

**CYNGOR SIR POWYS COUNTY COUNCIL.**

**CABINET  
February 18th, 2025**

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Cabinet Member for a Fairer Powys

**REPORT TITLE:** Powys Local Housing Market Assessment (LHMA) 2022  
to 2037

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**REPORT FOR:** Decision

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**1. Purpose**

- 1.1 To request Cabinet consideration and approval of the Powys Local Housing Market Assessment (LHMA) covering the period 2022 to 2037, attached to this report as Appendix A.

**2. Background**

- 2.1 Under Section 8 of the Housing Act 1985, local housing authorities are responsible for undertaking a periodical review of housing need. Welsh Government guidance requires councils in Wales to update LHMA's every five years and to refresh the LHMA once during this five year period (between years two and three). The Welsh Government guidance can be found at: <https://www.gov.wales/local-housing-market-assessment-lhma-guidance-local-authorities>.
- 2.2 The LHMA makes an important contribution to the Council achieving the outcomes set out in 'Stronger, Fairer, Greener'. It provides the Council with a strategic understanding of the housing need in Powys and provides an evidenced basis on which to plan strategically for meeting current and future housing. The LHMA also provides essential evidence for the formulation of the Local Development Plan (LDP), the principal planning guide required to be produced by every planning authority.
- 2.3 The LHMA attached to this report sets out the estimated housing need for Powys for the 15-year period 2022-2037. The LHMA forms part of the evidence base for both Powys and Bannau Brycheiniog (Brecon Beacons) planning authorities in preparing their LDPs. The assessment is a key consideration in determining the amount of market and affordable housing required, and the location of housing growth in their development plans.
- 2.4 The findings, summarised in Appendix A to this report, now need to be adopted to make sure the Council is compliant with WG requirements

and to provide the formal evidence of need for the LDP review processes underway in Powys.

- 2.5 The previous LHMA covered the period 2018 to 2033. The old and new LHMA have used a different methodology. This means that the housing need estimates in both assessments are not directly comparable. The LHMA for 2018 through 2033 showed a considerably lower housing need of around 700 additional homes, compared with around 3,000 identified in the LHMA for 2022 through 2037.

### 3.0 Sustainable Powys

- 3.1 Delivering ‘Sustainable Powys’ will make sure that the Council can maintain a balanced budget yet continue to secure the provision of those services most needed by the people of Powys to be stronger, fairer and greener.
- 3.2 The LHMA represents an important source of intelligence for the changes being considered as part of ‘Sustainable Powys’, by providing an insight into the changes predicted to the population of the county. Understanding the age, tenure, household profiles, and those places where housing demand is expected to grow or decline, will allow the Council and other service providers and investors to make informed investment decisions for services, homes and economic activity.

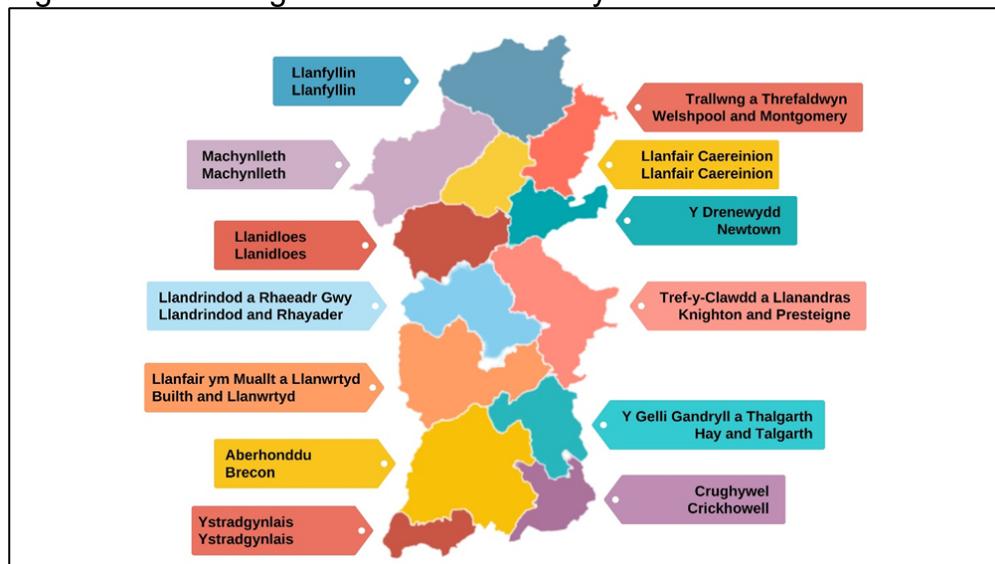
### 4.0 Advice

- 4.1 This assessment defines thirteen housing market areas. For each area, the estimated housing need has been calculated, using the Local Housing Market Assessment Tool (LHMA Tool) provided by Welsh Government. The areas are the same as the Locality Areas which are based around the main market towns. Table 4.1 shows the links between the Housing Market and Sustainable Powys areas while Figure 4.1 shows the geographical boundaries of each Housing Market (HMA)

<b>Table 4.1: Housing Market Areas and Sustainable Powys Areas</b>	
<b>Housing Market Area</b>	<b>Sustainable Powys</b>
Brecon	Brecon
Builth and Llanwrtyd	Llandrindod Wells
Crickhowell	Brecon
Hay and Talgarth	Brecon
Knighton and Presteigne	Llandrindod Wells
Llandrindod and Rhayader	Llandrindod Wells
Llanfair Caereinion	Welshpool
Llanfyllin	Welshpool
Llanidloes	Newtown
Machynlleth	Newtown

Newtown	Newtown
Welshpool and Montgomery	Welshpool
Ystradgynlais	Ystradgynlais

Figure 4.1: Housing Market Areas in Powys



4.2 The principal findings of the LHMA are summarised below

4.2.1 Powys has an ageing population. The number of deaths is larger than the number of births.

4.2.2 Without inward migration from other parts of the UK, there would be a population decline in Powys over the period 2022 through 2037. With inward migration, the household projection estimates an average increase of 184 households per year between 2022 and 2037.

4.2.3 The average household size is slowly decreasing.

4.2.4 The LHMA estimate is that almost 3,000 households will need additional housing in the period 2022-2037. It is estimated that around 2,400 households are requiring housing in the Powys Local Planning Authority area and around 600 households in the Bannau Brycheiniog National Park Planning Authority (NPPA) area within Powys. This is a split of roughly 80% of the total estimated additional need in the Powys LPA and 20% in the Bannau Brycheiniog NPPA.

4.2.5 The estimated tenure split for the 15-year period 2022-2037 is 40% affordable and 60% market. For social rent it is estimated that 59% of need is for one-bedroom dwellings.

4.3 Although the LHMA is an important piece of evidence, it remains a snapshot. When making policy decisions, the most recent figures from the Common Housing Register, Tai Teg and other available up to date

evidence should be considered. The LHMA includes information about the housing need using four different household projections.

## **5. Resource Implications**

- 5.1 There are no resource implications arising from the recommendations laid out in this report. The Head of Finance (Section 151 Officer) acknowledges the report and supports the recommendation.

## **6. Legal implications**

- 6.1 The Housing Solicitor has commented: The report has completed a review of the housing needs in accordance with legislation.
- 6.2 The Head of Legal Services and the Monitoring Officer has commented: "I noted the legal comment and support the recommendation."

## **7. Climate Change & Nature Implications**

- 7.1 The LHMA provides an evidence base to support the development of houses for people who need a place they can call home. This means that land allocations within the LDP can be made prudently and with due regard to the balance between meeting the accommodation and shelter needs of the people of Powys and supporting sustainable social and economic development. Making sure that sufficient land is available for homes in the county may reduce the need for people to commute to, and travel within, Powys by allowing them the opportunity to live closer to social and economic opportunities such as schools and employment. This would reduce the need for transport, and the energy required (electricity, petrol, diesel), for people to travel.
- 7.2 Depending upon the sites allocated to meet the evidenced demand for housing, this may mean a small reduction in agricultural and green fields commensurate with the footprint of the built dwellings. According to the latest data, built-up areas in Powys are relatively sparse, with the majority of the land being used for agriculture, forestry, and natural reserves. Additional homes, with associated gardens encouraging horticultural activity, may add to the overall diversity of the natural world in Powys.

## **8. Data Protection**

- 8.1 The LHMA does not involve the processing of personal data.

## **9. Comment from local member(s)**

- 9.1 The LHMA affects all wards and communities in Powys.

## **10. Impact Assessment**

10.1 An Impact Assessment is not required. The LHMA is evidence to inform choices relating to housing provision and meeting the housing needs of households in Powys. Impact Assessments may however be needed in respect of future policy and investment decisions arising from the use of the intelligence detailed in the LHMA,

**11. Recommendation**

11.1 It is recommended for Cabinet to approve the LHMA, to enable sign off by Welsh Government and subsequent use in informing economic development, housing and planning policy for Powys.

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