

# HOME BUILDING BY NUMBERS: WALES

AUGUST 2023



# 1. Housing Delivery 2022/23

## Additional Dwellings 2022/2023: 5,785 new dwellings

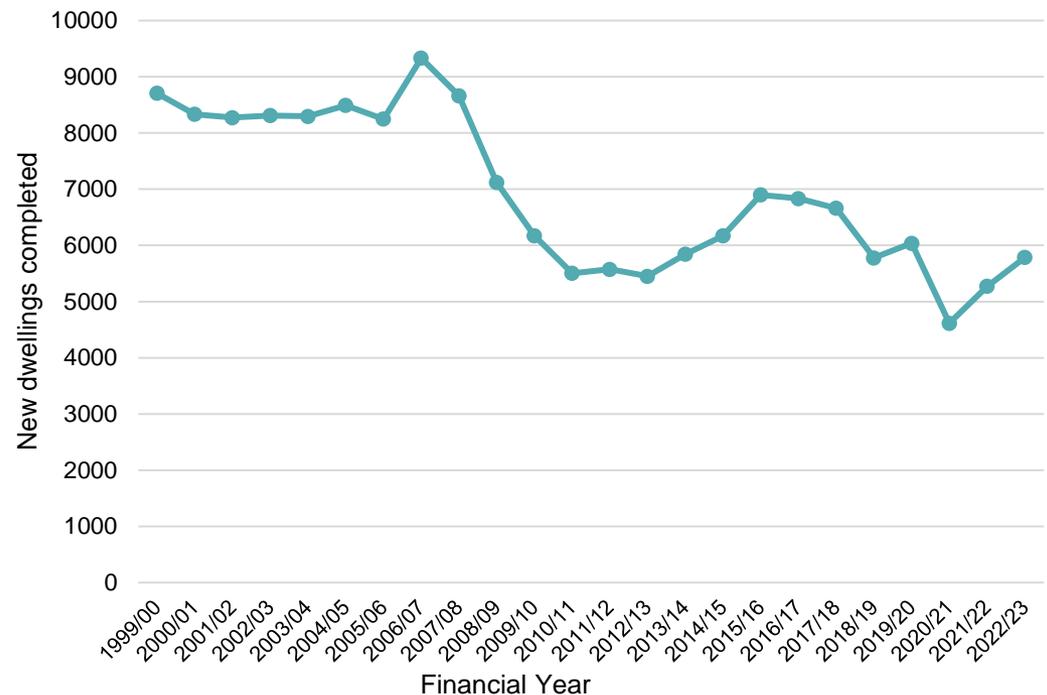
5,785 new dwellings were built in Wales in the 2022/23 financial year. This is up 10% from the previous year.

4,697 (81%) of the completed dwellings in 2021/22 were homes. The rest were flats.

56% of all new completed dwellings in 2021/22 were in South East Wales, 20% in North Wales and 24% in Mid and South West Wales.

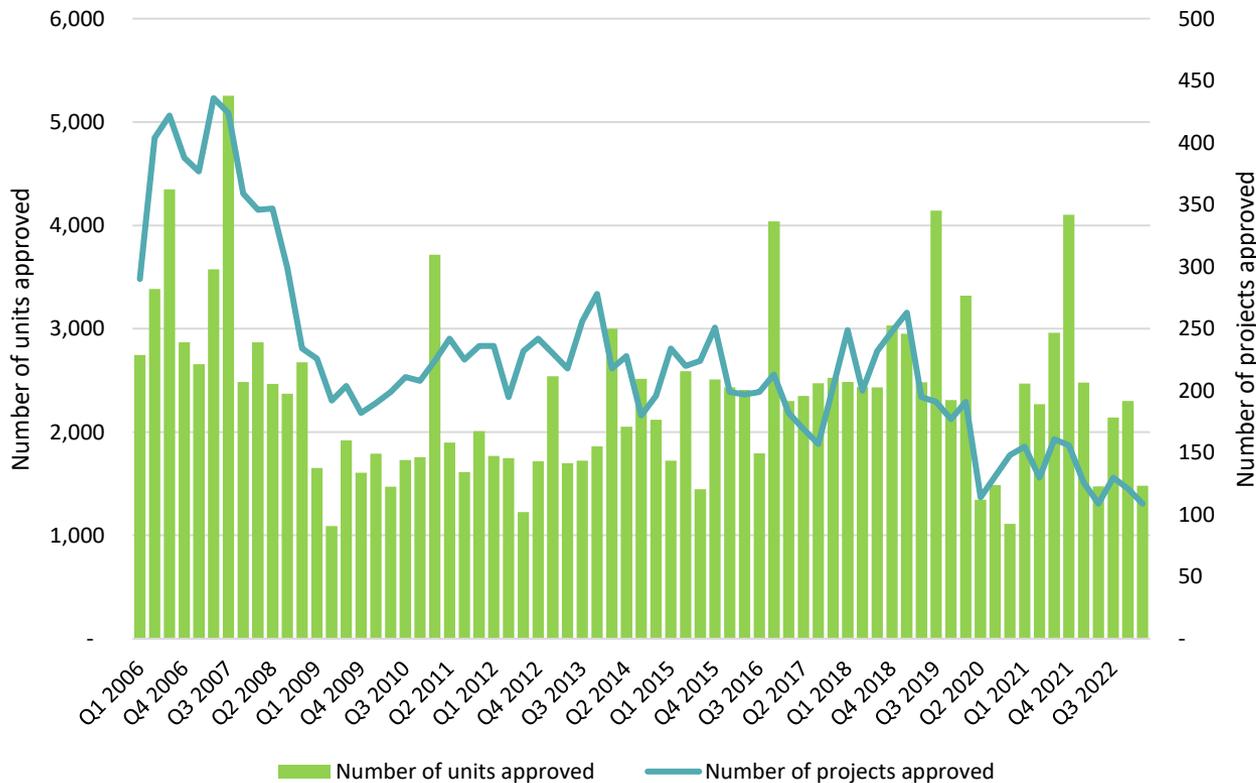
The Welsh Government's independent study into housing need, published in 2019, established a requirement of 6,700 to 9,700 new homes per year during the 2020s. Current levels of supply are falling short of this requirement.

New dwellings completed in Wales, 1999-2023



## 2. Recent planning permissions

### Residential Planning Approvals (Wales)



The number of units approved in Wales during Q1 2023 totalled 1,480 - a 40% decline from the same quarter a year ago, and a 36% fall from the previous quarter.

The number of overall housing projects granted planning permission in Q1 2023 was the joint lowest quarterly figure on record, with 109 housing projects granted planning permission - a decline of 13% from a year ago and 10% down from the final quarter of 2022.

Our previous Q4 2022 report also showed that the total number of units approved in Wales during 2022 was 29% down from the previous year, falling to 8,395 from 11,804.



### 3. Affordable Housing

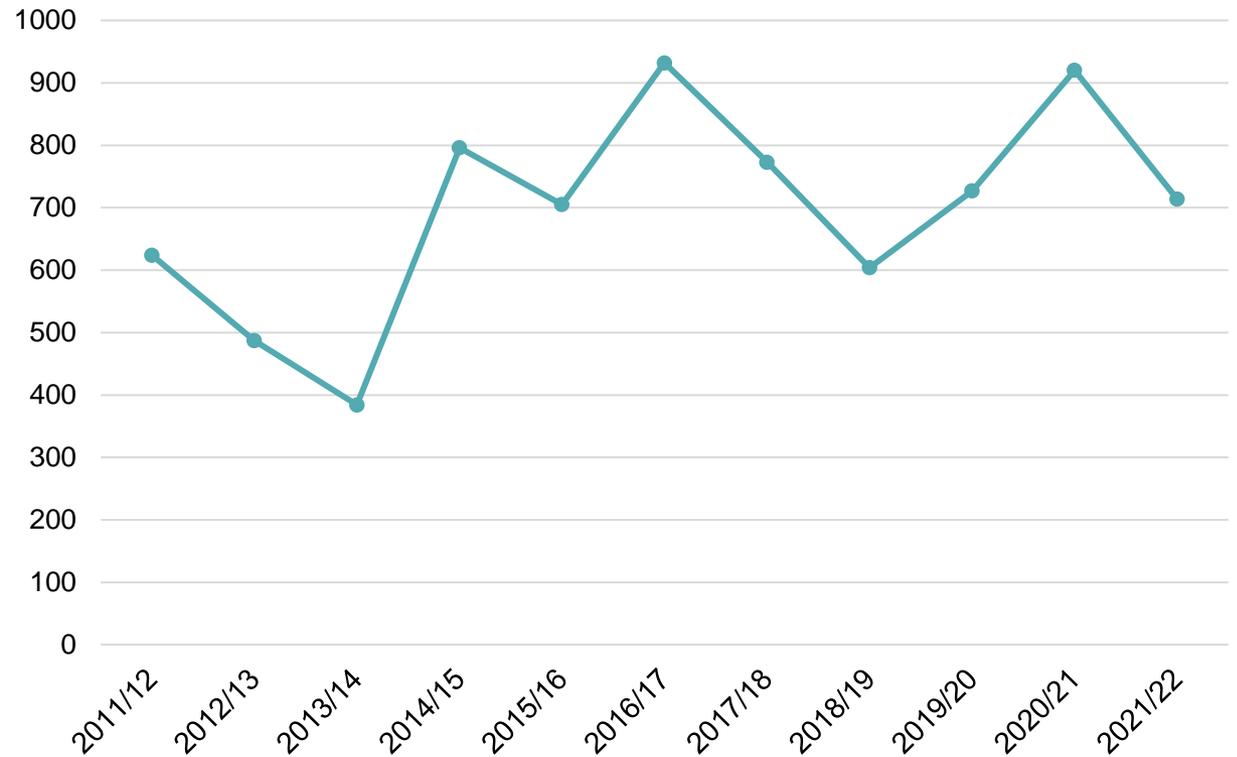
In 2021-22, 2,676 additional affordable housing units were delivered across Wales, a 26% decrease from the previous year.

Of these, 714 affordable housing units were delivered through planning obligations (Section 106 agreements). This is a decrease of 22% compared with the previous year.

However, 27% of all additional affordable housing was delivered through planning obligations, compared with 26% the previous year.

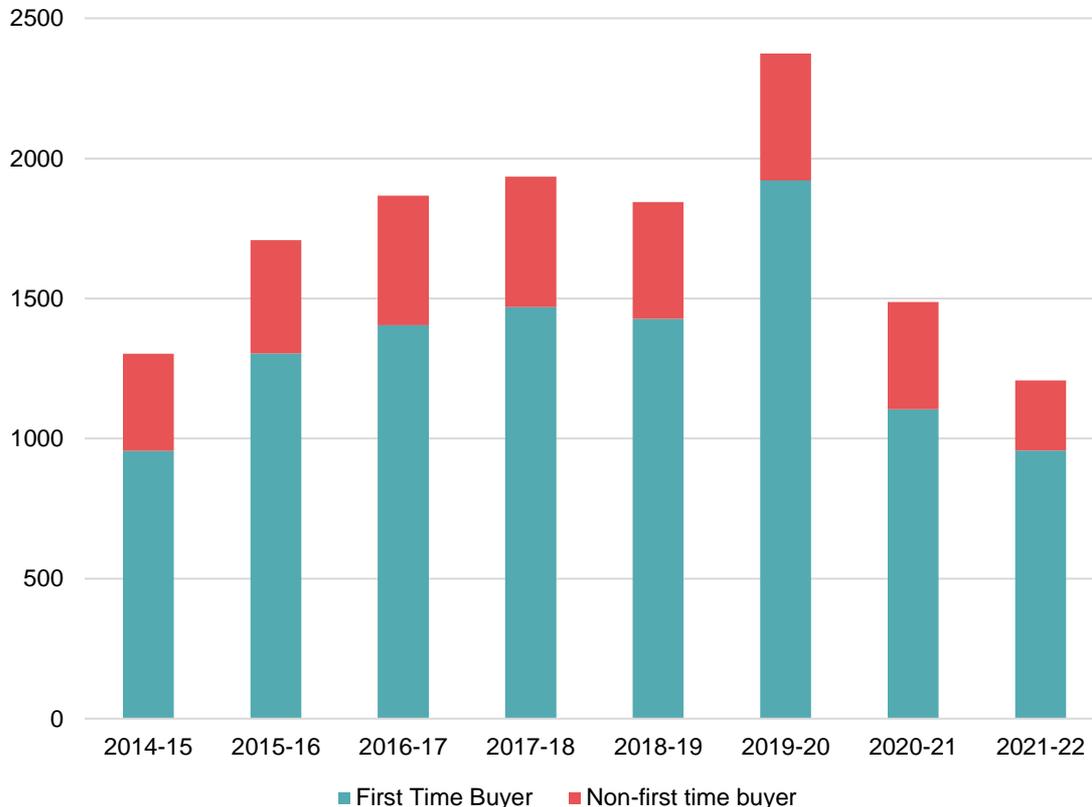
The private sector also delivered 21% of affordable homes (2,136 units) over the course of the last Government from 2016-2021.

Number of affordable homes delivered in Wales through planning agreements



# 4. Help to Buy

Completed Purchases: Help to Buy Wales 2014-22 by type of buyer



Between 2 January 2014 and 31 March 2023, 13,641 properties were purchased under the Help to Buy-Wales scheme.

76% of total purchases were completed by first time buyers.

The total value of equity loans was £537.6 million

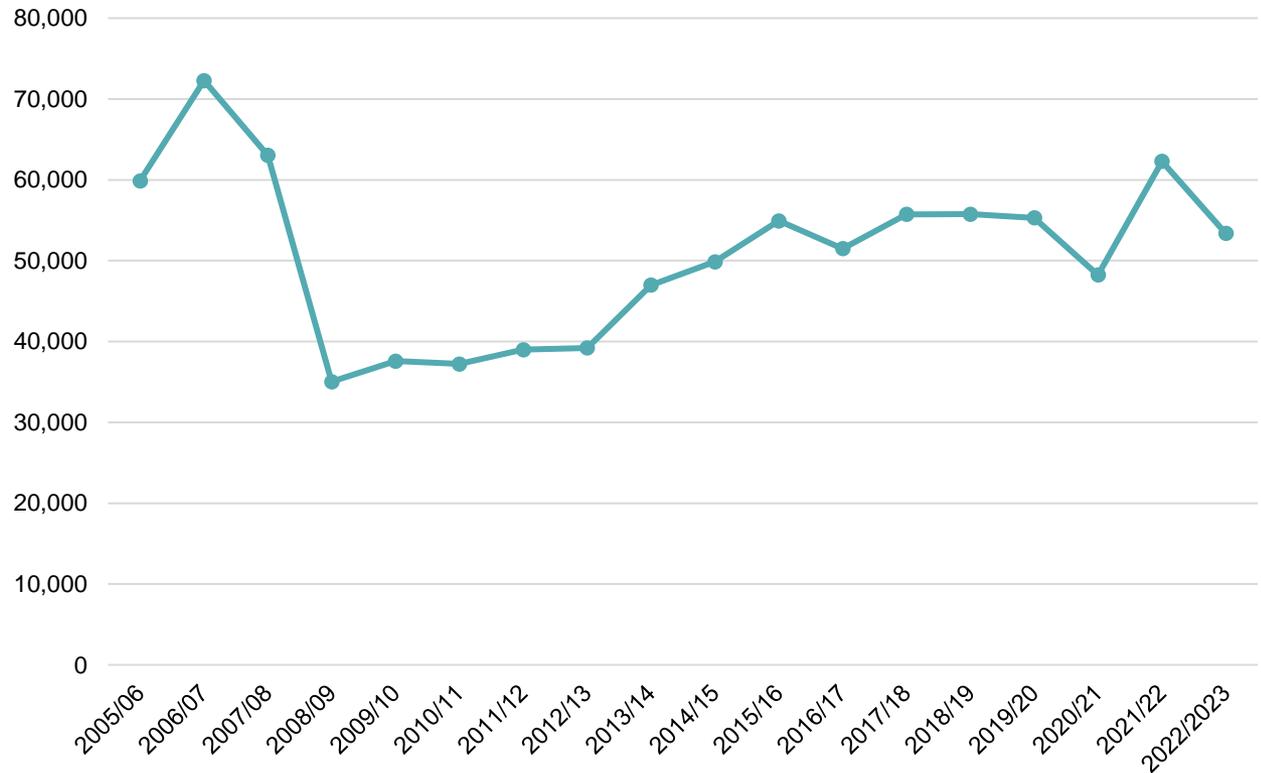
The total value of properties purchased was £2,721.0 million.

Completed purchases using the Help to Buy-Wales scheme in 2022-23 totalled 472.



# 5. Residential property transactions

Number of residential property transactions in Wales by financial year



While April and May saw a downward trend in overall transactions, the number of residential property transactions was more positive in June.

The provisional non-seasonally adjusted estimate of the number of residential transactions in Wales in May 2023 was 4,140 – 27% higher than the previous month.

The total number of residential property transactions in Wales declined by 14% between the 2021/22 and 2022/23 financial years – from 62,290 to 53,390.

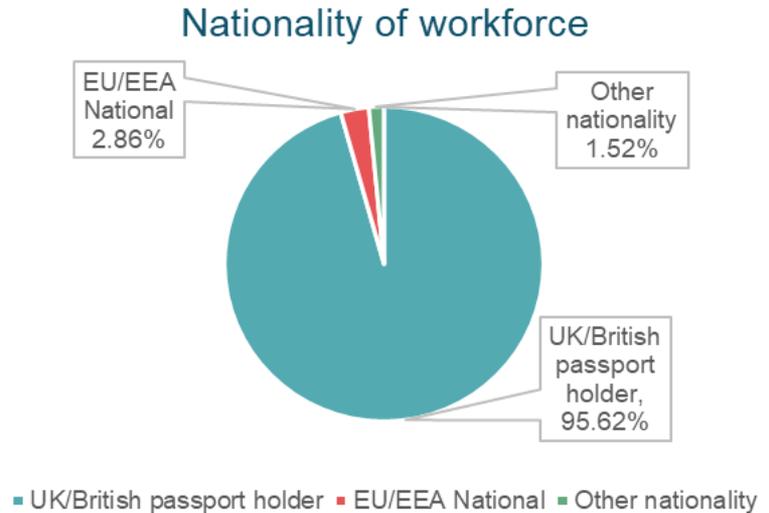
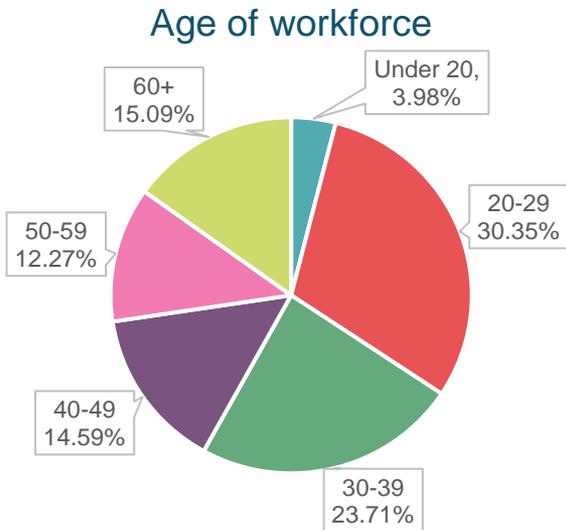


## 6. Socio-economic contribution of the home building industry

In 2022/23 it is estimated that the home building industry in Wales has:



# 7. The home building workforce in Wales



## HBF's 2023 census of the on-site home-building workforce has found that:

- The onsite homebuilding workforce in Wales is predominately made up of UK/British passport holders, at 95.62%.
- Of the 4.28% of non-British workers, 2.86% were from EU/EEA countries.
- In the UK workforce as a whole, however, non-British workers make up 20% of the workforce.
- 94% of the workforce is male.
- The most prevalent age group is 20-29 – making up 30% of respondents.
- Around 58% of the workforce is under 40.



# 8. New build and wider house prices

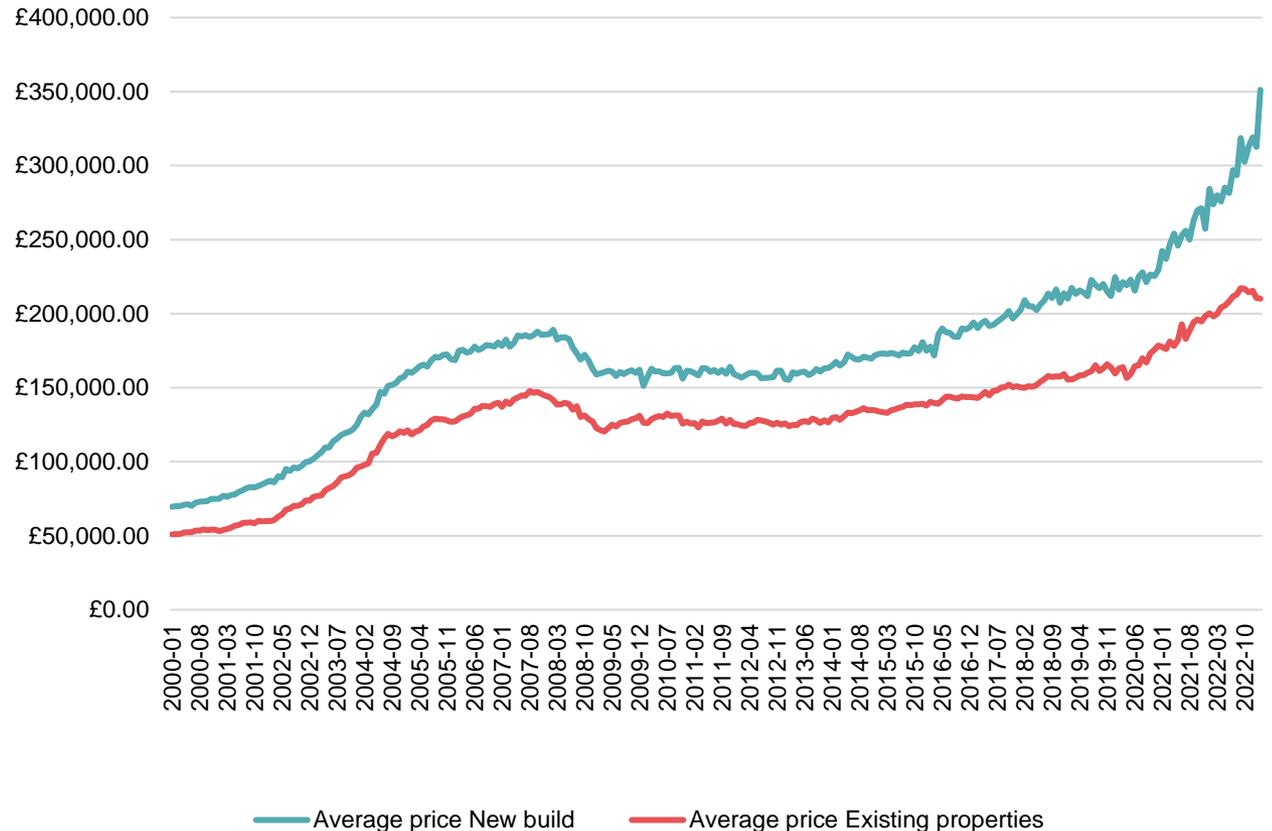
The annual percentage change rate for Wales house prices was +0.6% in the year to June 2023, compared to 1.7% in the UK as a whole. This was down from 1.6% in Wales in the year to May 2023.

As of June 2023, the average house price in Wales was £213,477, compared to £287,546 in the UK as a whole.

Merthyr Tydfil was the fastest-growing local authority in Wales, with an annual growth of 9.9% in the year to June 2023 and an average house price of £161,822. In Cardiff, prices rose by 3.8% to an average price of £263,335.

New build prices rose by 19.1% in the year to April 2023, compared to just 0.9% for existing properties.

Average new build vs. existing property prices, 2000-2022



# 9. Financial benefits and carbon efficiency of new homes

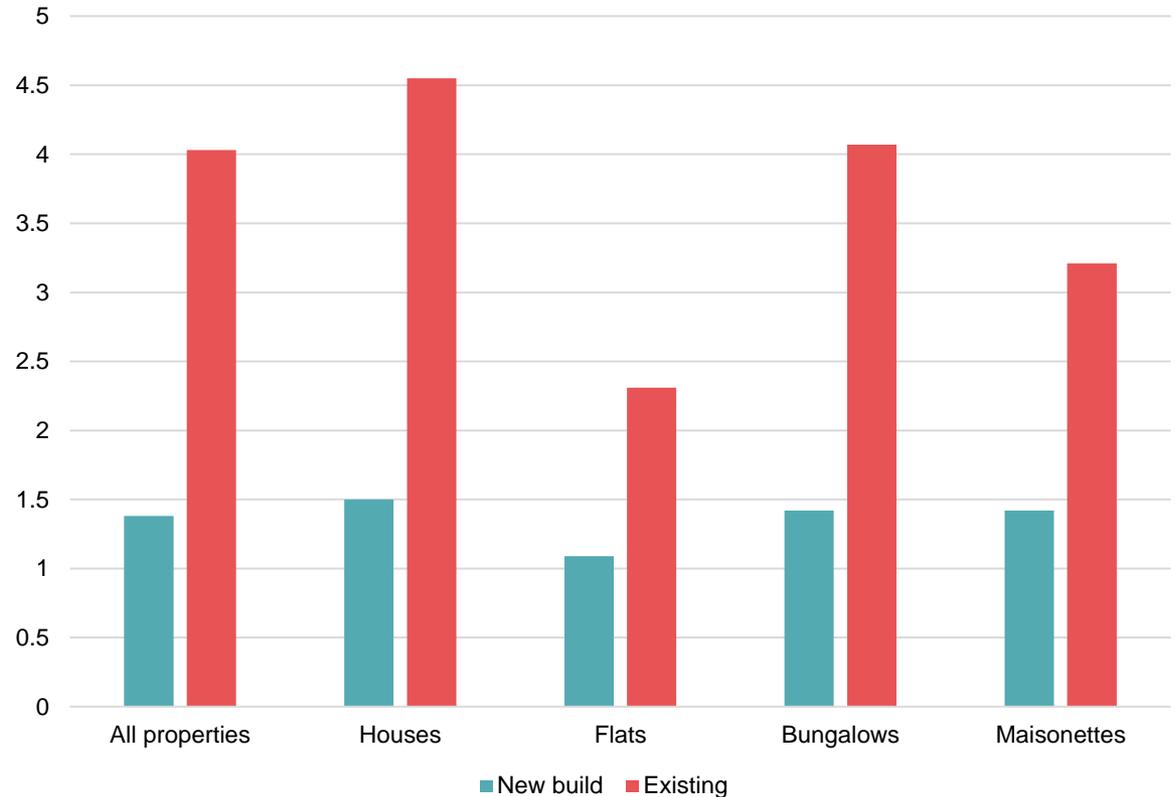
A key advantage for purchasers of new build homes is that they are considerably more energy efficient than their predecessors.

87% of new build homes in Wales were rated A or B for energy performance from April to June 2023, while only 4.4% of existing properties reached the same standards. 53% of existing properties were given an EPC of D or below, while less than 4% of new build homes were of the same standard.

HBF research has also found that the average new build buyer in Wales will spend £1,183.70 a year on energy bills, compared to £3,145.24 for an existing property – a 62% saving.

New builds in Wales emit an average of 1.38 tonnes of carbon/PA compared to 4.03 tonnes for an existing property (a 66% saving).

Annual carbon emissions of new build vs existing properties (tonnes)



## REFERENCES

- 1) [StatsWales, Additional Dwellings 2022/23, August 2023](#)
- 2) [Glenigan/HBF, New Housing Pipeline Q1 2023 Report, June 2023](#)
- 3) [StatsWales, Affordable Housing, February 2023](#)
- 4) [Stats Wales, Help to Buy, June 2023](#)
- 5) [HMRC, Monthly property transactions completed in the UK with value of £40,000 or above, June 2023](#)
- 6) [HBF, Home Building Workforce Census, June 2023](#)
- 7) [HM Land Registry, UK House Price Index Summary: May 2023](#)
- 8) [HBF, Watt a Save! The financial benefits and carbon efficiency of new homes, July 2023 \(Wales forthcoming Aug 2023\)](#)
- 9) [MHCLG, Energy Performance of Buildings Certificates statistical release January to March 2023: England and Wales](#)

