented properties and increased levels of homelessness.

The 2023 LHMA has, based upon an assessment (of functional areas where people currently live and would be willing to move home without changing jobs; with key factors including house prices, transport links, and the patterns of household movement influenced by proximity to family & friends, employment, education and other facilities) that divided the County Borough into four 'Housing Market Areas' (HMAs), see map below for details:-



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The findings of the Torfaen 2023 LHMA (which used the 2018 based 'higher variant' Welsh Government household projections to calculate the additional housing need estimates, as they reflect the expected 'baseline' level of housebuilding going forward - which does not include any new Torfaen RLDP housing site allocations yet to be decided) shows that there is a large difference in annual affordable housing need across the County Borough, as shown by the following four tables: -

Table 1: Net Annual Additional Affordable Housing Need for Torfaen over a 5-year period (2023 - 2028) (statistical rounding may lead to totals not summing correctly)

Housing Market Area	Social Rented Bedrooms				Social Rent	Int. Rent	LCHO	Affordable Housing
	1	2	3	4+				
Blaenavon/Abersychan	12	0	0	1	14	8	5	26 (8.5%)
Pontypool West	0	0	0	0	0	9	13	22 (7%)
Pontypool East	34	1	11	2	48	11	13	72 (22.5%)
Cwmbran	97	24	18	0	139	29	27	195 (62%)
Torfaen Total	144	25	29	3	201 (64%)	56 (18%)	57 (18%)	315

Int. Rent = Intermediate Rent / **LCHO** = Low Cost Home Ownership

Notes: Net, as takes account of future provision of new affordable housing and the annual turnover of social rented stock.

Table 2: Gross Annual Housing Need for Torfaen over a 5-year period (2023 - 2028)

Housing Market Area	Soc. Rent	Int. Rent / LCHO	Affordable Housing	Owner Occupier	Private Rented	Market Housing	Additional Housing
Blaenavon/Abersychan	63	12	75	7	11	18	92
Pontypool West	81	27	108	9	15	24	133
Pontypool East	91	24	115	4	9	13	128
Cwmbran	407	60	467	20	42	62	529
Torfaen Total	641	124	765	40	76	117	882

Soc. Rent = Social Rent. (statistical rounding may lead to totals not summing correctly)

Table 3: Gross Annual Housing Need for Torfaen over the remaining 10-year period (2028-2038) (statistical rounding may lead to totals not summing correctly)

Housing Market Area	Soc. Rent	Int. Rent / LCHO	Affordable Housing	Owner Occupier	Private Rented	Market Housing	Additional Housing
Blaenavon/Abersychan	7	3	11	7	11	18	28
Pontypool West	10	5	15	9	15	24	40
Pontypool East	4	2	6	4	9	13	19
Cwmbran	29	11	40	20	42	62	102
Torfaen Total	51	21	72	40	76	117	188

Note: Does not take account of the future provision of new affordable housing in this period or the effect of the Torfaen RLDP once adopted

Table 4: Total Additional Affordable Housing Need for Torfaen over a 15-year period (2023 - 2038) (statistical rounding may lead to totals not summing correctly)

Housing Market Area	Social Rent	Intermediate Rent / LCHO	Affordable Housing
Blaenavon / Abersychan	139	96	235 (10%)
Pontypool West	107	158	265 (11%)
Pontypool East	283	135	419 (18%)
Cwmbran	984	389	1,373 (61%)
Torfaen Total	1,514	778	2,292

In considering these tables, it should be noted that the LHMA methodology assumes that the affordable housing waiting list (the 'backlog') is dealt with within the first five years, and then only newly arising need is considered for the remaining ten years.