

Newport Town Council Housing & Needs Survey

Keith Edwards, Joy Kent and Dr. Rob Rowlands
December 2022

Important Notes

We encouraged as many 'local voices' to be heard throughout the project from the initial interviews to the survey itself. Every effort was made to make the process open to everyone who lived in Newport and people whilst not resident, had very strong local connections (although only a handful responded). This means that although participation rates were high, those who participated were 'self-selecting' and therefore, we have to accept the possibility of an element of bias in the responses.

It is also important to note that the majority of views were from those currently adequately housed. The relatively small numbers of interactions with people who said they were in housing need suggest further evidence may be required to fully understand their circumstances and to inform appropriate interventions to meet the needs of a section of the community that were a significant factor in commissioning this work.

The survey was unable to systematically pick up views of those wanting to move to Newport from outside the area. Further consideration may need to be given to identifying both the scale, motivations and experiences of this group.

It is also important to note that a number of factors that affect affordability and the need for warm and secure homes are changing rapidly. In particular, the cost-of-living crisis including significant increases in food and energy costs, is having a major detrimental impact on disposable incomes. One consequence is that saving for a deposit and repaying mortgages becomes even further out of reach for many.

For the reasons above, all survey results are a suggestion of possible trends at a particular point in time and should not be treated as definitive conclusions.

We would like to thank officers of Pembrokeshire County Council, the Pembrokeshire Coast National Park Authority and Welsh Government for their advice and support and the residents of Newport for their very active and informed participation.

We also want to thank Newport Town Council for the foresight to commission work that looked at the challenges of providing good quality homes in 'attractive' rural communities. This is increasingly one of the most significant 'political' issues in housing in Wales.

We want to particularly thank Town Clerk Lowri Evans, Councillors Paddy Davies and Paul Harries for their helpful and informed involvement throughout.

Finally, we want to put on record our appreciation for the skills, knowledge, time and energy that Councillor Jano Williams brought to the project from start to finish and her commitment to making sure that the voices of the community were heard in Newport and well beyond.

1. Introduction

‘We have to be careful and make sure we don’t make this a divisive issue’.

We submitted a proposal to the Newport Community Council in 2021 in response to a tender to undertake a Housing and Needs Survey. We set out our understanding of what was required as:

“To engage with the community, key organisations and stakeholders via a Housing Needs Survey and other engagement methods to understand their priorities, pressures, needs and wants in terms of housing and associated issues. This information is to be brought together into a report that could be used to inform the development of a Place Plan in the future...”

The project was due to be completed in autumn 2021. However, this was delayed for *practical* reasons (e.g. the need to input data from a much higher number of handwritten surveys than anticipated) and by *political* factors (e.g. the hiatus caused by the local government elections in May 2022).

There were two distinct stages to the project:

Stage 1: This took the form of semi-structured interviews with over 40 individuals either from the community or with an interest in current and future housing and needs in Newport. As well as gleaning their views, many of the themes identified during the interviews helped to design a survey that was relevant and topical for the community.

Stage 2: This took the form of a survey – both online and handwritten – which elicited responses from 428 people.

The purpose of this report is to set out below the findings from the consultations and the data collected. We have also included two annexes:

1. **Data Tables** summarising the response of those who took part in the survey.
2. A **Policy Update** on housing including some recent and relevant statements by Ministers and others.

2. Interview Responses

‘There is no point in conducting a survey if purposeful action does not take place as a result’

The initial interviews with around forty individuals identified a number of key themes and challenges. (**Note:** almost all of these themes were also picked up in the ‘additional comments’ section of the survey itself).

Development and Affordability

The unaffordability of housing was a major issue. Given the high and rising cost of market housing, this meant homeownership was increasingly out of reach for many.

Other challenges identified included:

- The prohibitive cost of land.
- A Local Development Plan that was seen as too prescriptive.
- New housing schemes that were perceived as being too large.
- The need for a higher percentage of developments to be for affordable rent.
- The view from some that developers were ‘too powerful’ and able to lobby to reduce the proportion of affordable homes on schemes.

- Limited rental opportunities in the private sector with a number being converted into holiday lets.

Second Homes

Unsurprisingly perhaps, second homes were regularly mentioned as an important local issue. It was recognised that this was not straightforward because, for example, some people come for a few weeks in the summer whilst others, particularly since the pandemic, had made Newport their primary residence. It was clear that a better understanding of the numbers and circumstances of second home owners would be needed and to better delineate and differentiate between them.

There was also an important distinction between second homes and holiday lets with a feeling that the latter contributed more to the local economy through, for example, providing jobs in local shops and services. This was tempered by the observation that many of those opportunities were low paid and seasonal. It was also pointed out that second homes and holiday lets provided some work for more skilled and higher paid work, for example, local builders.

Culture and Community

For a number of people one of the biggest consequences of a lack of affordable housing was the impact this had on the Welsh language which was seen as 'under threat'.

It was recognised that Newport had a lot of social capital i.e., experienced people who have retired and wanted to get involved in voluntary activities.

Infrastructure and Services

The lack of housing contributed to a range of other challenges including concerns that:

- Local shops and businesses could disappear.
- Traffic and parking problems, particularly in the holiday season, were getting worse.
- There was poor public transport / connectivity with other areas.
- Broadband connectivity was problematic.

- New developments increased pressures on services – from GP surgeries to waste management.

Covid

The pandemic had encouraged more people to work from home although the long-term impact was unclear.

A number of people remarked that during the lockdowns the strongest communities were social housing or ex social housing – homes that were lived in all year round where people could ‘keep an eye out’ for vulnerable neighbours. Conversely, older people who needed the most support were often those who had no immediate neighbours.

As well as identifying challenges, a considerable number of suggested interactions and changes were generated by interviewees.

Future Housing

It was generally accepted that there was likely to be no one solution to perceived housing and service problems and a range of possible solutions were suggested including.

- More ‘mixed’ developments where some homes were for sale and others for rent and people of different backgrounds and ages lived together.
- More social housing with the same design standards as those for private sale.
- Some social housing with 3 or 4 bedrooms to accommodate larger families.
- Opportunities for low-cost home ownership.
- Specific housing for older people including bungalows.
- Self-build schemes possibly in partnership with local farmers.
- Co-operative housing including support for community land trusts.
- Using vacant church and other land for development.
- Building an extra care housing complex.
- Better use of existing homes e.g. encouraging lodgers and shared housing, conversions to flats and building extensions / annexes.
- Building houses that have office space and connectivity that will allow people to work from home.
- Starter homes for single people.

The Local Economy

The links between housing and the local economy were frequently mentioned with many expressing concerns about long term viability and the effect this might have on community cohesion.

As previously mentioned, the impact of second homes and holiday lets were also a concern.

A number of people wanted a more proactive approach to tourism to boost the local economy through, for example, glamping and youth hostels.

Design

Concerns included:

- New developments not being in keeping with the local 'vernacular'.
- Relatively poor design / space standards of new affordable housing.
- The lack of garages, parking and outdoor space.

There was a lot of support for improving the design of any new homes including:

- Providing gardens, outdoor spaces and allotments.
- Making sure a range of house types were available to meet different needs e.g. three to four bedrooms for families, one bedroomed homes for young people.
- Having the same design standard for private and social housing on mixed developments.
- Building net zero, environmentally friendly homes.

High Level Changes

There was wide recognition that many of the levers to address housing concerns were not held by the local community. Not surprisingly then, many interviewees had suggestions about what higher level changes were needed. These included:

- A moratorium on new developments to give time for strategy, policy and relevant interventions to better reflect the housing needs of residents.
- Increased taxes on second homes.
- Devolving planning laws to a local level.
- Increasing council tax including plugging 'loopholes' such as those that allowed people to switch from domestic to business status.
- Ensuring that all extra council tax raised should go into affordable housing.
- Making it mandatory that any property that comes up on the market had to be permanently occupied.
- Changing the local development plan to free up additional land for homes for local people in housing need only.
- Setting limits on high value new homes in each development.
- Changing the law so that estate agents have to offer people in the community the opportunity to raise finance to buy before making properties more widely available.

Market Interventions

There were many suggestions about specific interventions in the local housing market including:

- Pembrokeshire County Council should build more social housing.
- Local properties should be acquired by housing associations and / or the county council and made available for rent.
- Land should be purchased by housing associations and /or the county council and town council and made available for co-operative initiatives for local people including community land trusts.
- Opportunities for self-build and 'One Planet' development should be encouraged and supported.
- The use of codicils / restrictive covenants on the resale of properties as second homes.
- Developing locally based partnerships e.g. Newport Town Council and the Newport Forum further developing a well-being plan that includes addressing housing and other needs.

3. Survey Responses

'We should support local community regeneration for Newport so that it doesn't become a holiday resort and a ghost town in the winter. We need more jobs and housing opportunities for young people.'

We have highlighted below some of the main findings.

Basic information

- 428 people responded to the survey of which 56.4% were women and 42.4% were men.
- Nearly two thirds of the respondents (63.3%) were aged 65 or over with just under one third (30.8%) aged over 75.
- Three out of five people (59.3%) who responded were retired.
- One in five respondents (19.6%) were Welsh speakers.
- Three quarters of respondents (75.5%) lived in Newport at least 6 months of the year.
- Four in five people (83.3%) owned their own homes or were mortgagees.
- One in five respondents (19.2%) lived alone.
- The vast majority of respondents (92.2%) said that their current home met their needs.

People indicating that they were in Housing Need

- 32 individuals described themselves as currently in housing need. Around half of those (48.4%) were in the age ranges 25 to 34 (25.8%) and 65 to 74 (22.6%).

- Nearly three quarters (72.9%) of those indicating housing need were female.
- Half of those indicating housing need (49%) were employed or self-employed.
- A third of those indicating housing need were Welsh speakers.
- Around 9 out of 10 people indicating housing need (87.1%) lived in Newport at least 6 months a year.
- Three in five respondents indicating housing need (59.4%) either rented or lived rent free with relatives.
- A quarter of those indicating housing need (25%) lived alone.
- Three out of five respondents (59%) needed a bigger home in Newport whilst 15% needed a smaller home.
- Three quarters of respondents in need (77.4%) were actively looking for alternative accommodation.
- Only one in five (19.4%) of those indicating housing need were on social housing waiting lists.

Future Housing Need for the Community:

- Only 7% of respondents felt there is enough housing of the right price to meet local needs.
- Only 14% of respondents felt there was enough housing of the right design and size.
- Three quarters of all respondents (77.2%) did not anticipate any change in their housing needs in the next five years.
- Affordability was seen as the main barrier to meeting future housing need for the community by half of respondents (51.4%)

spilt between not being able to afford to buy (33.7%) and not being able to afford to rent (17.7%).

4. Analysis of Key Findings

'Land or property that is put up for sale and is in good condition is snapped up for a high price'

The survey and consultations provided an interesting insight on many issues relating to housing and needs in Newport. These included:

1. Support for more open market housing developments was very limited.
2. Most respondents did not consider themselves to be in housing need but were concerned about the ability of other people – particularly younger working people and families – to be able to find suitable, affordable accommodation in the town. They recognised the fact that people reliant on local employment cannot afford a home in Newport because of the lack of good quality jobs and the mismatch between local wages and housing costs. This was a concern for people regardless of their tenure, age, household composition or socio-economic situation.
3. Over 70% felt there wasn't enough housing at the right price and in response to whether there is sufficient housing of the right design and size, 53% felt that the current housing stock didn't offer what the resident community needs.
4. There is strong support for more housing and related support to meet the needs of older and disabled members of the community.
5. Problems caused by the percentage of holiday and second homes in Newport was raised by a significant number of respondents as having a negative impact on housing availability. However, other people were concerned that any action should not have a negative impact on the income generated from tourism.

6. A related strongly expressed concern was the number of empty properties outside of the holiday season and the impact this had on community cohesion and the ability of local shops and services to operate year-round.
7. Many people are apprehensive that that any new developments made available on open market will be bought for holiday or second homes and not meet local needs.
8. What most people want is a joined-up policy response that focuses on housing, employment and other factors that impact on the community (GP services, schools, traffic, car parking etc) that will help younger people and families to live and work in the community throughout the year.
9. Thirty-one respondents said they were in housing need and of these two age groups were more highly represented – those working who had young families and older/retired couples and single people. The two housing needs they identified reflected what the community said:
 - Larger, housing that was affordable to rent or buy by families where the parents are working locally and
 - Smaller, accessible housing for older people and/or people with disabilities.
- 10 There was a strong correlation between what all respondents said with those who identified as having housing needs. The survey findings suggest that the majority of the community in Newport are of the opinion that the only developments that should be allowed in are ones that are focused on meeting the needs of the two groups described above i.e affordable as opposed to open market housing.
- 11 Gender: almost three quarters of those in housing need (72.9%) were women whilst they made up just over half (56.4%) of all respondents.
- 12 Economic status: 35.9% of all respondents said they were either self-employed or working full or part-time compared to 50% of

those in housing need. This suggests there is greater housing need amongst those living and working locally.

13 Welsh language: 19.6% of people who responded to the survey said Welsh was their first language. However, 32.9% of those in housing need said Welsh was their first language. This suggests there is greater housing need amongst people whose first language is Welsh.

14 Relationship with Newport: The survey suggests there is greater housing need amongst people who live in Newport for more than 6 months of the year. 75.5% of all respondents said they lived in Newport for more than 6 months each year whereas this figure was 87.1% of those in housing need.

15 Housing tenure: In relation to housing need and tenure, survey responses would suggest there are greater numbers of people in housing need living in the social and private rented sectors than the general population. 46.9% of respondents in housing need live in social or private rented accommodation compared to 12.2% of total respondents, a ratio of 4 to 1. However, we shouldn't assume people who own their home outright or with a mortgage aren't in housing need. 83.3% of all respondents describe their current tenure in this way compared to 37.5% of those in housing need.

16 Living arrangements: The survey responses suggest the living arrangements of those in housing need differ from the general population in a number of ways. The most striking is that although only 8.3% of total respondents lived with partner/spouse and dependent children, this figure was 18.8% of respondents who are in housing need. This finding raises concerns about the impact of housing need on children and young people.

17 Many respondents to the survey held the view that housing issues couldn't be addressed in isolation, particularly emphasising the relationship between housing and employment.

18 Just over a fifth of those who commented raised issues relating to traffic or parking in Newport.

Recommendations

'I would like to see the local development plan look more closely at the housing needs of smaller towns and villages, such as Newport'

Whilst the authority to use the survey outcomes to shape and influence policy rests with the Town Council, we have a number of recommendations that you might want to consider:

Recommendation 1: By far the greatest number of responses were from those currently adequately housed. Further evidence may be required to fully understand their circumstances of those in need and to inform appropriate interventions.

Recommendation 2: Although those expressing current housing need was relatively small, more people foresaw their needs changing in the future. Further work may be needed to understand the implications this will have on the provision of suitable housing in the future.

Recommendation 3: The survey was unable to systematically pick up views of those wanting to move to Newport from outside the area. Further consideration may need to be given to identifying both those impacted, their aspirations and experiences.

Recommendation 4: People in younger age groups were under-represented in the interviews and survey. Further work may be needed to understand the needs and circumstances of this group.

Recommendation 5: Most people want a joined-up policy response that focuses on housing, employment and other factors that impact on the community (GP services, schools, traffic, car parking etc) that will help younger people and families to live and work in the community throughout the year. The Town Council should consider taking the lead in developing an integrated plan to address this with partners.

Recommendation 6: The housing component of an integrated plan should focus on affordability and access to:

- housing that is affordable to rent or buy by families where the parents are working locally and
- smaller, accessible housing for older people and/or people with disabilities.

Recommendation 7: The survey provided evidence that council can put to good use in its dealings with partners including Pembrokeshire County Council, the Pembrokeshire Coast National Park Authority and Welsh Government as well as in lobbying of local and national politicians and political parties. The Council should draw up an engagement strategy with targets and milestones.

Annex 1: Data Tables

‘I hope that homes will be built for the community with the environment community and with future generations in mind and our elderly.’

Please Note: the number of responses for each question may vary for a number of reasons including:

- Not every respondent answered every question.
- A number of questions were optional only for those that expressed housing need.
- Some questions allowed multiple responses.

Section 1: All Respondents

Age

	no	%
under 18	1	0.2%
18 to 24	7	1.6%
25 to 34	18	4.2%
35 to 44	17	4.0%
45 to 54	39	9.1%
55 to 64	75	17.5%
65 to 74	139	32.5%
over 75	132	30.8%
TOTAL	428	100.0%

Gender

	no	%
Female	244	56.4%
Male	183	42.4%
Other	5	1.2%
TOTAL	432	100.0%

Economic Status

	no	%
Retired	255	59.3%
Self employed	60	14.0%
Employed full time	57	13.3%
Employed part time	37	8.6%
Not in paid employment	12	2.8%
Studying	6	1.4%
TOTAL	428	100.0%

First language

	no	%
English	345	80.4%
Welsh	84	19.6%
TOTAL	429	100.0%

Relationship with Newport

	no	%
Live here at least 6 months a year	321	75.5%
Live here part of the year but less than 6 months	84	19.8%
Own Business but do not live here	4	0.9%
Employed here but do not live here	3	0.7%
Other	13	3.1%
TOTAL	425	100.0%

Notes:

'Other' includes individual responses such as 'have family in Newport' and 'live in the vicinity'.

Current housing situation

	no	%
Owner / Mortgagee	339	83.3%
Rent from a Social Landlord	31	7.5%
Rent from a Private Landlord	19	4.7%
Live Rent Free	6	1.5%
Other	12	3.0%
TOTAL	407	100.0%

Notes:

'Other' includes individual responses such as 'Council Leaseholder', 'in Probate' and 'Static Caravan'.

Living arrangements

	no	%
Live with Partner / Spouse	262	64.0%
Live Alone	79	19.2%
Live with Partner / Spouse and dependent Children	34	8.3%
Live with Partner / Spouse and non-dependent Children	10	2.4%
Live with Parents	9	2.2%
Share House with non-related person(s)	2	0.5%
Other	14	3.4%
TOTAL	410	100.0%

Notes:

'Other' includes individual responses such as 'share with Brother', 'share with Sister' and 'share with Adult Daughter'.

Does your current home meet your needs?

	no	%
No	32	7.8%
Yes	379	92.2%
TOTAL	411	100.0%

Section 2: People in Housing Need

Age

	no	%
under 18	1	3.2%
18 to 24	2	6.5%
25 to 34	8	25.8%
35 to 44	3	9.7%
45 to 54	4	12.9%
55 to 64	2	6.5%
65 to 74	7	22.6%
over 75	4	12.9%
TOTAL	31	100.0%

Gender

	no	%
Male	9	28.1%
Female	23	72.9%
TOTAL	32	100.0%

Economic Status

	no	%
Retired	12	37.5%
Employed full time	7	21.9%
Employed part time	5	15.6%
Self employed	4	12.5%
Studying	3	9.4%
Not in paid employment	1	3.1%
TOTAL	32	100.0%

First language

	no	%
English	21	67.7%
Welsh	10	32.3%
TOTAL	31	100.0%

Relationship with Newport

	no	%
Live here at least 6 months a year	27	87.1%
Live here part of the year but less than 6 months	2	6.5%
Live in the vicinity	2	6.5%
TOTAL	31	100.0%

Current housing tenure

	no	%
Owned outright or with a mortgage	12	37.5%
Rent from the council or housing association	8	25.0%
Rent from a private landlord	7	21.9%
Live rent free with other household	4	12.5%
Other	1	3.1%
TOTAL	32	100.0%

Living arrangements

	no	%
Live with Partner / Spouse	13	40.6%
Live Alone	8	25.0%
Live with Partner / Spouse and dependent Children	6	18.8%
Live with Parents	3	9.4%
Live with Partner / Spouse and non-dependent Children	1	3.1%
Share House with non-related person(s)	1	3.1%
TOTAL	32	100.0%

The reason your housing needs are not met

	no	%
Need a Bigger Home within Newport	16	59.0%
Need a Smaller Home within Newport	4	15.0%
Need a More accessible home within Newport	4	15.0%
Need to move away from Newport	3	11.0%
TOTAL	27	100.0%

Have you looked for alternative accommodation?

	no	%
No	7	22.6%
Yes	24	77.4%
TOTAL	31	100.0%

Are you on the social housing waiting list?

	no	%
Yes	6	19.4%
No	25	80.6%
TOTAL	31	100.0%

Section 3: Future Housing Need

Future housing need (within 5 years)

	no	%
Move to a smaller home within Newport	31	8.1%
Move away from Newport	27	7.1%
Move to a bigger home within Newport	17	4.5%
Move to a more accessible home in Newport	12	3.1%
Do not anticipate any change in housing needs	294	77.2%
TOTAL	381	100.0%

Barriers to meeting future housing need (within 5 years)

	no	%
Not enough homes I can afford to buy in Newport	44	33.7%
Not enough homes I can afford to rent within Newport	23	17.7%
Not enough homes small enough for my future needs	20	15.4%
Not enough homes that meet my physical needs	17	13.0%
Not enough homes big enough for my future needs	10	7.7%
Not enough jobs in and around Newport I could get	10	7.7%
Not enough local business opportunities I could take	6	4.6%
TOTAL	130	100.0%

Opportunities that would help meet my future housing need

	no	%
The development of more homes to rent at an affordable rate	31	23.3%
The development of more homes to buy on the open market	25	18.8%
Council or other body buying homes when they come to market and renting them out at an affordable rent to local people	24	18.0%
The development of more accessible homes for people with disabilities and/or older people	24	18.0%
The development of more homes to rent for single people/couples	13	9.8%
Assistance to buy or part buy your own home	11	8.3%
The development of more homes to rent for larger households	5	3.8%
TOTAL	133	100.0%

Is there enough housing in Newport to meet need?

	no	%
No	243	56.3%
Yes	84	19.4%
Don't know	105	24.3%
TOTAL	432	100.0%

Those currently in housing need

	no	%
No	24	75%
Yes	4	12.5%
Don't know	4	12.5%
TOTAL		100.0%

Is there sufficient housing of the right price in Newport to meet need?

Those currently in housing need:

	no	%
No	24	75%
Yes	4	12.5%
Don't know	4	12.5%
TOTAL	32	100.0%

Is there sufficient housing of the right size and design in Newport to meet need?

Those currently in housing need:

	no	%
No	24	75%
Yes	4	12.5%
Don't know	4	12.5%
TOTAL	32	100.0%

Which of the following would be most helpful in addressing housing need in Newport?

	no	%
Affordable Rent	218	25.1%
LA/HA buy-to-let at affordable rent	198	22.8%
Assistance to own	132	15.1%
Accessible housing	106	12.2%
Singles/Couples housing	94	10.8%
Open Market housing	64	7.4%
Housing for larger families	57	6.6%
TOTAL	869	100.0%

Section 4: Beyond Housing

What facilities does Newport need?

	no	%
Parking	239	24.4%
Youth facilities	193	19.6%
Community energy generation	150	15.2%
Leisure and fitness facilities (swimming pool, gym etc)	149	15.1%
Allotments	132	13.4%
Office and Workspace	63	6.4%
Essential shops	58	5.9%
TOTAL	984	100.0%

What would improve you / your family's life?

	no	%
Safeguarding and enhancing the environment	223	28.0%
Support for carers	117	14.7%
Available and suitable employment	116	14.6%
Apprenticeships	73	9.1%
Mental health support	71	8.8%
Disability access	66	8.6%
Out of school hours childcare	53	6.7%
Pre-school childcare	44	5.5%
Financial advice	32	4.0%
TOTAL	795	100.0%

Annex 2: Policy Update

'Newport could be an exemplar community'

The Welsh government and their Co-operation Agreement partners have made a number of recent announcements that will potentially have an impact in Newport, including:

Co-operation Agreement Between Labour and Plaid Cymru (*March 2022 update*)

The agreement outlined a three-pronged approach to address the impact of second home ownership faced by Welsh communities. This seeks to address the affordability and availability of housing, amend the regulatory framework and system, and ensure second homeowners make a fair and effective contribution to the communities in which they buy.

Changes to Planning Regulations

Julie James MS, Minister for Climate Change published the following written statement on 30th September 2022

On 4 July the First Minister and the Leader of Plaid Cymru announced a package of measures to tackle the issue of second homes and short-term lets in Wales. This included a land use planning element with the introduction of three new use classes. These three new use classes will give local planning authorities the ability, where they have evidence, to make local amendments to the planning system through an Article 4 Direction, allowing them to consider whether planning permission is required to change from one use class to another and to control the number of additional second homes and short-term lets in an area. These changes to planning legislation were consulted upon from [November 2021 to February 2022](#) and have now been agreed as follows:

- The Town and Country Planning (Use Classes) Order 1987 (the UCO) is being amended to create new use classes for 'Dwellinghouses, used as sole or main residences' (Class C3), 'Dwellinghouses, used otherwise than as sole or main residences' (Class C5) and 'Short-term Lets' (Class C6);
- The Town and Country Planning (General Permitted Development) Order 1995 (the GPDO) is being amended to allow permitted changes between the new use classes, C3, C5 and C6. These permitted development rights can be dis-applied within a specific area by an Article 4 Direction made by a local planning authority on the basis of robust local evidence.

The two Statutory Instruments being introduced to give effect to these changes are:

- The Town and Country Planning (Use Classes) (Amendment) (Wales) Order 2022; and

https://www.legislation.gov.uk/wsi/2022/994/pdfs/wsi_20220994_mi.pdf

- The Town and Country Planning (General Permitted Development etc.) (Amendment) (Wales) Order 2022.

https://www.legislation.gov.uk/wsi/2022/997/pdfs/wsi_20220997_mi.pdf

The Statutory Instruments come into force on 20 October 2022.

As set out in the consultation, complementary changes are also being made to section 4.2 of *Planning Policy Wales* (PPW). These policy changes make it explicit that, where relevant, the prevalence of second homes and short-term lets in a local area must be taken into account when considering housing requirements and policy approaches in Local Development Plans (LDPs).

To assist local planning authorities with making Article 4 Directions and to simplify and expedite the process, subsequent changes are also being made to the GPDO and related legislation. These changes formed part of the 'Permitted Development' consultation which took place between [16 November 2021 and 15 February 2022](#). I have today written to local authorities to set out more information on the steps to be taken where a local planning authority wishes to pursue the possible introduction of an Article 4 Direction

Other statements by Ministers and partners

'We want people to be able to live and work in their local communities, but we know rising house prices are putting them out of reach of many people, exacerbated by the cost-of-living crisis we are facing.'

'There is no easy answer or quick fix solution. This is a complex problem that requires a wide range of actions. We continue to carefully consider further measures that could be introduced, and these changes are the latest steps we are taking to increase the availability of homes and ensure a fair contribution is made.'

Julie James MS, Minister for Climate Change (March 2022).

‘Second homes are a symptom of a wider problem - a market that treats property, not as a home, but as a way of making a profit. By working across the parties in the Senedd, we will introduce more measures, as soon as we can, to make house prices and rents genuinely affordable for people.’

Sian Gwenllian MS, Designated Co-operation Agreement Member, Plaid Cymru (March 2022).

‘As part of the Co-operation Agreement with Plaid Cymru, we are committed to taking immediate action to address the impact of second homes and unaffordable housing in communities across Wales, using the planning, property and taxation systems.’

Rebecca Evans MS, Minister for Finance and Local Government (July 2022).

HQN Cymru Second Homes Briefing

In November 2022 the [Housing Quality Network Cymru](#) published a member briefing on Second Homes (Keith Edwards is the lead associate for HQN Cymru).

It included the following policy updates:

In July, the Welsh government [made a further announcement](#), creating three new planning use classes. These are:

- primary home
- second home
- short-term holiday accommodation

Local planning authorities can, where they have ‘robust local evidence’, make amendments to the planning system meaning permission is required before a change of use can be made from one class to another.

The new powers, which were originally promised ‘by the end of the summer’, [were confirmed at the end of September](#) and were due to come into effect on 20 October.

Previously, owners could change the use of their property using permitted development rights (PDR). Councils may now use an article 4 direction to remove PDR for changes between the different classes. According to the Welsh government, this gives local authorities the ability to amend the planning system in line with local need and consider whether planning permission should be required to switch the use of a property.

In a letter to councils, Julie James, minister for climate change, said: “Any such article 4 direction will need to be supported by robust local evidence highlighting the impact of second homes and short-term lets on specific communities as part of a co-ordinated response which applies all available interventions to an area and will need to evidence effective community consultation.”

Changes are also being made to. The prevalence of second homes and short-term lets must, in future, be taken into account when considering local housing requirements and local development plans.

Currently there is no single source of definitive information on short term lets and holiday homes, though a national licensing scheme for the former is promised – see below. Planning authorities will need to draw on/update their Local Housing Market Assessments as well as gathering information on effects such as falling school enrolment, local wellbeing and retail. Housing associations could have a partnership role in offering data on changing housing need, homelessness and affordability in areas where they work.

Self-catering accommodation

In March, the Welsh government announced that criteria making self-catering accommodation liable for business rates rather than council tax would change from April 2023.

In effect, holiday accommodation must be let for more days each year for the owner to escape council tax and instead pay business rates.

Currently, properties that are available to let for at least 140 days, and that are in fact let for at least 70 days, pay rates rather than council tax. The change will increase these thresholds to a property being available to let for at least 252 days and actually let for at least 182 days during any 12-month period.

The change is intended to provide “a clearer demonstration that the properties concerned are being let regularly as part of genuine holiday accommodation businesses making a substantial contribution to the local economy”.

A statutory licensing scheme for all visitor accommodation in Wales, including short-term holiday lets, is now promised. This would make it a requirement for owners of self-catering accommodation to obtain a licence, making it easier for local authorities to track prevalence and enforce standards.

[Speaking in July](#), Welsh First Minister Mark Drakeford said: “Tourism is vital to our economy but having too many holiday properties and second homes, which are empty for much of the year, does not make for healthy local communities and prices people out of the local housing market.

Transaction tax

Earlier this year, the Welsh government [carried out a consultation on varying land transaction tax](#) in areas with large numbers of second homes.

In July, ministers said that work was starting with local authorities to develop a national framework so they can request increased land transaction tax rates for second homes and holiday lets in their area.