

## Appendix 2 - Affordable Housing

In 2019-2020<sup>1</sup> Denbighshire was the top performing authority in North Wales and the 11<sup>th</sup> nationally for the delivery of affordable housing.

### Denbighshire's Affordable Housing Delivery

Year	2017/18	2018/19	2019/20	2020/21
Units	45	26	139	174

The dramatic increase in delivery is due to the huge increase in Social Housing Grant funding supplied by Welsh Government, which has been agreed to support the 20,000 new low carbon affordable homes target, which they want to achieve during this session of the Senedd.

The pandemic and Brexit have had an impact on the delivery of affordable housing. At the outset of both events mortgage lenders became very risk adverse and ended most first time buyer mortgage deals, due to concerns over stability of people's incomes. The market was stimulated by the government with the suspension of Stamp Duty along with the 'race for space' which has been widely reported throughout the pandemic. This has particularly affected rural and coastal areas and has made for an exceptionally buoyant property market at the moment, pushing prices up and making availability scarce.

The average price for a first time buyer home in Denbighshire has increased from £141,317 in September 2020 to £161,370 in September 2021 – an increase of 14.2%. For the same period Conwy saw an increase of 12% of first time buyer homes to £170,655. This is consistent with the picture across Wales with the average increase being 15%. There is some indication that interest rates may rise soon to control inflation, this is likely to have a calming effect on the housing market, which will start to stabilise.

This surge in the market and the general lack of availability of good quality affordable housing demonstrates the importance of working with RSLs to develop more affordable housing. As the extremes of the housing market and instability of incomes for low and middle earners, mean demand has increased more than ever before.

The provision of additional affordable housing affects all types of demand, Homebuy schemes can assist citizens into affordable home ownership which can then free up private rented/social or intermediate rental housing for other people in need. Providing additional intermediate and social housing will assist citizens in the most acute housing need as demonstrated by the citizens currently in Emergency & Temporary accommodation and the SARTH & Tai Teg waiting lists.

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<sup>1</sup> The next All-Wales report is due to be published by Welsh Government on 21<sup>st</sup> December 2021