

Housing Needs and Demand Assessment

Renfrewshire Council

Final report

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1 Introduction

The Brief

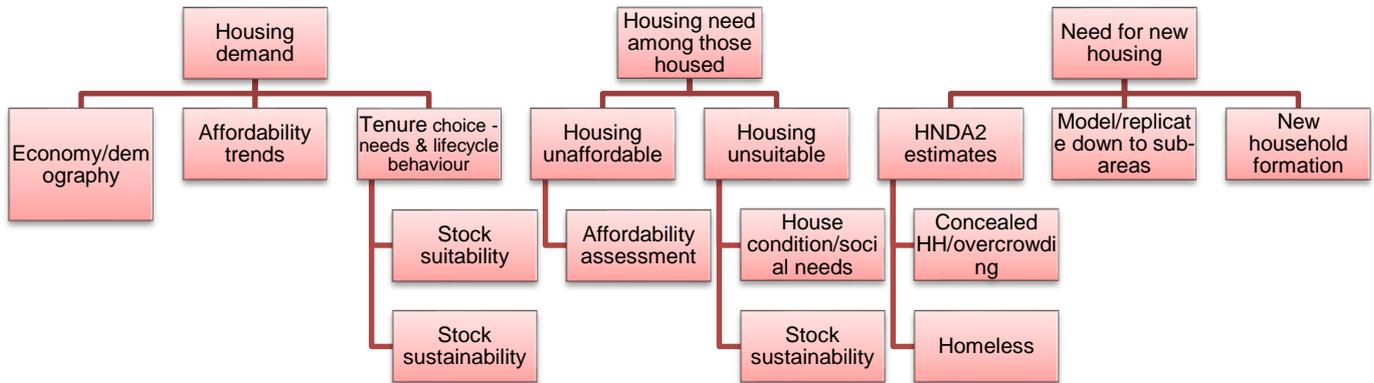
- 1.1 Renfrewshire Council has appointed Anna Evans Housing Consultancy (AEHC) to undertake housing need and demand work. The overall purpose of the work is to build on the Glasgow and Clyde Valley (GCV) HNDA2 which was signed off by the Scottish Government as robust and credible in May 2015. The purpose of the HNDA 2 exercise was to refresh the previous GCV HNDA 2011. HNDA2 is based on revised guidance, and utilises the Scottish Government Centre for Housing Market Analysis 'Housing Tool'.
- 1.2 In terms of identifying the need for new affordable housing and consequently housing investment planning, Renfrewshire Council see the estimates produced in HNDA2 as a starting point. Further work is required at a more detailed local level to address gaps within the Tool. The Council views these gaps as: the model does not consider the size or type of new housing required; it doesn't consider existing movement between sectors (e.g. moves from social rented housing to private rented housing and vice versa) or affordability issues for existing households in a range of tenures. Critically for Renfrewshire, the Tool does not consider existing affordable supply or affordable housing stock issues including the suitability of current stock in meeting existing and future needs and demands. The suitability of the current Council stock, and to a lesser extent some RSL stock, to meet needs and demands in particular remains an important consideration within Renfrewshire Council.

Methodology

- 1.3 The figure below shows how the main strands of this need and demand assessment work has been structured. A key element of the work is to understand the housing demand picture at the sub-Renfrewshire level through analysis of the housing market, local economy and tenure costs and choices. That includes, for the Council's social rented sector, consideration of stock suitability using the i.s.4 Housing and Regeneration Strategic Asset Management System (SAMs)¹.

¹ SAMs is an asset management tool copyright of i.s.4 Housing and Regeneration Ltd

Figure 1-1: Need and demand analysis framework



1.4 The purpose of this work is to add to the work of HNDA2, rather than to challenge it, by drilling down on data by area, and providing more insight.

1.5 Housing solutions for those that are currently housed that might **not require an additional** physical unit of housing but indicates the need for an **alternative** or an **adjustment** ('in situ' housing need) is examined by:

- An affordability assessment is undertaken to estimate the number/proportion of households who are unable to afford their current housing. Among these households, we need to also conduct an affordability assessment of the alternatives (e.g. lowest quartile house prices, average PRS rents, rents at the LHA rate, social rents).
- This work will be informed by tenure choice and lifestyle analysis and qualitative research to explore the extent to which people are choosing an unaffordable housing solution in order to meet other needs.
- Housing unsuitability is examined through looking at over-crowding (where there is not a concealed household needing a new property) poor condition, lack of amenity, need for adaptations and the need for social care as well as severe harassment/safety issues. The stock sustainability assessment will provide a distinct element to this work to show what stock is sustainable in the long term, and meets demand from a tenure choice/ behaviour perspective.

1.6 The need for **new** affordable housing at the sub-Renfrewshire level is examined by-

- The assessment of the need for new housing needs to align with the HNDA2 estimates, using consistent methods/approaches
- The HNDA2 estimates the need for 2,500 new social and below market rent over the period between 2012 and 2029.
- The study considers how this overall requirement maps down to the sub-areas of Renfrewshire and what the analysis of markets, demand and behaviour tells us about the size and type needed.

- 1.7 The work has also included qualitative research with consumers – six focus groups with different household types and in different household markets (see Appendix 1), and qualitative research through depth interviews with three local housing associations.
- 1.8 In presenting the analysis, we have used the HNDA 2014 Practitioner guidance in terms of:
- Key housing market drivers
 - Housing stock, profile and pressures (including the sustainability analysis)
 - Housing pressure – affordability analysis
 - Unsuitable housing including specialist provision
 - Estimating housing need and demand, and housing need projections
 - Policy conclusions to feed into Renfrewshire Council’s land use and housing planning frameworks – including the Local Development Plan and Local Housing Strategy, and the Council’s own Housing Revenue Account strategic business planning.

Geography

- 1.9 A critical element of the HNDA for Renfrewshire is the provision of estimates at a smaller area. For most of the analysis, the research will seek to provide information for the following areas –
- Johnstone and Elderslie
 - North Renfrewshire
 - Paisley and Linwood
 - Renfrew
 - West Renfrewshire.
- 1.10 The 5 sub-market areas of Renfrewshire are shown in Map 1 below. Where possible, information is grouped by sub-area, with maps showing ‘hot-spots’ to better inform policy decisions.
- 1.11 The Renfrewshire Council area covers a diverse range of communities:
- **Johnstone & Elderslie** includes the communities of Johnstone, Elderslie and Phoenix. The most common ONS classification² for the communities in the Johnstone & Elderslie area is ‘struggling urban families’ followed by ‘small town communities’. Some Intermediate datazones in Elderslie & Pheonix are also classed as ‘affluent urban commuter’ ‘urban commuter’ and ‘well-off mature households’. The area is estimated to contain around 10,700 households, with around a third of households in the social rented sector³.
 - **North Renfrewshire** covers Erskine and Inchinnan and the rural area to the North, as well as Langbank and Bishopton. The most common ONS area classification for North Renfrewshire is ‘Urban commuter’, followed by blue collar urban families’ and young urban families. Only one intermediate datazone (in

² ONS classification at Intermediate datazone, from Heriot Watt income modeling project. <http://www.improvementservice.org.uk/income-modelling-project.html>

³ Based on 2013 data for RSL s and Renfrewshire Council

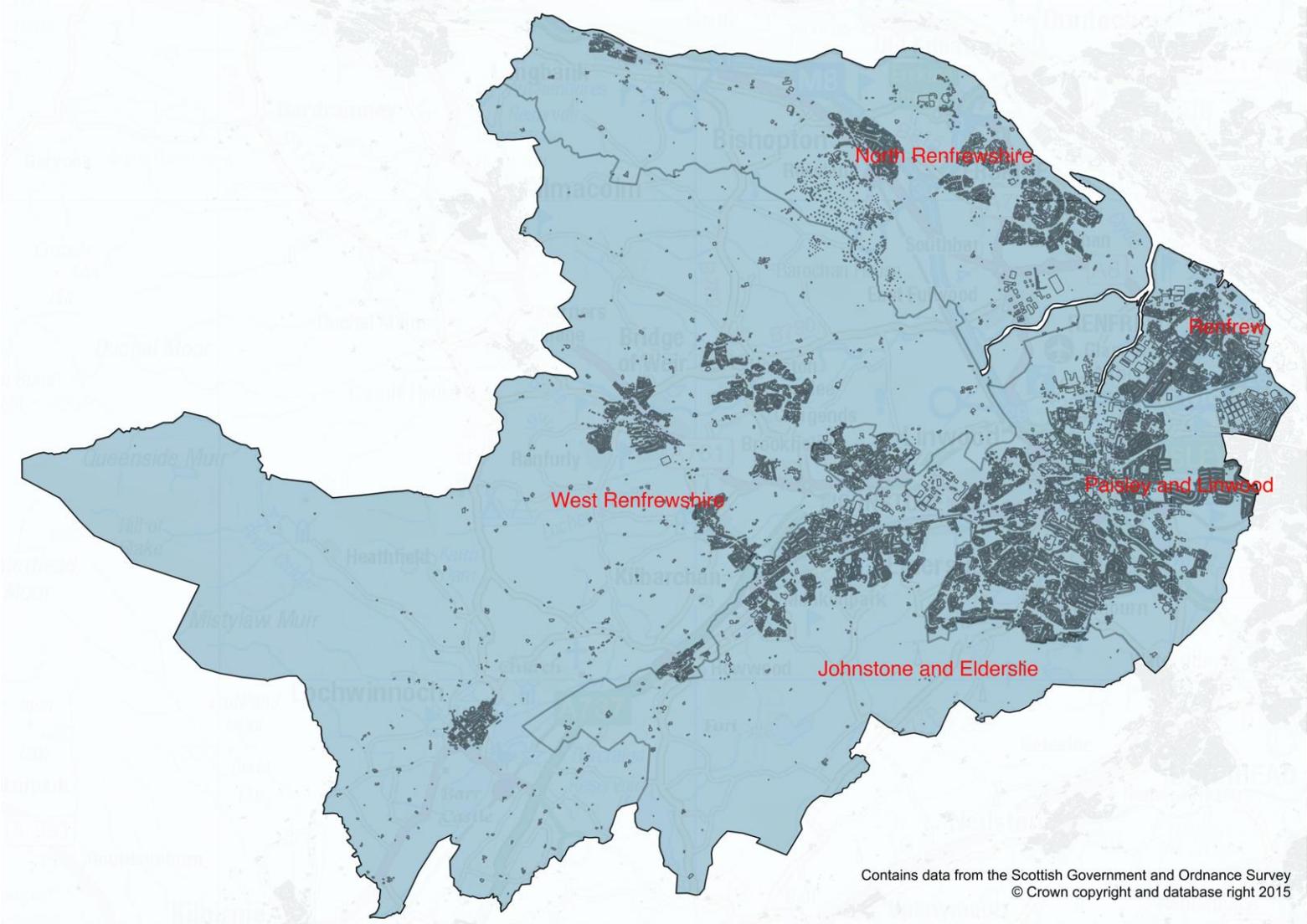
Erskine West) is categorised as 'struggling urban families'. The area is estimated to include around 9,500 households, with only around 11% in the social rented sector.

- **Paisley & Linwood** is the largest and most diverse sub-area, with areas of poverty and affluence. The most common area type being 'struggling urban families' (including Glenburn, Foxbar, Dykebar, Gallowhill and Hillington and Linwood) followed by 'affluent urban commuters' in Paisley South/South West and Ralston. The third largest group of communities are more typically 'resorts and retirement' in Paisley Central/North and North West/West Paisley. The Paisley & Linwood area contains an estimated 41,300 households, with almost 1 in 3 households in the social rented sector.
- **Renfrew** is another quite mixed community, with the most common area classification being 'struggling urban families' – in Renfrew South and West in particular – but also several areas categorised as 'well-off mature households' or urban commuter/affluent urban commuter in Renfrew East and South. Renfrew contains around 10,500 households with over a third in the social rented sector.
- **West Renfrewshire** includes the smallest number of households but a large rural area, with just around 8,500 households and only 8% of households living in the social rented sector. The area is spread throughout a number of smaller towns and rural communities – Lochwinnoch, Bridge of Weir, Kilbarchan, Houston and Howwood. The most common ONS classifications are 'urban commuter' and 'affluent urban commuter' (in Bridge of Weir, Houston and Kilbarchan) followed by 'small town communities' and 'mature urban households' (including Lochwinnoch, Bridge of Weir, Kilbarchan and Houston). Areas in Langbank and Howwood are also more rural – categorised as 'farming and forestry' and 'countryside communities'.

1.12 For the Council sector sustainability work, the SAMs analysis has been undertaken on the basis of the five sub-market areas, and is then split into 24 allocation areas, and under those, each street. This will enable the Council to have a fine grained analysis of stock sustainability. The allocation areas are listed below by the 5 sub-market areas.

Sub-market Areas	Allocation Areas
Johnstone and Elderslie	Elderslie Johnstone Castle Johnstone Centre Johnstone West
North Renfrewshire	Inchinnan/Bishopton
Paisley and Linwood	Ferguslie Park Foxbar Gallowhill Glenburn Linwood Paisley East Paisley George Street Paisley Hunterhill Paisley Lochfield/Dykebar Paisley North Paisley South Paisley West
Renfrew	Renfrew Arklestone/Newmains Renfrew Centre Renfrew Kirklandneuk Renfrew Moorpark Renfrew Townhead
West Renfrewshire	B.O.W/Houston Kilbarchan Lochwinnoch/Howwood

Map 1: The five sub-market areas of Renfrewshire



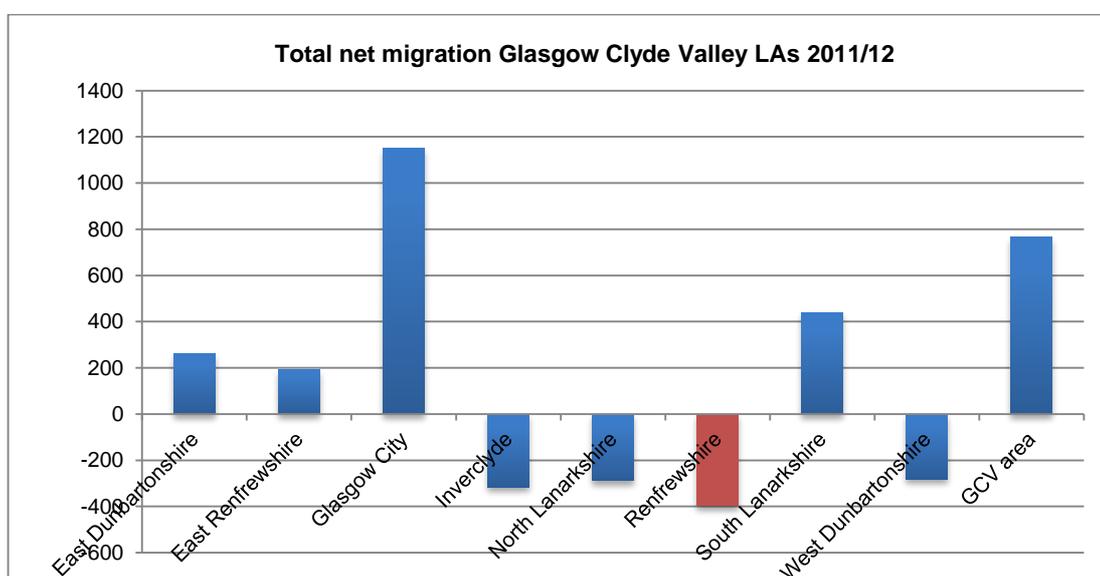
2 Key market drivers

Demographic issues

Migration and population change

- 2.1 The figure below, from Background Report 1⁴ of HNDA2, shows net migration out of Renfrewshire in 2011/12, compared with other local authorities in the Glasgow and Clyde Valley area. This net migration outwards from Renfrewshire was mainly to the rest of Scotland. The net in-migration to the GCV area is a modest proportion of the total net migration to Scotland (just 6% of Scottish total net migration of 12,738 in 2011/12).

Figure 2-1: Net migration by local authority (number)

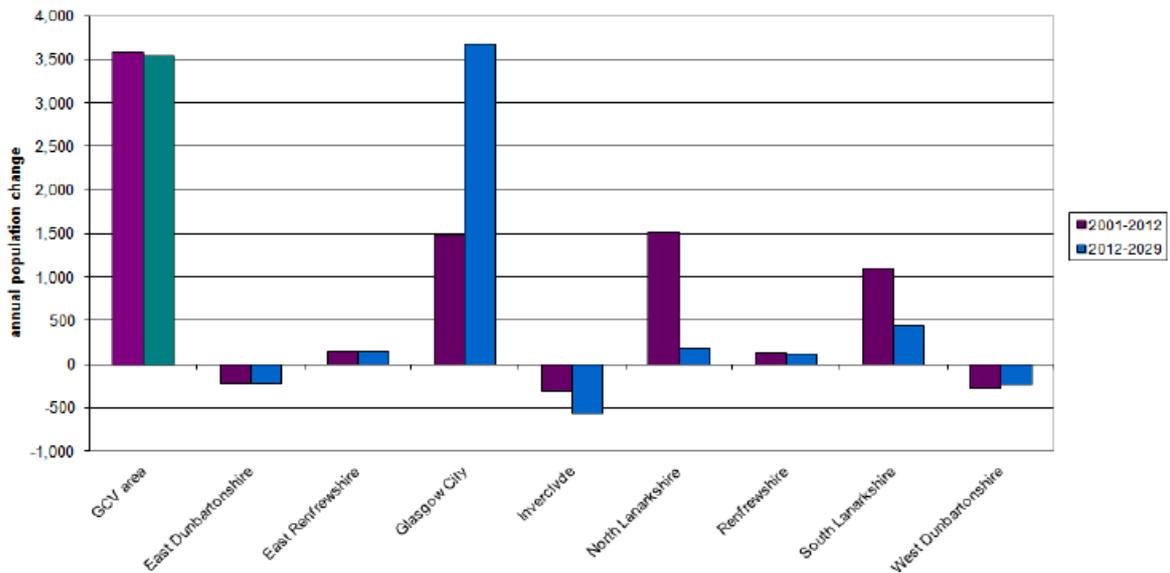


Based on Table 1.1, Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015) * Including asylum seekers, NRS migration data – Scotland 2011/12.

- 2.2 Projected population change for Renfrewshire is predicted to be similar to the period between 2001-2012, with a modest annual increase in population projected in Renfrewshire between 2012-2029.

⁴ Strategic Development Plan Main Issues Report Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015)

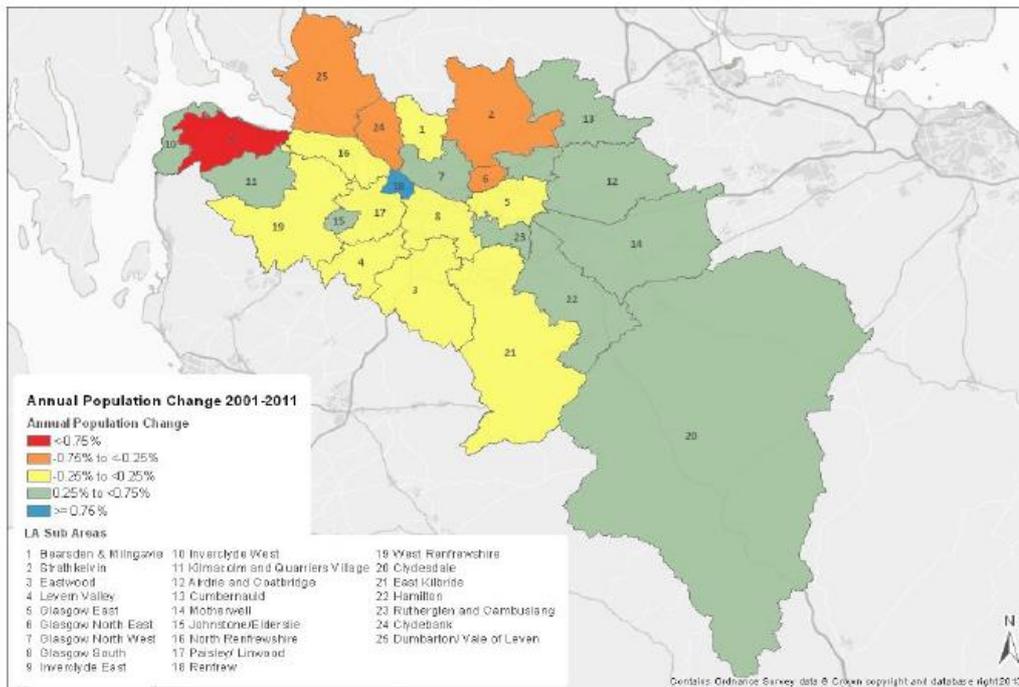
Fig 1.07 - Recent and Projected Annual Population Change by Council area in GCV area



Source: Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015)

2.3 Map 1.01, also from the background report on demographic change shows the recent annual population change by sub-area. Johnstone & Elderslie (area 15) and Renfrew (area 18) showed more population growth than in the rest of Renfrewshire (areas 16,17,19). The rate of population growth seen in North Renfrewshire, Paisley & Linwood and West Renfrewshire was similar to that found in nearby areas, with growth stronger in the North/Eastern areas.

Map 1.01 – Annual population change 2001-2011 for Council Sub Areas in Glasgow and the Clyde Valley Conurbation



Source: Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015)

2.4 The population change in Renfrewshire between 2001-2011 by area is shown below, with most population growth in Renfrew and Johnstone and Elderslie. Renfrewshire's overall population growth is much lower than Scotland overall growth of 4.6% between 2001 and 2011.

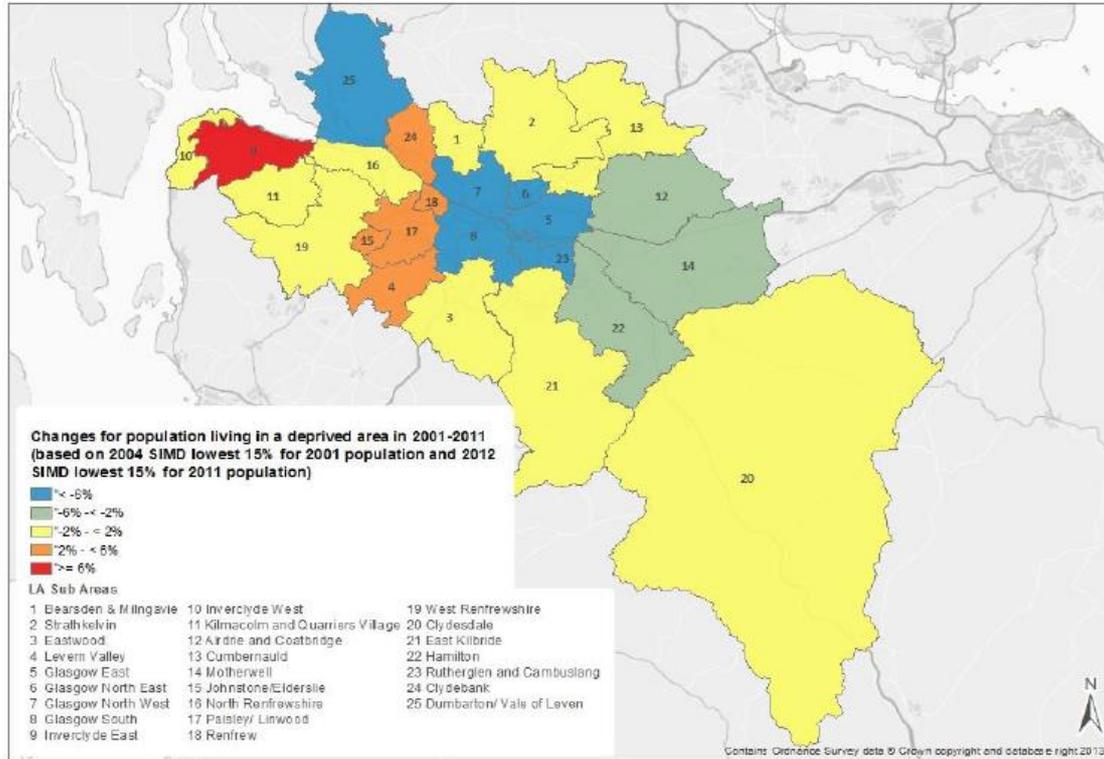
Table 2-1: Population change 2001-2011 by sub-area

Area	Population 2001	Population 2011	Change 2001-2011	% annual change
Johnstone/Elderslie (15)	22,230	23,163	933	0.42%
North Renfrewshire (16)	24,105	23,755	-350	-0.15%
Paisley/Linwood (17)	84,977	85,070	93	0.01%
Renfrew (18)	20,251	21,854	1,603	0.79%
West Renfrewshire (19)	21,304	21,066	-238	-0.11%
Renfrewshire	172,867	174,908	2,041	0.12%

Source: 2001 and 2011 Census data NRS, Crown Copyright Reserved (from Table A1.1, Background Report 1)

2.5 The population growth in Johnstone & Elderslie and Renfrew is not a proxy for prosperity, however, since these areas (along with Paisley & Linwood) also saw an increase in the population deprivation rate between 2001 and 2011. Renfrewshire includes three of the six areas across Glasgow and the Clyde Valley to see an increase in the population deprivation rate of between 2% and 6% (Map 1.06).

Map 1.06 – Changes in population deprivation rates between 2001 and 2011 for Council Sub Areas in Glasgow and the Clyde Valley Conurbation



Source: Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015)

2.6 Table 2.2 summarises the population estimates and projections for Renfrewshire between 2012 and 2029, based on trends between 2001 and 2012. The principal projection (A) sees population growth of 1,866 mainly through a significant increase in the population of older people. The low migrant variant (B) sees an even greater reduction in the number of young people contributing to a net reduction in population of 534 while the high migration variant (C) sees an increase in children and those aged 30-44 and an overall increase in population of 3,686.

Table 2-2: Population by age - 2001, 2012 and projections - Renfrewshire

Age	2001	2012	Change 2001-2012	(A) 2029 principal	(A) Change 2012-29	(B) 2029 Low migrant	(B) Change 2012-29	(C) 2029 High migrant	(C) Change 2012-29
0 to 15	33,517	30,400	-3,117	30,393	-7	29,785	-615	30,872	472
16 to 29	28,150	30,043	1,893	26,134	-3,909	25,742	-4,301	26,398	-3,645
30 to 44	41,306	33,610	-7,696	33,217	-393	32,330	-1,280	33,938	328
45 to 64	43,267	49,690	6,423	43,745	-5,945	43,402	-6,288	44,156	-5,534
65 to 74	15,245	16,879	1,634	22,204	5,325	22,149	5,270	22,208	5,329
75+	11,365	13,688	2,323	20,483	6,795	20,368	6,680	20,424	6,736
All	172,850	174,310	1,460	176,176	1,866	173,776	-534	177,996	3,686

Source: NRS – Crown Copyright Reserved (Tables A1.3-A1.6, Background Report 1)

- 2.7 In all three scenarios, the growth in the older population is similar, and significant, with the numbers of people aged 65-74 expected to increase by a third between 2012 and 2029 and the numbers aged over 75 years estimated increase by around 50%.
- 2.8 This change in the profile of the population will have a significant impact on the numbers and type of accommodation needed, including the need for specialist accommodation for older households. This is examined further in Section 5.
- 2.9 NRS has produced datazone level estimates for 2013, based on the 2011 Census-based 2012 local authority projections. This data enables the production of 'base' estimates with 2012 age profiles which can then be adjusted in line with the estimates above. However, the 2013 datazone level estimates aggregated to the 5 sub-areas exhibit some anomalies compared with the 2011 Census data by sub-area.

Table 2-3: Base population by age – recalibrated to fit the 2012 Renfrewshire mid-year estimate (Number and row %)

Area	0-15	16-29	30-44	45-64	65-74	75+	Total
Johnstone & Elderslie	4,097	4,014	4,203	6,408	2,301	2,052	23,075
North Renfrewshire	4,151	3,780	4,129	7,318	2,496	1,784	23,657
Paisley & Linwood	14,577	15,537	16,988	23,310	7,621	6,776	84,809
Renfrew	3,725	3,752	4,546	6,047	2,142	1,578	21,789
West Renfrewshire	3,852	2,959	3,743	6,608	2,319	1,499	20,979
Renfrewshire	30,400	30,043	33,610	49,690	16,879	13,688	174,310
Area	0-15	16-29	30-44	45-64	65-74	75+	Total
Johnstone & Elderslie	18%	17%	18%	28%	10%	9%	100%
North Renfrewshire	18%	16%	17%	31%	11%	8%	100%
Paisley & Linwood	17%	18%	20%	27%	9%	8%	100%
Renfrew	17%	17%	21%	28%	10%	7%	100%
West Renfrewshire	18%	14%	18%	31%	11%	7%	100%
Renfrewshire	17%	17%	19%	29%	10%	8%	100%

Source: NRS Datasone level estimates – 2013, based on 2012 mid-year estimates (recalibrated – see Annex 1)

2.10 In order to produce estimates at the 5-area level, the population estimates above have been re-calibrated first to match the 2011 overall area profile and then to match the 2012 mid-year estimate figure for the whole of Renfrewshire of 174,310 (see Annex 1). Projecting forward to 2029 based on the base figures in Table 2.3, we get the following estimates by age.

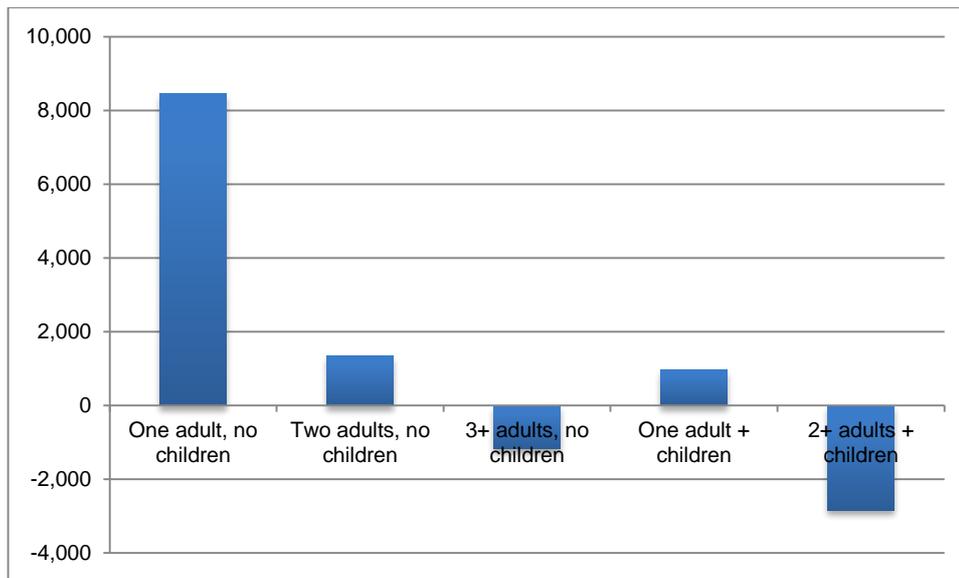
Table 2-4: Principal projection for 2029 by area and age profile (Number and row %)

Area	0-15	16-29	30-44	45-64	65-74	75+	Total
Johnstone & Elderslie	4,096	3,492	4,154	5,641	3,027	3,071	23,480
North Renfrewshire	4,150	3,289	4,081	6,442	3,283	2,669	23,914
Paisley & Linwood	14,573	13,516	16,790	20,521	10,026	10,139	85,565
Renfrew	3,724	3,264	4,493	5,324	2,818	2,361	21,982
West Renfrewshire	3,851	2,574	3,700	5,817	3,051	2,243	21,235
Renfrewshire	30,393	26,134	33,217	43,745	22,204	20,483	176,176
Area	0-15	16-29	30-44	45-64	65-74	75+	Total
Johnstone & Elderslie	17%	15%	18%	24%	13%	13%	100%
North Renfrewshire	17%	14%	17%	27%	14%	11%	100%
Paisley & Linwood	17%	16%	20%	24%	12%	12%	100%
Renfrew	17%	15%	20%	24%	13%	11%	100%
West Renfrewshire	18%	12%	17%	27%	14%	11%	100%
Renfrewshire	17%	15%	19%	25%	13%	12%	100%

Source: NRS Datasone level estimates 2013, NRS 2012 mid-year estimates (Table A 1.4, Background Report 1)

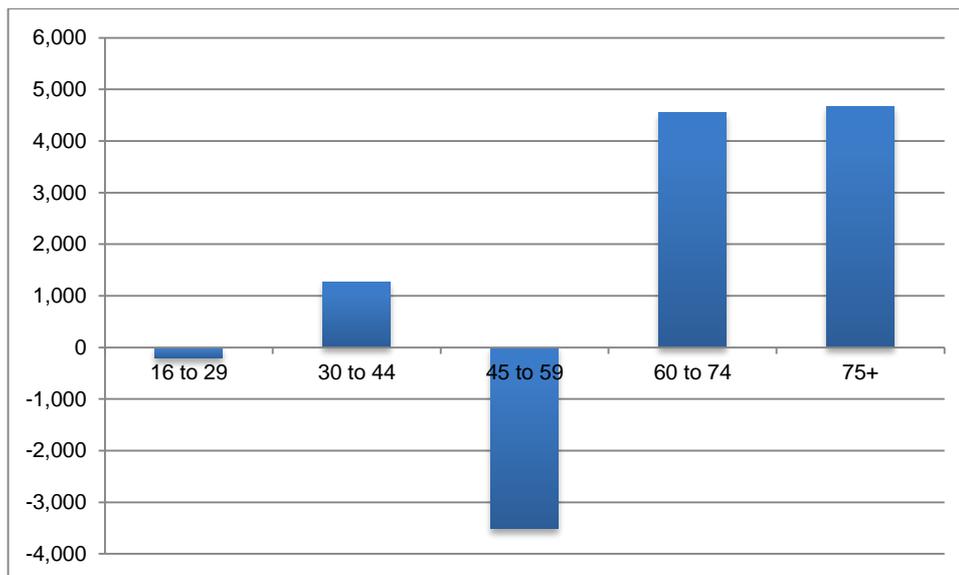
2.11 Comparing the 2012 and 2029 figures, we see 18% of the Renfrewshire population aged 65+ in 2012 but an estimated 25% aged 65+ in 2029. There is not a huge variation in estimates, though we see a larger group of 45-64 year olds in North and West Renfrewshire and fewer younger adults.

Figure 2-2 : Household type and age of household reference person (HRP) – change between 2012 estimate and 2029 – based on principal projection



Source: NRS Projections (Table A1.12-A1.13 of Background Report 1)

Figure 2-3 : Age of household reference person (HRP) – change between 2012 estimate and 2029 – based on principal projection



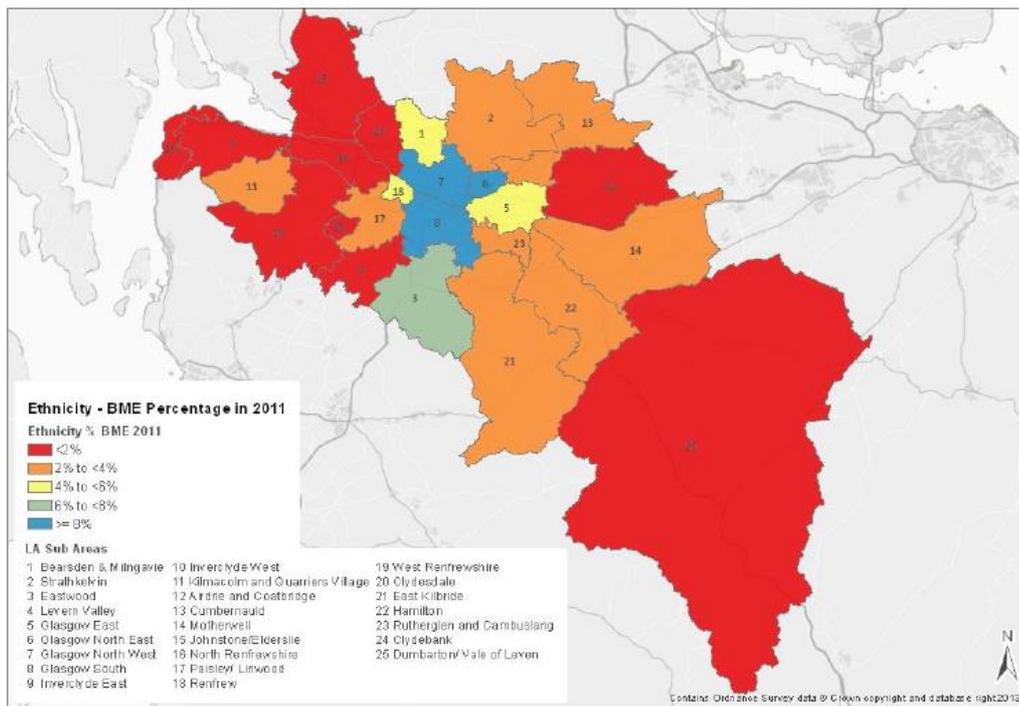
Source: NRS Projections (Table A1.12-A1.13 of Background Report 1)

- 2.12 The main trends in the household projections are the significant increase in the number of single adult households, the increase in single parent households and childless couples and the reduction in the number of larger households with and without children. The age profile of the Household Reference Person is expected to become more heavily weighted towards older households, aged 60 years or over.
- 2.13 The approach to small area projections of housing need and demand is to adjust the base estimate at 2011 in line with the scenarios above (i.e. a 27% increase in the number of single adults for the principal estimate). A re-calibration exercise then ensures that the overall estimates fit with the NRS Renfrewshire estimates. The approach to the small area projections is described in Section 7.

BME groups

- 2.14 The map below shows the percentage of black and minority ethnic households across the Glasgow and Clyde Valley area, with a proportionately larger BME population in Renfrew (4-6%) and Paisley & Linwood (2-4%) than in Johnstone & Elderslie, North and West Renfrewshire, where less than 2% of the population is from a BME group. This is proportionately far lower a BME population than found in Glasgow.

Map 1.03 – BME population in 2011 for Council Sub Areas in Glasgow and the Clyde Valley Conurbation



Source: Background Report 1: Demographic Change In The Glasgow And The Clyde Valley Area (January 2015)

Households

- 2.15 The NRS 2012-based household projections were used in the GCV HNSA2. The population base used was the 2012 Mid-Year Estimates of Population (MYE) produced by NRS. That is an estimated population of 174,310 for Renfrewshire.
- 2.16 The stock profile and base household estimates used in HNSA2 were based on 2011 Census tenure profiles, updated using NRS 2012-based household estimates. These are shown below, for Renfrewshire overall and the five sub-areas. Over half of households in Renfrewshire live in the Paisley and Linwood area, with the remaining areas containing between 11% and 13% of all households.
- 2.17 The projected change in households by tenure was also disaggregated in HNSA2 to LA sub-areas at 2024 and 2029. The disaggregation of the household projections to LA sub-areas in HNSA2. This was done by calculating change factors for (1) the total number of households and (2) the percentage of households in the social rented sector (with private households calculated as the difference between total households and the social rented sector).

2.18 For Renfrewshire sub-area estimates, HNDA2 used a trend-based method for total household change was used, taking into consideration recent changes in households (calculating household change 2001-12 and applying it to sub areas at 2012); alongside a proportional method to establish the percentage of households in the social rented sector.

Table 2-5: June 2012 household estimates, by sub-area

Area	Tenure	Households	Vacancy rate	Stock
Johnstone & Elderslie	SRS	3,467	4.6%	3,633
	Private	7,215	1.7%	7,345
	Total	10,682	2.7%	10,978
North Renfrewshire	SRS	1,063	1.9%	1,084
	Private	8,481	1.6%	8,622
	Total	9,544	1.7%	9,706
Paisley & Linwood	SRS	12,411	4.3%	12,970
	Private	28,908	3.1%	29,874
	Total	41,319	3.6%	42,844
Renfrew	SRS	1,925	5.4%	2,034
	Private	8,537	2.4%	8,764
	Total	10,462	3.1%	10,798
West Renfrewshire	SRS	826	5.4%	873
	Private	8,091	1.8%	8,246
	Total	8,917	2.2%	9,119
Renfrewshire	SRS	19,692	4.4%	20,594
	Private	61,232	2.5%	62,851
	Total	80,924	2.9%	83,445

Source: GCVSDPA, 2014. Table 3.3 Technical Report 7: Strategic Housing Estimates

2.19 Three scenarios have been explored for use in the HNDA2 Tool. The GCVHMP have chosen a preferred scenario, the Planning scenario which was taken through the supply/demand comparison:

- Scenario A - Planning scenario which is based on the NRS Principal Projection (shown in table below) assuming steady economic growth
- Scenario B - Strong Economic Growth (higher migration)
- Scenario C - Lower Migration scenario.
- Other scenarios were also explored. Results for these scenarios can be found in Technical Report TR01⁵.

⁵ http://www.clydeplan-sdpa.gov.uk/files/TR01_HNDA_Tool_Methodology_and_Results_PostAppraisal_190505.pdf

Table 2-6: Household projections by sub-area (estimated number 2012, 2024 and 2029 and estimated change 2012-2029) – Planning scenario

Sub-area	Estimated number of households 2012			Projected number of households 2024			Projected number of households 2029			2012-2024
	Private	SR & BMR	Total	Private	SR & BMR	Total	Private	SR & BMR	Total	Tot % chg
Johnstone and Elderslie	7,215	3,467	10,682	7,699	3,880	11,579	7,819	3,962	11,781	8%
North Renfrewshire	8,481	1,063	9,544	8,910	1,161	10,071	8,958	1,174	10,132	6%
Paisley and Linwood	28,908	12,411	41,319	30,150	13,557	43,707	30,315	13,700	44,015	6%
Renfrew	8,537	1,925	10,462	9,913	2,328	12,241	10,403	2,455	12,858	17%
West Renfrewshire	8,091	826	8,917	8,509	904	9,413	8,557	914	9,471	6%
Renfrewshire	61,232	19,692	80,924	65,181	21,830	87,011	66,052	22,205	88,257	8%
Net change in households 2012-2024			Net change in households 2024-2029			Net change in households 2012-2029			2024-2029	
Sub-area	Private	SR & BMR	Total	Private	SR & BMR	Total	Private	SR & BMR	Total	Tot % chg
Johnstone and Elderslie	484	413	897	120	82	202	604	495	1,099	2%
North Renfrewshire	429	98	527	48	13	61	477	111	588	1%
Paisley and Linwood	1,242	1,146	2,388	165	143	308	1,407	1,289	2,696	1%
Renfrew	1,376	403	1,779	490	127	617	1,866	530	2,396	5%
West Renfrewshire	418	78	496	48	10	58	466	88	554	1%
Renfrewshire	3,949	2,138	6,087	871	375	1,246	4,820	2,513	7,333	1%

Source: Table 6.3, Technical Report 7⁶

2.20 The vision of the Clydeplan SDP is to pursue economic recovery, creating a resilient healthy city region where people wish to live, work and invest. This approach reflects the Scottish Government's National Planning Framework 3. On this basis the Planning scenario is considered to be the most appropriate demographic scenario to support the economic aspirations of the SDP as it explores a steady growth in income and recovery in house prices. However, consultations with Renfrewshire Council officers have indicated the desire to consider scenarios on the basis of a higher growth strategy, including the impacts of City Deal (see below).

2.21 Analysis of the most recent RSL and Renfrewshire Council stock data suggests that, overall, the HND A2 SRS estimates are quite accurate, but the vacancy rates were judged to be too high for some areas and the RSL stock numbers for some areas were not correct. The proportion of SRS stock in each area is estimated in Table 2.7 from RSL data provided to the Council in 2013, used for the Housing Trends report.

2.22 The latest snapshot void figure for RC stock at 31st March 2015 shows 509 voids across the stock – this is 4.1% of the stock of 12,495 properties. This data was used

⁶ http://www.clydeplan-sdpa.gov.uk/files/TR07_StrategicHousingEstimates_190515.pdf

to adjust the stock figure (with the vacancy rate in the West going down from 5.4% to 1.6%)

Table 2-7: Comparison of March 2013 stock figure and household estimates by sub-area

Stock - Housing Trends 2012-2013	Total RC	Total RSLs	Total SRS stock	Vacancy rate	Household estimate (2012-13 stock)	2012 HH estimates (TR07)
Johnstone & Elderslie	2,417	1183	3,600	5.80%	3,391	3,467
North Renfrewshire	130	925	1,055	1.60%	1,038	1,063
Paisley & Linwood	7,840	5323	13,163	4.10%	12,623	12,411
Renfrew	1,655	328	1,983	2.70%	1,929	1,925
West Renfrewshire	686	17	703	1.60%	691	826
Renfrewshire	12,728	7,775	20,503	4.10%	19,673	19,692

Source: 2013 RSL survey (area profile), Total figures: Housing Trends Monitoring Report 2012-2013 (Table D1 – compiled from RC data, SG stock tables, APSR data and landlord registration data *=estimate for PRS 2011)

2.23 There is a divergence in the SRS household estimates in Table 2.7, compared with the stock information for Renfrew and West Renfrewshire in particular. This revised table has been used in the sub-area estimates. The household projections in Section 7 use the outputs from Technical Report 7 (in terms of the % increase/change) based on the recalibrated base figures from Table 2.7 above.

Economic trends

Economic growth

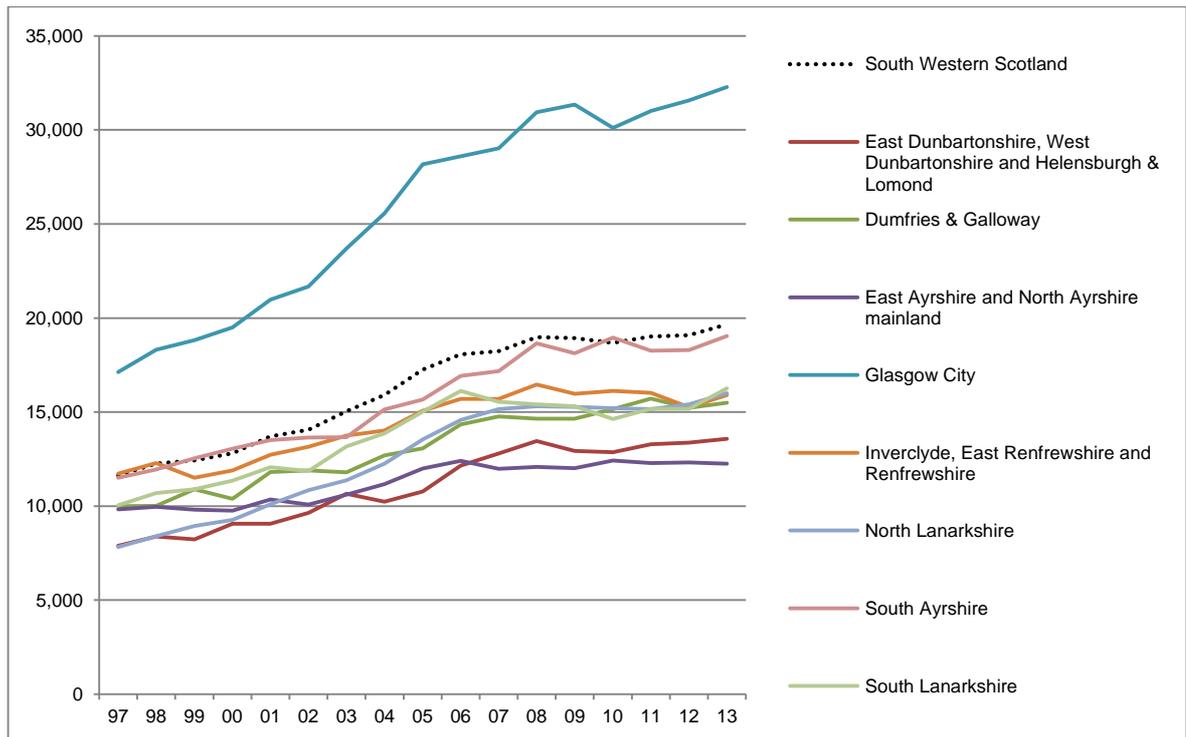
2.24 The figure below shows the Gross Value Added⁷ for workplaces in the Inverclyde, East Renfrewshire and Renfrewshire area, compared with the rest of South Western Scotland. GVA is only available down to this 'NUTS3'⁸ area. Over the period, the GVA in the combined Renfrewshire/Inverclyde area NUTS3 has increased but flattened out after 2008.

⁷ ONS definition: GVA measures the contribution to the economy of each individual producer, industry or sector in the United Kingdom. GVA is used in the estimation of Gross Domestic Product (GDP). GDP is a key indicator of the state of the whole economy. In the UK, three theoretical approaches are used to estimate GDP:

'production', 'income' and 'expenditure'. When using the production or income approaches, the contribution to the economy of each industry or sector is measured using GVA. $GVA + \text{taxes on products} - \text{subsidies on products} = \text{GDP}$

⁸ The NUTS classification (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU for the purpose of (1) the collection, development and harmonisation of European regional statistics and (2) Socio-economic analyses of the regions. NUTS 1: major socio-economic regions, NUTS 2: basic regions for the application of regional policies and NUTS 3: small regions for specific diagnoses.

Figure 2-4: Workplace based Gross Value Added per head NUTS3 at current basic prices (1997-2013)



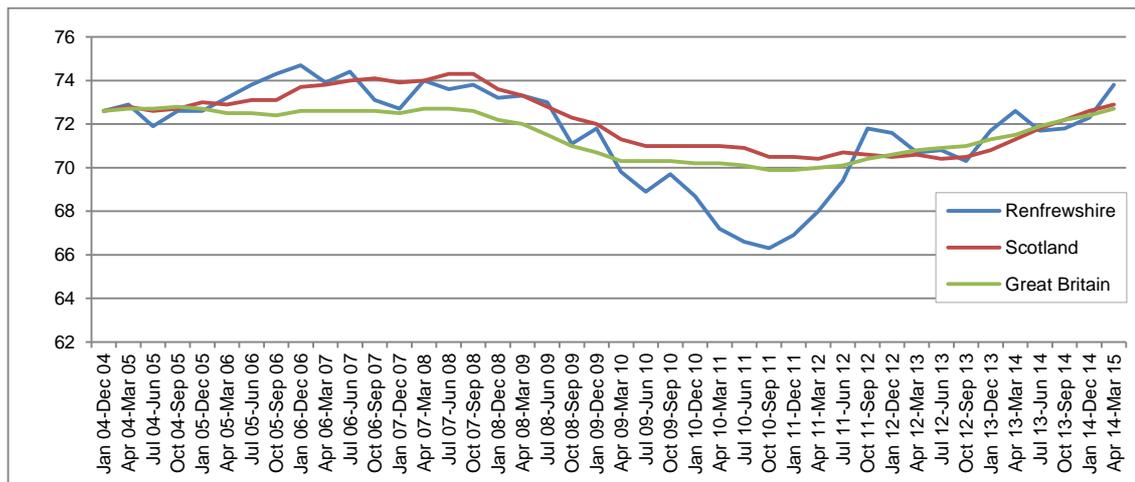
Source: ONS; Regional Gross Value Added (Income Approach), December 2014

2.25 Since the economic down-turn, the Inverclyde/Renfrewshire NUTS3 area has not increased its GVA at the same rate as Glasgow but has retained its position relative to other areas. However, the combined area GVA is less useful than some other indicators in showing the experience in Renfrewshire and its sub-areas.

Employment and unemployment

2.26 NOMIS data from the Annual ONS Population Survey show the following trend in employment rates in Renfrewshire, compared with Scotland and Great Britain. In 2014-15 Renfrewshire 73.8% of the working age population was in employment, compared with 72.9% in Scotland and 72.7% across Great Britain.

Figure 2-5: % in employment, Renfrewshire compared with Scotland and Great Britain

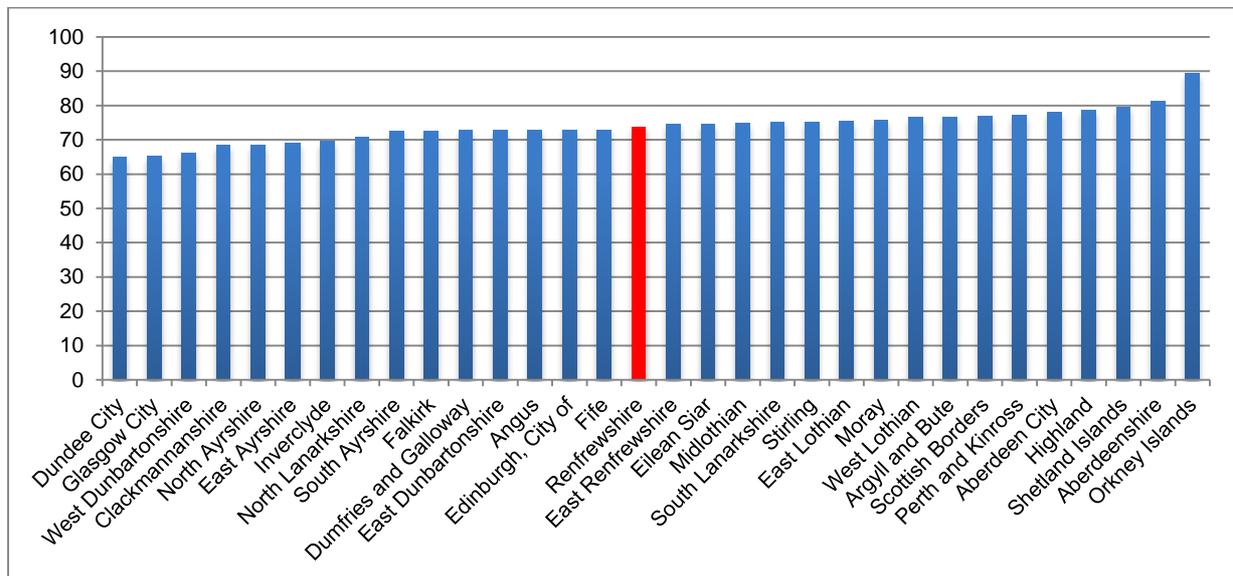


Source: ONS Annual Population Survey

2.27 However, Renfrewshire has shown far more variability in levels of employment in the period since 2004 compared with Scotland and Great Britain as a whole. Employment rates dropped to 66.3% at their lowest point in 2010-11.

2.28 Employment rates in 2014-15 are shown below, ranked by local authority. Renfrewshire, with its employment rate at 73.8% is in the middle of the overall distribution, ranging from 64.9% in Dundee to 89.3% in Orkney.

Figure 2-6: Employment rate by local authority, 2014-15 (% of working age people in employment)



Source: ONS Annual Population Survey

2.29 Compared with other local authorities in Glasgow and Clyde Valley, Renfrewshire has performed well on employment. The employment rate has increased from 68.0% in 2012 to 73.8% in 2014-15, the highest percentage employment growth across the GCV area, and double the Scottish growth rate (5.8% compared to 2.5%). The employment rate in Renfrewshire is now better than the national average and among the highest across Glasgow and the Clyde Valley.

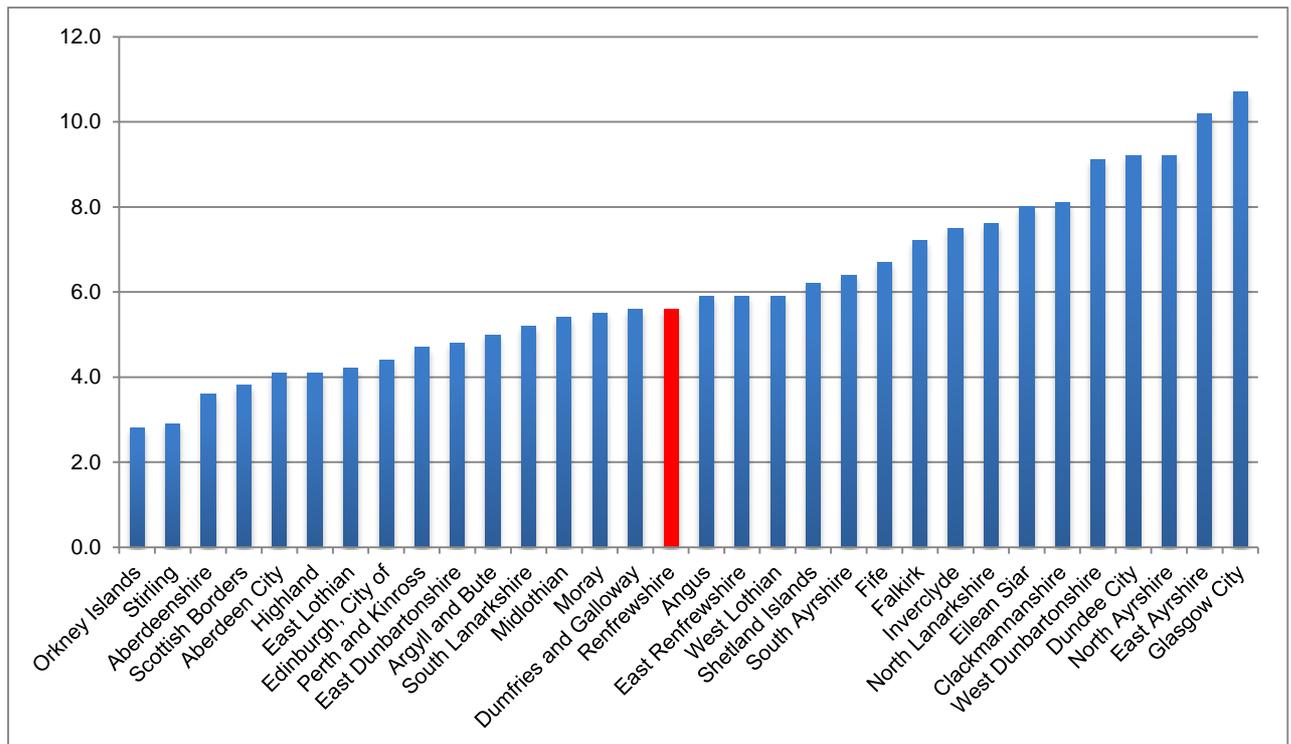
Table 2-8: Employment rate (%), aged 16-64 years, GCV local authorities (2012-2015)

Local authority	2012	2013	2014	2015	% change 2012-2015
East Dunbartonshire	72.9	75.5	75.6	72.8	-0.1
East Renfrewshire	72.4	73.5	74.4	74.6	2.2
Glasgow City	62.7	58.4	63.7	65.3	2.6
Inverclyde	66.2	66.1	69.8	69.6	3.4
North Lanarkshire	68.7	69.3	70.9	70.9	2.2
Renfrewshire	68.0	70.7	72.6	73.8	5.8
South Lanarkshire	72.1	74.2	72.7	75.2	3.1
West Dunbartonshire	68.1	66.7	64.7	66.0	-2.1
Scotland	70.4	70.6	71.3	72.9	2.5

Source: Annual Population Survey, Crown Copyright Reserved [from Nomis on 26 July 2015]

2.30 For the most recent data period (2015) Renfrewshire had an unemployment rate of 5.6%, compared with 10.7% in Glasgow and 6.3% in Scotland.

Figure 2-7: Unemployment rate, by local authority (% of aged 16-64 year olds unemployed)



Source: Annual Population Survey, Crown Copyright Reserved [from Nomis on 26 July 2015]

2.31 The table below shows the trends in unemployment in local authorities in Glasgow and Clyde Valley, compared with Scotland. The unemployment rate in Renfrewshire has reduced by 3.3% since 2012 and is now among the lowest in the Glasgow and Clyde Valley area.

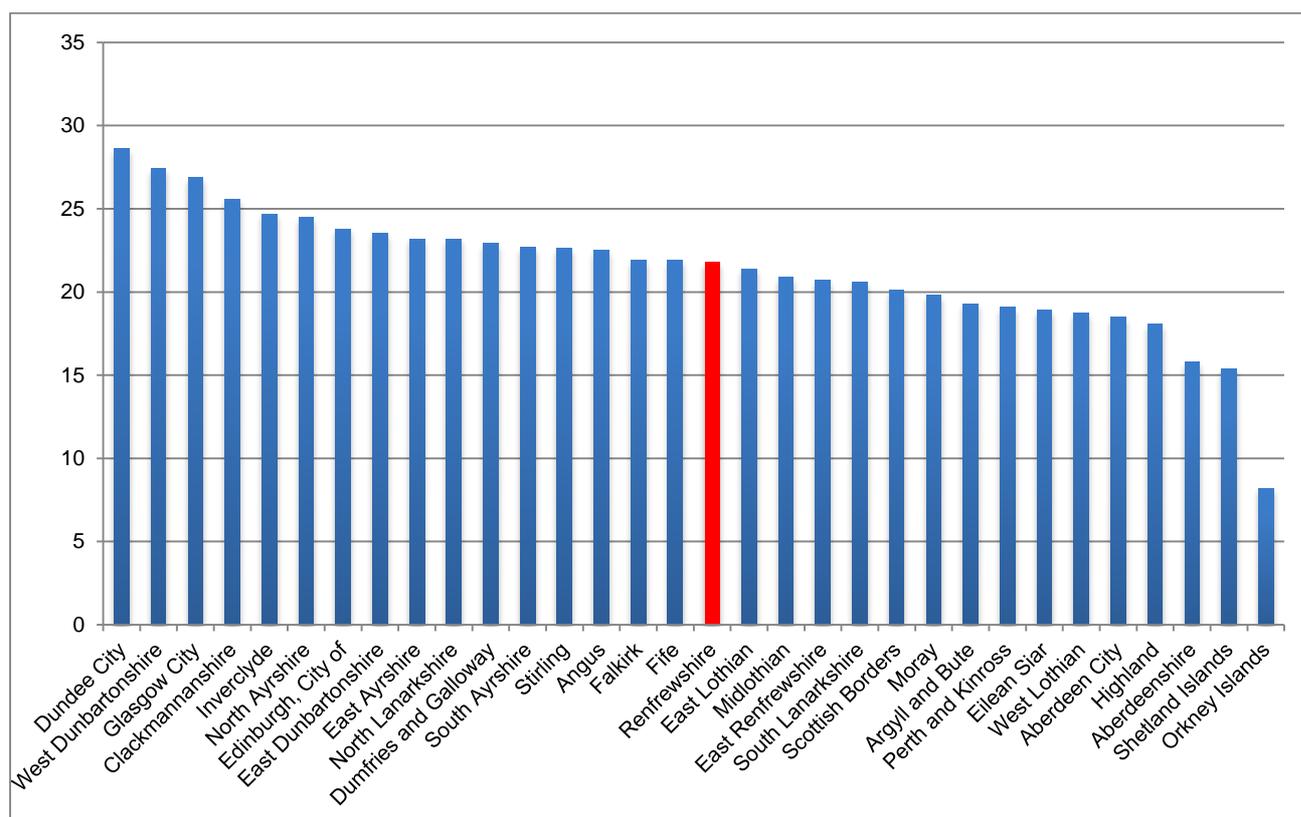
Table 2-9: Unemployment rate (% of 16-64 years olds) 2012-2015 in GCV local authorities and Scotland

Local authority	2012	2013	2014	2015	% change 2012-2015
East Dunbartonshire	6.4	4.4	4.1	4.8	-1.6
East Renfrewshire	6.4	5	7.7	5.9	-0.5
Glasgow City	12	11.7	8.7	10.7	-1.3
Inverclyde	14.2	12.6	6.7	7.5	-6.7
North Lanarkshire	10.9	13.1	9.6	7.6	-3.3
Renfrewshire	9	8.1	7.6	5.6	-3.4
South Lanarkshire	7.4	6	8.1	5.2	-2.2
West Dunbartonshire	9.7	11.5	10.2	9.1	-0.6
Scotland	8.2	8	7.5	6.3	-1.9

Source: Annual Population Survey, Crown Copyright Reserved [from Nomis on 26 July 2015]

2.32 In 2014-15, 21.8% of working-aged people in Renfrewshire were economically inactive. This is, again, in the middle of the local authority distribution of performance and lower than the Scottish average of 22.2%.

Figure 2-8: Working age people who are economically inactive by local authority (%)



Source: Annual Population Survey, Crown Copyright Reserved [from Nomis on 26 July 2015]

2.33 Table 2.10 shows the trend in economic inactivity across the GCV region, with Renfrewshire seeing the most improvement, in terms of the reduction in economic inactivity.

Table 2-10: Economic inactivity (% aged 16-64) 2012-2015 in GCV local authorities

Local authority	2012	2013	2014	2015	% Change 2012-2015
East Dunbartonshire	22.1	21.1	21.2	23.5	1.4
East Renfrewshire	22.6	22.6	19.4	20.7	-1.9
Glasgow City	28.7	33.9	30.1	26.9	-1.8
Inverclyde	22.9	24.4	25.2	24.7	1.8
North Lanarkshire	22.9	20.3	21.6	23.2	0.3
Renfrewshire	25.3	23.1	21.4	21.8	-3.5
South Lanarkshire	22.1	21.0	20.9	20.6	-1.5
West Dunbartonshire	24.6	24.6	27.9	27.4	2.8
Scotland	23.3	23.3	22.9	22.2	-1.1

Source: Annual Population Survey, Crown Copyright Reserved [from Nomis on 26 July 2015]

2.34 Unfortunately, NOMIS does not provide estimates below local authority level in Scotland, so we are unable to explore the sub-areas with comparable data. However, claimant count data is available at a lower geography, from Scottish Neighbourhood Statistics. This has been aggregated by datazone to the 5 sub-area, for the latest data period on Scottish Neighbourhood Statistics (Quarter 4 of 2012). Table 2.11 compares this period with Quarter 4 of 2010 and 2011.

Table 2-11: Working age claimant count – Q4 2012 compared with earlier years, by area

Area	Q4 2012	Q4 2011	Q4 2010	Change 2010-2012	Population aged 16-64	Q4 2012 as a % of pop aged 16-64
Johnstone & Elderslie	3,020	3,295	3,235	-6.6%	14,625	20.6%
North Renfrewshire	1,545	1,615	1,650	-6.4%	15,227	10.1%
Paisley & Linwood	11,890	12,235	11,945	-0.5%	55,836	21.3%
Renfrew	2,420	2,485	2,445	-1.0%	14,344	16.9%
West Renfrewshire	1,335	1,420	1,405	-5.0%	13,310	10.0%
Renfrewshire	20,210	21,050	20,680	-2.3%	113,343	17.8%

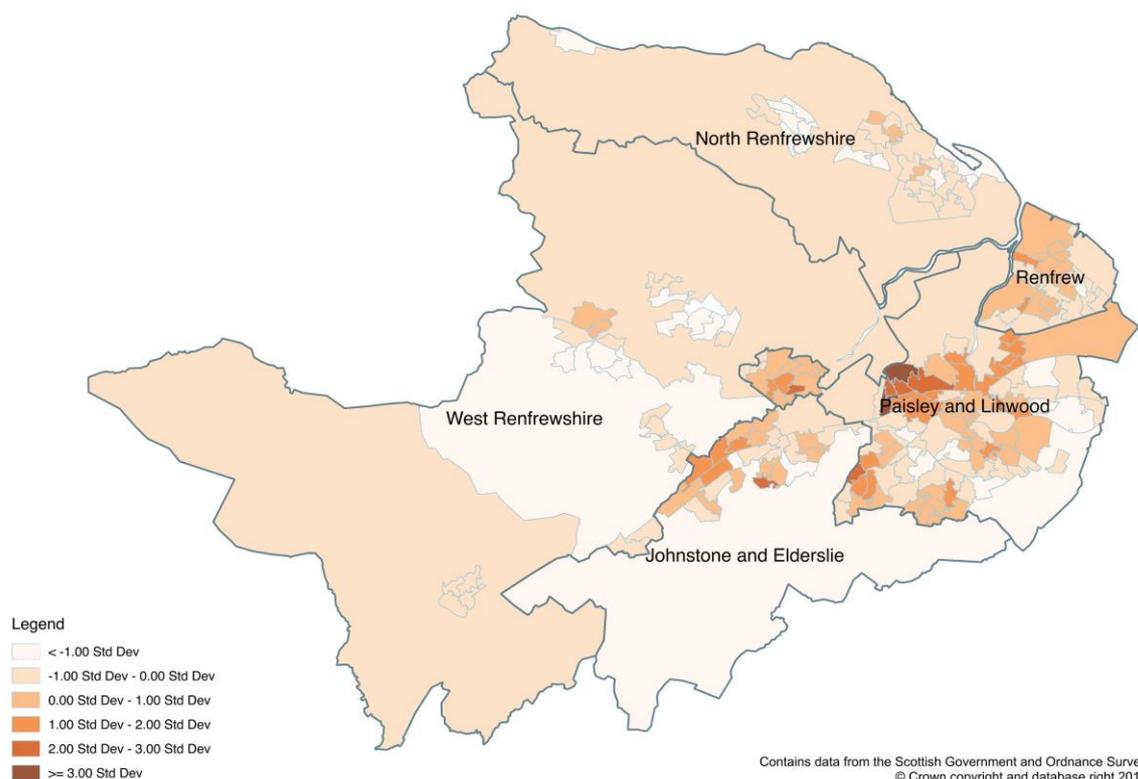
Source: Scottish Neighbourhood Statistics – Working Age Client Group Data refers to numbers of Working Age Benefit Claimants and is derived from 100% source; the DWP Work and Pensions Longitudinal Study (WPLS). Population 16-64 from 2012 mid year estimates, NRS

2.35 Overall, the working age claimant count in Quarter 4 of 2012 was the equivalent of around 18% of all working age people in Renfrewshire. This was a reduction in the total number of claimants of 2.3% on the Quarter 4 2010 figure.

2.36 We see from Table 2.11 that Johnstone & Elderslie has one of the highest proportion of claimants as a proportion of the working age population (20.6%) but has seen a 6.6% reduction in the number of claimants between 2010 and 2012. By contrast, Paisley & Linwood has a high proportion of working-age claimants (21.3%) but saw a reduction in working-age claimant numbers of just 0.5% between 2010 and 2012.

2.37 North Renfrewshire and West Renfrewshire have a working age claimant count of only 10% of the working-age population. Both areas also showed an above average reduction in the working age claimant count between 2010 and 2012.

Map 2: Working age claimants as a % of the working age population (Q4, 2012)



2.38 The darker areas of the map above show the concentrations of working age people on benefits. This is calculated from the total working age claimant count as a proportion of all those aged 16-64, based on 2013 small area population estimates. The darkest area is most significantly higher than the average (3 or more standard deviations from the mean). It follows that the lightest areas are those most significantly below the average (1 less than the standard deviation).

2.39 Working age claimants are most concentrated in Paisley and Linwood, Renfrew and parts of Johnstone & Elderslie while West Renfrewshire has far fewer claimants than average. Johnstone & Elderslie is quite a mixed area, with the area to the South with lower than average concentrations of working age claimants.

2.40 More recent information on working age claimant count is available at Ward level from the DWP tabulation tool. The wards with the highest claimant count are shown below (full list at Annex 2). The highest number of working age claimants are found in Ferguslie, Paisley Central and Seedhill. However, over the period between November 2012 and November 2014 (the latest data period) these areas have all seen a significant reduction in claimants – of around 10%.

2.41 As Annex 2 shows, most wards across Renfrewshire have seen a reduction in the claimant count in recent years. This suggests that the Renfrewshire-wide trend of lower unemployment is showing benefits across the local authority. Some areas, like those in Table 2.12, will benefit from continued and concentrated regeneration activity in future. As would be expected, these areas of high working age claimants coincide with areas of high deprivation.

Table 2-12: Wards with the highest numbers of working age claimants (all claimants) Nov 2014

Ward	Nov-14	Nov-13	Nov-12	Change 2012-2014
Ferguslie	930	995	1,025	-9%
Paisley Central	775	850	855	-9%
Seedhill	755	820	870	-13%
Johnstone Cochranemill	670	700	720	-7%
St. James	665	710	765	-13%
Sandyford	660	695	705	-6%
Shortroods	655	705	685	-4%
Blythswood	635	715	745	-15%
Linwood East	630	670	710	-11%
Brediland	615	650	665	-8%
Johnstone Central	610	620	635	-4%

Source: DWP tabulation tool – Working age client group (<http://tabulation-tool.dwp.gov.uk/NESS/WACG/wacg.htm>)

- 2.42 However, despite improving labour markets and higher than average earnings, compared with other parts of GCV and Scotland, Renfrewshire has a higher than average proportion of income-deprived households and some very high concentrations of deprivation. The table below shows the Intermediate Datazones in Renfrewshire ranked highest in terms of the proportion with lower than average incomes, the proportion in material deprivation and the proportion who are income deprived (according to the 2012 SIMD).
- 2.43 Of the five areas, Johnstone & Elderslie has a concentration of low incomes and deprivation, followed by Paisley & Linwood and then Renfrew. The North and West are relatively less likely to see concentrations of low income and deprivation (Table 2.14).

Table 2-13: Most deprived areas within Renfrewshire, according to income and deprivation measures

Intermediate datazone	% Low income (<60% of the median BHC)	Material deprivation (SIMD 2012)	Income deprived SIMD 2012
Paisley Ferguslie	22%	30%	40%
Linwood South	22%	28%	27%
Johnstone North West	20%	25%	30%
Paisley North West	20%	21%	32%
Paisley Gallowhill and Hillington	21%	26%	26%
Paisley East	21%	26%	25%
Johnstone South East	20%	27%	21%
Johnstone South West	19%	24%	22%
Paisley Foxbar	19%	24%	21%
Paisley Glenburn West	19%	25%	19%
Linwood North	21%	26%	16%
Paisley North	18%	22%	23%
Johnstone North East	18%	21%	23%
Renfrew North	18%	24%	19%
Renfrewshire	17%	18%	16%
Scotland	19%	17%	14%

Source: Heriot Watt income model; BHC – before housing costs, including SIMD 2012

Table 2-14: Income deprivation by sub area

Sub area	Low income <60% median BHC	Material deprivation	Low income - SIMD 2012
Johnstone & Elderslie	18%	22%	22%
North Renfrewshire	13%	11%	7%
Paisley & Linwood	18%	20%	19%
Renfrew	17%	20%	14%
West Renfrewshire	12%	9%	7%
Renfrewshire	17%	18%	16%

Source: Heriot Watt income model; BHC – before housing costs, including SIMD 2012

Economic outlook

2.44 Oxford Economics⁹ outlook for the GCV city region used their Local Authority District Forecasting Model and concluded that:

- 2012-2013 had seen a return to growth, with all parts of the private sector in the city region and Scotland participating;
- the labour market in particular has been stronger than past relationships between output growth and employment would have suggested;
- better job prospects and an improved availability of housing finance have given the household sector enough confidence to reduce precautionary saving, so boosting consumption spending;
- however, the baseline forecasts suggest that despite a growing population, the city region will not regain pre-recession peak levels of employment until after the end of the forecast horizon to 2038;
- in GVA (Gross Value Added) terms the city region is forecast to grow by 2.6% between 2013 and 2023, the same pace as the Scottish economy as a whole;
- the city region is expected to create over 30% of new Scottish jobs over the decade ahead.

City deal

2.45 This City Deal is an agreement between: the UK Government; the Scottish Government; and the eight local authorities across Glasgow and Clyde Valley, involving businesses, universities and the voluntary and community sector work together to promote economic growth. Over its lifetime, it is estimated that the City Deal will:

- Support an overall increase in the economy of around 29,000 jobs in the city region.
- Work with 19,000 unemployed residents and support over 5,500 back into sustained employment.
- Secure £1 billion of Scottish Government and UK Government capital funding to support the proposed infrastructure investment programme for the area. This will be complemented by a minimum of £130 million of investment from Glasgow and Clyde Valley local authorities.
- Leverage an estimated £3.3 billion of private sector investment into the proposed infrastructure investment programme.
- Spread the benefits of economic growth across Glasgow and Clyde Valley, ensuring deprived areas benefit from this growth.

2.46 Key elements of the City Deal are the £1.13bn **Glasgow and Clyde Valley Infrastructure Fund** which will see up to 20 infrastructure projects taken forward to improve the regional transport network, including public transport, and seek to unlock key development sites across the region. The key projects linked to Renfrewshire are

⁹ Oxford Economics Report: Economic Outlook and Scenarios for the Glasgow and the Clyde Valley City Region 2013-2038 May 2015

the Clyde Waterfront and Renfrew Riverside, Glasgow Airport Economic Investment Zone and the Glasgow Airport Rail Link¹⁰.

- 2.47 The planned investment in infrastructure is aimed to result in the creation of over 28,400 new jobs in the city region by 2035. During the first five years of the programme the jobs created will primarily be in the construction sector.
- 2.48 The Glasgow and Clyde Valley Infrastructure Fund will be underpinned by an innovative Gateway Review mechanism, with UK Government and Scottish Government funding unlocked in five-year funding blocks. To facilitate Gateway Reviews, Glasgow and Clyde Valley will establish an independent Commission on Urban Economic Growth, to undertake analysis and make recommendations to the UK and Scottish Governments on the performance of the Infrastructure Fund.
- 2.49 The programme will have governance arrangements through the Glasgow and Clyde Valley Cabinet designed to streamline and strengthen existing governance and partnerships across the city region. The Cabinet and associated boards will provide a robust monitoring, decision-making and accountability structure, involving the national/local government delivery partners, Community Planning partners and the independent Commission. The projects based in Renfrewshire are shown in the map below.
- 2.50 For Renfrewshire, the key elements of the City Deal are likely to be –
- The Glasgow Airport Investment Area – producing an estimated 4,932 Gross FTE jobs - 0 at Gateway 1 (May 2019), 416 at Gateway 2 (May 2024), 1,711 at Gateway 3 (May 2029) with 2,805 jobs delivered post 2029.
 - Renfrew Bridge – 2,945 FTE jobs Renfrewshire, including 2,090 jobs related to the Braehead Masterplan (Vast majority in Gateway 1 – by May 2019).
 - The housing impact of the City Deal are estimated to be a total of 4,060 additional dwellings – 1,075 in Renfrew North, 271 in GAIZ (Glasgow Airport Investment Zone), 250 across Renfrewshire and 2,464 in West Dunbartonshire & Glasgow.
 - This includes an estimated 496 affordable units – 140 in Renfrewshire and 356 in West Dunbartonshire and Glasgow.
 - These estimated impacts of City Deal have not been incorporated into the HNDA2 tool and so the estimated impacts need to be included within the scenarios as described in Section 5.
- 2.51 Past trends suggests that Renfrewshire, along with East Renfrewshire and South Lanarkshire might be expected to have better economic growth. Employment has grown and the working-age claimant count has reduced, but concentrations of benefit dependency persist in pockets of Paisley & Linwood, Johnstone & Elderslie and Renfrew, in particular.
- 2.52 The City Deal is also likely to impact on Renfrewshire more widely, through the launch a new integrated employment scheme for Employment Support Allowance claimants across Glasgow and the Clyde Valley.

¹⁰ Strategic Development Plan Main issues report, January 2015

Affordability Trends

House prices

- 2.53 The table below shows that house prices in Renfrewshire are considerably lower than found in Scotland overall, with an average house price in 2013 of around 72% of the national average. Within Renfrewshire, Johnstone and Elderslie and Paisley and Linwood have much lower house prices, with average house prices of just over half that found in West Renfrewshire.
- 2.54 Average prices have reduced over the period between 2009-2013, although some of the house prices in 2009 seem very high – for Johnstone and Elderslie and Renfrew in particular. Comparing 2013 house prices with 2010 house prices, we see an average drop of around 8% across the five areas.

Table 2-15: Average (mean) house price, by area (2009-2013)

	2009	2010	2011	2012	2013
Johnstone & Elderslie	£137,673	£100,442	£96,490	£107,328	£96,297
North Renfrewshire	£152,788	£170,606	£155,245	£136,703	£149,984
Paisley & Linwood	£111,240	£107,600	£105,749	£96,647	£95,161
Renfrew	£138,892	£109,736	£106,317	£106,734	£103,255
West Renfrewshire	£195,506	£188,218	£176,736	£184,557	£172,331
Renfrewshire wide*	£133,955	£130,852	£129,544	£123,096	£119,055
GCV Central conurbation	£148,962	£142,640	£144,663	£143,146	£139,420
Scotland (Q1 2008/9 etc)**	£155,705	£145,553	£153,245	£153,822	£156,820

*Renfrewshire wide and GCV figures taken from TR05, Table 10 (based on financial years – e.g. 2012-13 instead of 2013). **Scotland figure for 2013 taken from the RoS House Price Information Annual Market Review 2014 – the first calendar year report, so annual data for 2009-2012 is not published. Previous years based on Q1 of each year. Sasines data, 2013 (Sub-RC analysis) 2009-2012 figures from Housing Trend Monitoring Report, 2012-2013. 2013 data based on sales over £20,000. In earlier years effort is made to remove spurious low-price sales data through excluding sales including 'Council or RSL Acquisition', 'Interfamily', 'Non-Market', 'Possible RTB', 'Right to Buy' and 'Unknown' sales.

- 2.55 The Oxford Economics¹¹ report forecast that average house prices within the city region will rise by 4.1% in 2014, 5.0% in 2015 and to a trend annual average rate of 3.7% over the medium term. This is higher than recent trends in Renfrewshire.
- 2.56 The Registers of Scotland house price information Annual Review 2014 (Feb 2015) shows that average prices in Renfrewshire rose by 11.8% between 2013 and 2014, which was the highest percentage rise in any Scottish local authority well above the Scotland wide rise of rise of 4.3%¹² The average price in Renfrewshire still remains at just about 80% of the Scottish average.

¹¹ Oxford Economics Report: Economic Outlook and Scenarios for the Glasgow and the Clyde Valley City Region 2013-2038 May 2015

¹² https://www.ros.gov.uk/__data/assets/pdf_file/0016/11338/Calendar-Year-Report-2014.pdf

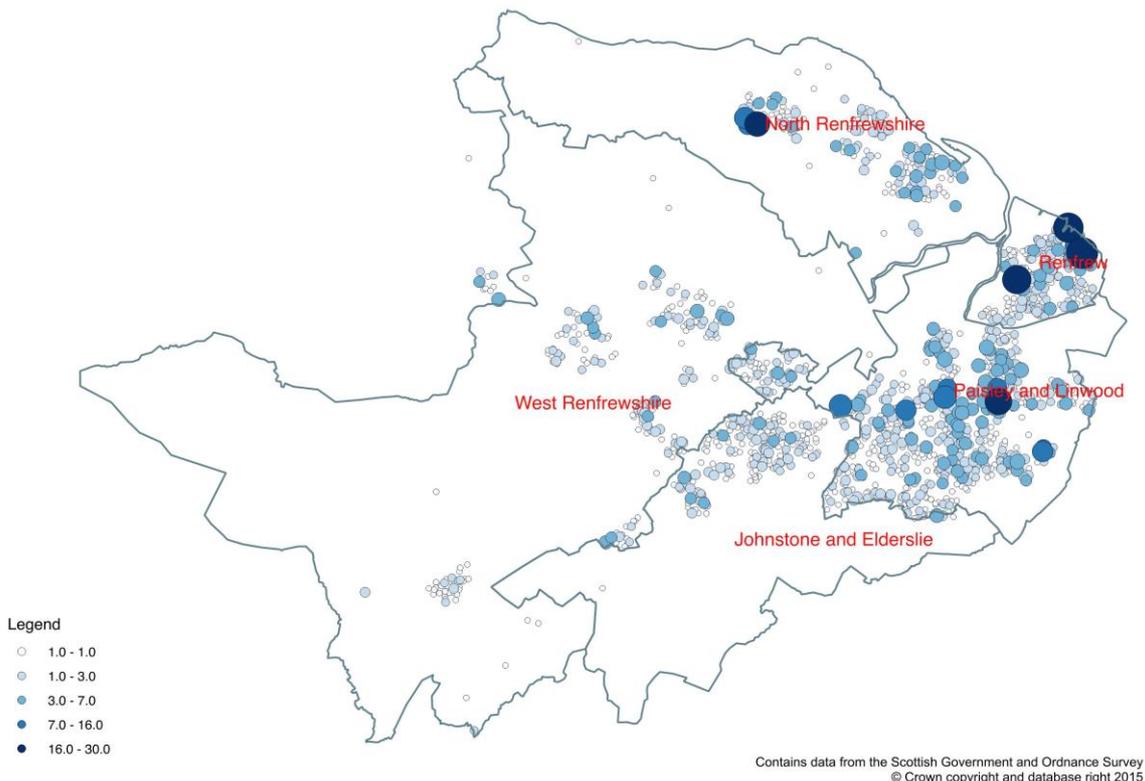
2.57 Looking at the volume of sales shows 60% higher sales in 2013 compared with earlier years across Renfrewshire. The increase in sales was proportionately very small in Johnstone & Elderslie and very large in West Renfrewshire.

Table 2-16: Volume of sales, by area (2009-2013)

	2009	2010	2011	2012	2013	% change 2009-2013
Johnstone & Elderslie	312	245	206	219	324	4%
North Renfrewshire	193	213	187	165	372	93%
Paisley & Linwood	954	1,067	1,004	1,014	1,554	63%
Renfrew	403	370	332	357	525	30%
West Renfrewshire	111	298	249	257	375	238%
Renfrewshire wide	1,973	2,193	1,978	2,059	3,150	60%

Sasines data, 2013 (RC analysis) 2009-2012 figures from Housing Trend Monitoring Report, 2012-2013.

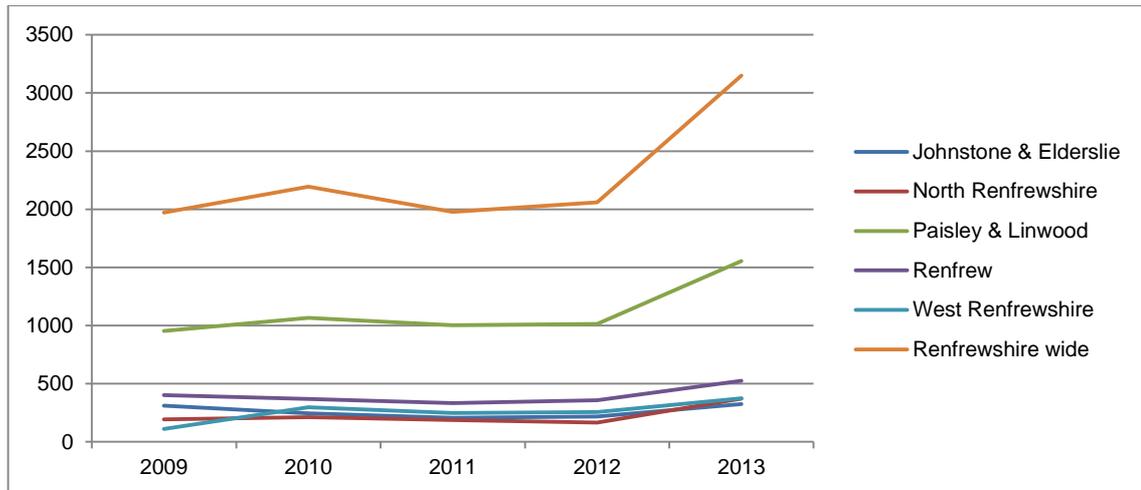
Map 3: Number of sales from Sasines data, 2013



2.58 The map above shows the clustering of sales by postcode, with larger, darker circles showing clusters of more sales (16-30 sales within a postcode area). The palest areas have only seen one sale within a postcode within the year.

2.59 Figure 2.9 shows the volume of sales by year, with Renfrewshire overall showing higher sales and a good recovery in sales in 2013 compared with recent years. This recovery, in overall numeric terms, has been driven by the significant increase in sales in Paisley & Linwood, although proportionately within areas the sales growth in West and North Renfrewshire has been highest.

Figure 2-9: Volume of sales, by area by year



Sasines data, 2013 (RC analysis) 2009-2012 figures from Housing Trend Monitoring Report, 2012-2013.

2.60 When considering the affordability of house prices, we tend to take the lowest quartile house price (the cheapest quarter of house prices) as an indicator of whether households are likely to be able to afford to buy within the market. This is because it is assumed that someone on the margins of being able to afford to buy a property is likely to be buying a smaller, cheaper property. Table 2.17 shows the lowest quartile house price, compared with the mean (average) and the median (the 50th centile, where half of prices are above and half below).

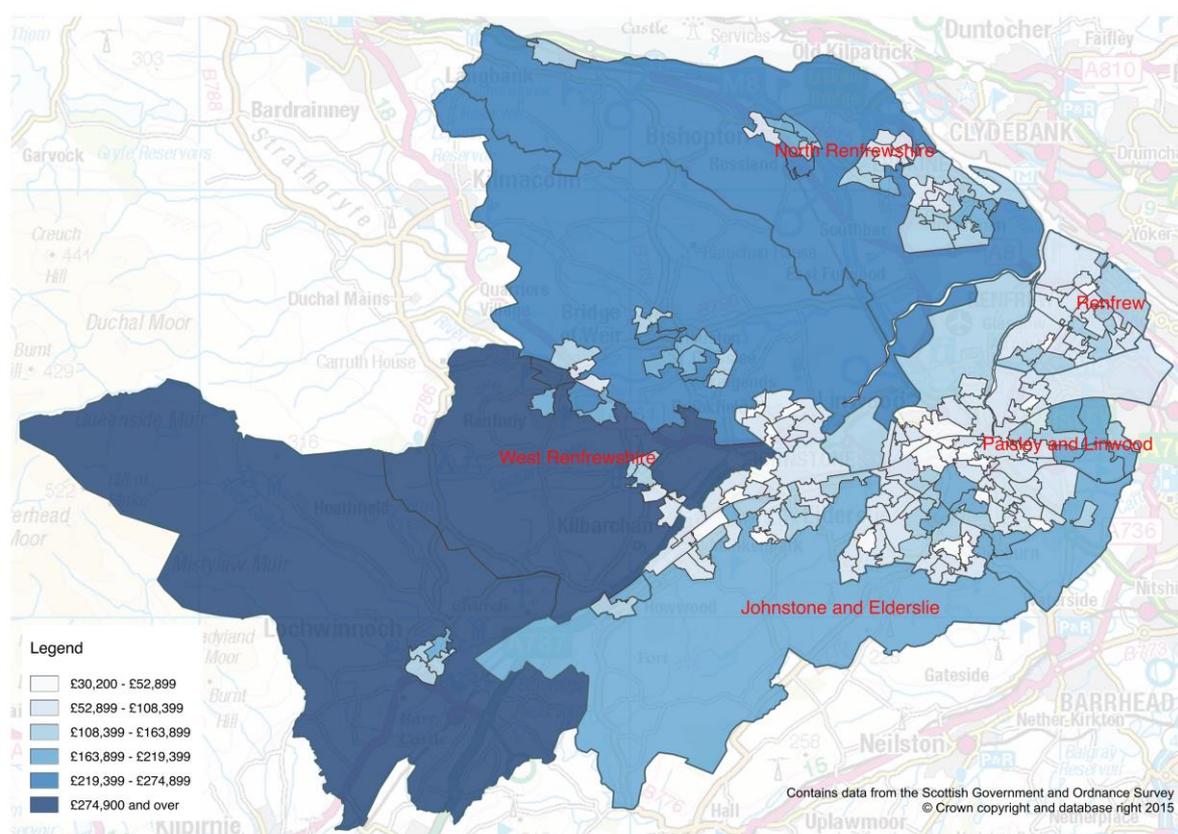
Table 2-17: House prices, 2013 (by area)

	Mean house price	Median house price	Volume of Sales (=>£20,000)	Lower quartile price
Johnstone & Elderslie	£96,297	£75,000	324	£50,000
North Renfrewshire	£149,984	£127,500	372	£90,000
Paisley & Linwood	£95,161	£76,000	1,554	£48,000
Renfrew	£103,255	£96,000	525	£66,750
West Renfrewshire	£172,331	£145,000	375	£93,250
Renfrewshire wide	£112,269	£90,000	3,150	£58,000
Scotland wide	£155,062	£124,000	99,584	£77,601

Sasines data: 2013 (Produced from raw data, so figures differ slightly from published data shown in Table 16)

2.61 Map 4 shows the average house price for 2013, across the five areas, with the darker shaded areas the datazones with the highest average prices. There are smaller, cheaper priced areas in West and North Renfrewshire but the prevailing house price is expensive in these two areas, relative to other Renfrewshire prices, with the average price in the majority of datazones being over £200,000 in the North and over £250,000 in the West despite the overall average being around £150,000 in the North and £172,000 in the West. Renfrew and Paisley & Linwood are predominantly cheaper. There are higher value parts of Paisley & Linwood, with Johnstone & Elderslie split between the higher price, rural South and the cheaper area in the North.

Map 4: Average house price by datazone, from Sasines data 2013



2.62 In HNDA1, market options were considered affordable where (1) a mortgage is 3.5 times single earner or 2.9 times dual earner gross incomes or (2) not more than 25% of gross income is spent on rent. Affordability in HNDA2 is based on a ratio of 4 times income (or 3.2 times, with a 75% mortgage). The 3.5 times income ratio is used below, but allowing for a higher LTV of 90%.

Table 2-18: House prices (HP) and mortgage multipliers, 2013 (single people)

	Mean HP →	Gross income	Median HP →	Gross income	Lower quartile HP →	Gross income
Johnstone & Elderslie	£96,297	£27,513	£75,000	£21,429	£50,000	£14,286
North Renfrewshire	£149,984	£42,853	£127,500	£36,429	£90,000	£25,714
Paisley & Linwood	£95,161	£27,189	£76,000	£21,714	£48,000	£13,714
Renfrew	£103,255	£29,501	£96,000	£27,429	£66,750	£19,071
West Renfrewshire	£172,331	£49,237	£145,000	£41,429	£93,250	£26,643
Renfrewshire wide	£112,269	£32,077	£90,000	£25,714	£58,000	£16,571
Scotland wide	£155,062	£44,303	£124,000	£35,429	£77,601	£22,172

Sasines data: 2013, mortgage allowed at 3.5 times gross salary.

2.63 Table 2.18 shows various income scenarios based on a mortgage of 3.5 times gross income. In Paisley and Linwood, an income of just £13,714 would enable someone to afford a mortgage of £48,000 (the lowest quartile house price). In West Renfrewshire,

an income of £26,643 would meet the threshold of a mortgage at 3.5 times income, based on a lowest quartile house price of £93,250.

- 2.64 However, the majority of mortgages are not currently offered at 100% of the purchase price, so purchasers should expect to have a deposit of 10% of the house price to secure a mortgage at 90% Loan-to-Value (LTV). Table 2.19 shows the scenarios above based on paying a 10% deposit.

Table 2-19: House prices (HP) and mortgage multipliers, 2013 (single people, 10% deposit)

	90% of Mean HP →	Gross income	90% of Median HP →	Gross income	90% of Lower quartile HP →	Gross income
Johnstone & Elderslie	£86,667	£24,762	£67,500	£19,286	£45,000	£12,857
North Renfrewshire	£134,986	£38,567	£114,750	£32,786	£81,000	£23,143
Paisley & Linwood	£85,645	£24,470	£68,400	£19,543	£43,200	£12,343
Renfrew	£92,930	£26,551	£86,400	£24,686	£60,075	£17,164
West Renfrewshire	£160,385	£45,824	£130,500	£37,286	£83,925	£23,979
Renfrewshire wide	£101,078	£28,879	£81,000	£23,143	£52,200	£14,914
Scotland wide	£139,556	£39,873	£111,600	£31,886	£69,841	£19,955

Sasines data: 2013, mortgage allowed at 3.5 times gross salary, 10% deposit paid

- 2.65 Seeing these scenarios begins to show how theoretical affordability ratios start to falter when real data is generated. Is someone in Paisley and Linwood with a gross annual income of £12,343 likely to be able to put down a deposit of more than a third of their annual salary (£4,800)? Even if they did have substantial savings, how likely is an applicant with an income of £12,343 would be approved for a mortgage? These income and rent/mortgage scenarios have also been explored with respondents in the qualitative research.
- 2.66 An alternative way of looking at affordability is to take the actual monthly mortgage costs on different house price scenarios. Table 2.20 shows the monthly mortgage costs for each of our 2013 house price scenarios. The interest rate of 5% is an average across the top 15 mortgages on moneysupermarket.com for first time buyers. The mortgage is 90% of the house price in each case.
- 2.67 The cheapest monthly payment at lowest quartile property prices is £253 for a mortgage of £43,200 at the lowest quartile property price in Paisley and Linwood, with a £4,800 deposit. The most expensive mortgage payment at lowest quartile prices in Renfrewshire is £491 a month, in West Renfrewshire, based on a mortgage of £83,925.

Table 2-20: House prices and mortgage costs (90% LTV)

	Mean house price	Mortgage (5% interest)	Median house price	Mortgage (5% interest)	Lower quartile price	Mortgage (5% interest)
Johnstone & Elderslie	£86,667	£507	£67,500	£395	£45,000	£263
North Renfrewshire	£134,986	£789	£114,750	£671	£81,000	£474
Paisley & Linwood	£85,645	£501	£68,400	£400	£43,200	£253
Renfrew	£92,930	£543	£86,400	£505	£60,075	£351
West Renfrewshire	£160,385	£907	£130,500	£763	£83,925	£491
Renfrewshire wide	£101,078	£591	£81,000	£474	£52,200	£305
Scotland wide	£139,556	£816	£111,600	£652	£69,841	£408

Sasines data: 2013

Notes: 5% overall interest rate based on the average of top 15 mortgage rates from moneysupermarket.com at 12th June 2015. Overall interest rate is the total cost of mortgage once interest rate and all charges are factored in. It is averaged over the period including fixed and subsequent rates. Mortgage assumed to be repayment (capital and interest), with average of the top 15 for first time buyers with mortgages of 90% LTV. Lower rates are available for lower LTVs

Affordability issues – incomes and house prices

2.68 Now, we need to take a view of what incomes are needed to be able to afford these mortgage payments. For PRS rents, HNSA1 suggests a 25% affordability ratio, based on gross income. Recent work by Bramley (2011a) also concludes from analysis of British Household Panel Data that a traditional but low (25%) housing cost to income ratio¹³ is the most useful single objective measure, but that this is best combined with self-reported information on payment problems and material hardship. For this reason, we will later model affordability based on affordability ratios alongside a measure of experiencing financial difficulties.

Table 2-21: Mortgage costs and implied gross incomes (90% LTV)

	90% of Mean house price	Gross income	90% of Median house price	Gross income	90% of Lower quartile price	Gross income
Johnstone & Elderslie	£507	£24,319	£395	£18,941	£263	£12,627
North Renfrewshire	£789	£37,877	£671	£32,199	£474	£22,729
Paisley & Linwood	£501	£24,032	£400	£19,193	£253	£12,122
Renfrew	£543	£26,076	£505	£24,244	£351	£16,857
West Renfrewshire	£907	£43,521	£763	£36,619	£491	£23,550
Renfrewshire wide	£591	£28,353	£474	£22,729	£305	£14,647
Scotland wide	£816	£39,160	£652	£31,315	£408	£19,598

Source: Sasines data 2013

¹³ Using gross income and gross rent (before HB)

- 2.69 Table 2.21 shows the gross annual income that would be required in order to ensure that the mortgage cost at 90% LTV on a mortgage at mean house prices, median house prices and lower quartile house prices is not more than 25% of gross income. Here, we see even lower incomes than in the 'mortgage to income ratio' scenarios in Table 2.18 earlier.
- 2.70 The low implied mortgage rates shown in Table 2.21 for lowest quartile house prices – of around £250-£260 a month in Paisley and Linwood and Johnstone and Elderslie create a scenario where mortgages would actually be lower than average 1-bed average social rents (equivalent to £293, for Renfrewshire Council). However, it is important to note the significant costs involved with home ownership – with a deposit of £4,000 being well without reach of most people with gross annual incomes of less than £15,000. There are also the additional costs of repairs and maintenance and possibly factoring/management costs..
- 2.71 The focus groups undertaken for this research included young single people, young couples potential first time buyers both living in 'affordable areas' (Paisley chosen as an example area), and 'concealed or returning household living with parents in more expensive areas (north as an example). For all of these groups the most common amount which people said they could afford in monthly housing costs, whether rent or mortgage, would be £350-£450 per month for all groups of people although the range was lower for young single people (£350 to £550), and greater for concealed households (£250 to £700). In most cases what respondents said they could afford was lower than what they estimated for their preferred choice by house type and location. Problems of saving for deposits were cited by young couple/first time buyers and concealed households in particular, due to current low incomes and/or rent levels. Concerns over eligibility of mortgages was also mentioned. While home ownership seemed to be out of reach for many of these participants, it was generally perceived most positively when compared to other tenures.

Affordability issues – the private rented sector and intermediate rents

- 2.72 When faced with apparently very affordable mortgage costs but a suspicion that the incomes involved would not enable people to realistically build up a deposit or secure mortgage finance, it is useful to look at private rents – what incomes do people need to be able to afford a private rented property?
- 2.73 The gross incomes needed for private rents to be not more than 25% of gross income are shown below for various different property sizes in the 5 areas. This suggests that the incomes implied by the mortgage affordability analysis above are quite low. A gross income of £16,800 would be needed to afford a 1-bedroom property at the Local Housing Allowance¹⁴ rate while a slightly lower income (£16,704) would be needed to afford the average rent on a 1-bedroom property in Paisley and Linwood. This level of income would make a mortgage of on a lowest quartile property in 3 of the 5 areas affordable (but not North or West Renfrewshire). By comparison, the gross income needed for a 2-bedroom LHA rate¹⁵ property would be £21,120.

¹⁴ These incomes are not equivalised – not taking into account family size

¹⁵ The LHA rate is set at 30% of the private rent across the local authority

Table 2-22: PRS rents and implied gross incomes

	1 -bed (Average rent)	Gross income	2-bed (Average rent)	Gross income	3-bed (Average rent)	Gross income
Johnstone & Elderslie	£388	£18,624	£440	£21,120	£565	£27,120
North Renfrewshire	£400	£19,200	£534	£25,760	£560	£26,880
Paisley & Linwood	£348	£16,704	£446	£21,408	£598	£28,704
Renfrew	£411	£19,728	£563	£27,024	£634	£30,425
West Renfrewshire	£431	£20,688	£608	£29,184	£1,007	£48,336
Renfrewshire wide	£362	£17,376	£481	£23,088	£621	£29,808
LHA rate (2015-16)	£350	£16,800	£440	£21,120	£545	£26,160
MMR (85% of LHA)	£300	£14,400	£375	£18,000		
Greater Glasgow	£476	£22,848	£626	£30,048	£796	£38,208
Scotland	£472	£22,656	£596	£28,608	£724	£34,752

Source: RC PRS rents data, April 2015; 0-bed and 4+ bed excluded due to small number of PRS properties; Greater Glasgow/Scotland data from Scottish Government 2014 Scotland-wide PRS data

2.74 Average private rents in Renfrewshire are far lower than in Greater Glasgow or Scotland (about 75% the equivalent in Greater Glasgow), with households needing a gross annual income of about £5,000 less to secure affordable 1-2 bedroom private rented properties in Renfrewshire than in Scotland overall. The difference between the gross annual income needed to be able to afford a 3-bedroom property in Renfrewshire and Greater Glasgow is even greater, at over £8,000.

2.75 The average rent for a 1-bedroom property in Paisley and Linwood is actually below the LHA level of £350. The LHA level is set at 30th centile of all rents across the local Broad Rental Market Area (BMRA), suggesting that rents are particularly low in Paisley and Linwood. A review of the properties advertised on 'Gumtree' showed a number of properties for rent at around £300-£325 without photos and also welcoming DSS tenants, making specific reference to Housing Benefit or the LHA or with negotiable deposits. This suggests that a very low rental sub-market exists in parts of Renfrewshire, targeted towards low-income households on benefits. There were also a number of 2-bedroom properties at below LHA rates – mainly ex-RTB stock. Again, many of these without photos and advertised to welcome people on benefits:

Would suit working professionals, mature students and housing benefit tenants welcome - if you are a single parents entitled to a 2 bedroom rate - you will have no top up to pay on this property as the rate will cover your full rent (2-bed property in Paisley, £425 pcm)

2.76 Most properties reviewed on Gumtree were offered either unfurnished or with the option to be furnished or unfurnished.

2.77 Recent Link mid-market rent (MMR) development options have looked at intermediate rents at 85% of the LHA rate. That would be a rent of £375 a month for a 2-bed

property and £300 on a 1-bed property. These intermediate level rents imply a gross annual income of £18,000 and £14,400 respectively.¹⁶

- 2.78 Perceptions regarding affordability in the PRS from focus group participants were that it is generally more expensive than social renting but poorer quality and lower security of tenure, with some exceptions cited in higher priced areas that it could be good quality. For people living in higher priced areas with parents it was thought compromises would have to be made on location to be able to afford a private rented flat, which they felt was probably their only independent housing option. For those living in more affordable areas either with parents or in social rent, the preference was to wait to access home ownership rather than put “*money down the drain*” in private renting. Amongst the concealed who planned to rent privately, there was an assumption that their deposit would be pulled together with help from their parents.
- 2.79 Consultation with three local RSLs and the Council undertaken for this study reveals that in many of the lower value areas in Renfrewshire – Paisley and Johnstone – the RSLs and Council are being undercut on price / type of offer in the PRS. The RSLs believe that due to the very low house prices in some areas that properties are being bought as investment flats (examples of prices given at £50,000), and rented at LHA or below rent levels, with landlords still being able to make a profit at these very low rent levels. The offer in the PRS often includes furnishing, and house types, rather than flats with houses being in higher demand, particularly for families. This competition from the PRS has led two of the RSLs to consider a range of different marketing approaches.
- 2.80 One RSL also noted that some landlords approach them to ‘buy-back’, or purchase their properties (some ex-RTB, others second hand sales in the general market), and this RSL has a stock acquisition policy and budget to purchase properties in the open market where it represents good value for money, and contributes to the RSLs’ asset management strategy (e.g. balancing its size and type of stock, gaining over 50% control in a block to ease common repairs).
- 2.81 Awareness of intermediate rented (Mid Market Rent) options was generally low amongst focus group participants. Once the concept and likely prices were explained, residents in the higher priced areas were particularly interested in the concept of Mid Market Rent, and saw this as a great option to achieve housing independence, while at the same time possibly save for a deposit for purchase later. The new build quality, and professional management of MMR was also attractive. Single people in more affordable areas were less attracted to this option, comparing it to a more expensive social housing option, while couples living in affordable areas were cautiously interested in the idea. Interestingly, one person asked whether the MMR property could eventually be bought. It is known from discussion with Link Group, and the Council that recent intermediate rent properties in Paisley town centre, priced at 85% LHA were in very high demand.

¹⁶ It should be noted that the actual rents for this development are £339.07 for 1 bed and £421.07 for 2 bed – which is nearer full LHA. The development would not have been viable at 85%. This suggests that for low value areas BMR rents would be nearer market rents, but have the benefit of higher quality and energy efficient housing.

Affordability issues – social rented sector rents

- 2.82 The latest information on social rents (2014) shows the following range of average rents for 2-bedroom properties. RSL rents range from around £69 to around £80, so a rent of around £75 per week would be the mid-point of the range. That would imply a gross income of around £15,600 a year, though ranges as shown below, for different RSLs.
- 2.83 Focus group participants living in the SRS varied in the perception of affordability – all stated that their current rents were affordable (ranging from £300 to £380 per month) but older SRS residents stated that they could not afford anymore than that, while younger SRS tenants stated that they could afford more (up to £450) to make their aspirational move into home ownership.

Table 2-23: SRS rents and implied gross incomes

RSL	2013/14 Rent – 3apt/2-bed	Monthly equivalent	Gross income
Bridgewater HA	£78.73	£341.16	£16,376
Ferguslie Park HA	£74.80	£324.13	£15,558
Linstone HA	£70.73	£306.50	£14,712
Paisley South HA	£71.61	£310.31	£14,895
Williamsburgh HA	£68.81	£298.18	£14,312
Link HA	£76.33	£330.76	£15,877
Sanctuary HA	£80.80	£350.13	£16,806
Renfrewshire Council	£70.78	£306.71	£14,722

Source: SHR Rents for a 3 apt/2 bedroom property/SHR approved rent increases for 2013/14, Renfrewshire Council rents 2014.

Affordability issues – modest incomes

- 2.84 The different house prices and rent scenarios above point to a range of incomes where households are more likely to be able to afford to rent or to buy at entry level (1-bedroom property), summarized below. These range from £14,000 a year (gross) for the average rent on a social rented property to around £21,000 a year (gross) for a lower quartile house price in the North or West of Renfrewshire.

Table 2-24: Comparison of mortgage, PRS and SRS housing costs and implied gross incomes

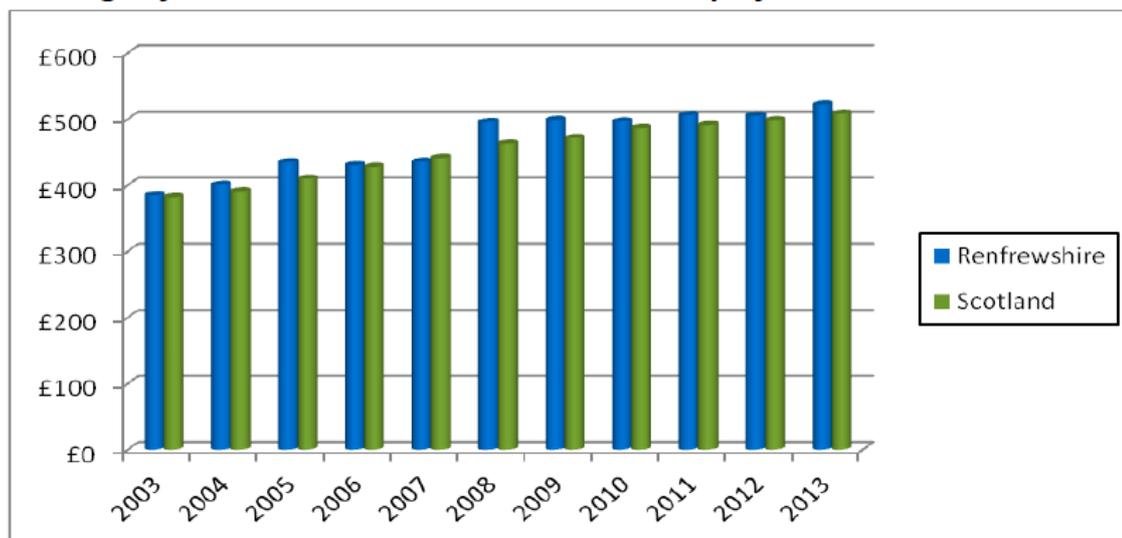
	90% of Lower quartile price →	Gross income	1-bed (Average rent) →	Gross income
Johnstone & Elderslie	£237	£11,376	£388.00	£18,624
North Renfrewshire	£426	£20,448	£400.00	£19,200
Paisley & Linwood	£227	£10,896	£348.00	£16,704
Renfrew	£316	£15,168	£411.00	£19,728
West Renfrewshire	£442	£21,216	£431.00	£20,688
Renfrewshire wide	£275	£13,200	£362.00	£17,376
Average 2-bed SRS rent	£325	£15,600		
Average 1-bed SRS rent	£293	£14,000		
LHA rate (1-bed)	£350	£16,800		
MMR (85% of 1-bed LHA)	£300	£14,400		

Sources: Sasines data 2013, RC PRS rents data, April 2015; 0-bed and 4+ bed excluded due to small number of PRS properties SHR Rents for a 3 apt/2 bedroom property/SHR approved rent increases for 2013/14, Renfrewshire Council rents 2014

- 2.85 The ONS survey of earnings for 2013 showed average (mean) weekly earnings across all jobs of £509.60 and a median (50th centile) of £439.80 in Renfrewshire. This is equivalent to £26,500 (mean) and £23,000 (median). This is higher than the Scottish average, a median weekly income of £410.00 and a mean of £484.70. Across the rest of the GCV the average earnings were also lower than Renfrewshire, with a median of £397.80 and a mean of £468.10¹⁷. Although the Renfrewshire average showed a 1.3% increase on the previous year, the median showed a 0.5% drop in earnings at the 50th percentile on the previous year. Across full-time employees, there has been a gradual increase in earnings.
- 2.86 Lowest quartile full time weekly earnings in Renfrewshire in 2013 were £371.10. If we take this as an indicator of modest earnings, this gives a gross income of around £1,600 a month or £19,300 a year (excluding any Tax Credits entitlements). Assuming a 25% affordability threshold, someone with lowest quartile earnings could afford to pay £400 a month in housing costs.

¹⁷ The average across the median and mean figures – case level data not available to create true GCV level averages

Earnings by Renfrewshire residents in full time employment



Source: ONS annual survey of earnings - Median earnings for employees living in the area. Figures rounded to nearest pound

Source: Housing Trends Monitoring Report, 2012-13, Renfrewshire Council

2.87 This indicates that the incomes to be tested in the affordability assessment, based on lowest quartile house prices, LHA-level rents and intermediate rents are at the lower end of the earnings scale –

- £16.8K – Could afford 1-bed LHA rate PRS rent or lowest quartile house prices
- £21.1K – Could afford 2-bed LHA rate PRS rent or lowest quartile house prices in North/West Renfrewshire
- £14.4K – Could afford 1-bed intermediate rent based on 85% of LHA rates
- £18K – Could afford 2-bed MMR based on 85% of LHA rates.
- £15.6K – Could afford an average 2-bed RSL rent.
- Under £14.4K – Not able to afford even the cheapest 1-bed intermediate rent or on the margins of being able to afford a 1-bed social rent.

Access to loan finance

2.88 The table below shows the aggregate level of outstanding mortgage lending by postcode sector for the latest quarter that data is available, compared with previous quarters. The average level of outstanding mortgages has fallen by 7% across Renfrewshire in the period between Quarter 2 of 2013 and Quarter 4 of 2014. Average lending has fallen most in Johnstone & Elderslie (down 10%) and Paisley & Linwood (down 9%) followed by West Renfrewshire (down 8%).

2.89 This suggests that as homeowners pay off their outstanding debt, this has not been replaced by new lending at the same level. This is likely to indicate some tightness in the mortgage market in these areas in particular.

Table 2-25: Average (mean) mortgage lending by postcode sector, by area (£)

Area	2013_Q2	2013_Q4	2014_Q2	2014_Q4	% change
Johnstone & Elderslie	66,367,816	65,476,278	59,958,797	60,041,370	-10%
North Renfrewshire	92,488,146	93,990,688	89,947,501	92,139,658	-0%
Paisley & Linwood	78,983,696	78,849,405	72,785,410	72,126,215	-9%
Renfrew	101,535,889	102,888,540	98,008,690	98,004,708	-3%
West Renfrewshire	82,323,529	83,203,129	76,269,817	75,745,554	-8%
Renfrewshire	82,654,558	82,982,858	77,289,509	77,211,115	-7%

Source: CML - outstanding residential mortgage lending by postcode sector¹⁸

2.90 There has also been a reduction in the level of outstanding personal loans by postcode sector, as shown below. Overall, between Quarter 2 of 2013 and Quarter 3 of 2014, the average outstanding personal loan debt (at postcode sector level) was down by 12% across Renfrewshire. The reductions were greatest, on average, in Paisley & Linwood and Johnstone & Elderslie.

Table 2-26: Average (mean) personal lending by postcode sector, by area (£)

Area	Q2_2013	Q4_2013	Q2_2014	Q3_2014	% change
Johnstone & Elderslie	3,931,814	3,983,334	3,131,467	3,263,644	-17%
North Renfrewshire	4,867,852	4,862,115	4,488,169	4,643,352	-5%
Paisley & Linwood	4,058,321	4,014,595	3,249,527	3,328,879	-18%
Renfrew	4,600,553	4,855,455	4,243,483	4,325,847	-6%
West Renfrewshire	2,786,414	2,893,567	2,637,912	2,738,170	-2%
Renfrewshire	4,051,136	4,080,146	3,447,807	3,546,912	-12%

Source: British Banking Association postcode lending¹⁹

2.91 Although the reduced level of personal loans might be interpreted as indicating lower levels of 'problem debt' and more prudent lending practices, it is also likely to indicate a greater perceived risks in the financial prospects of potential customers and lead to a reduction in options for building a deposit for owning or renting, or furnishing/setting up home.

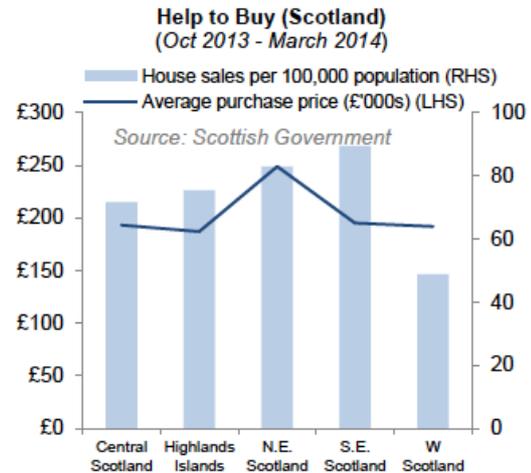
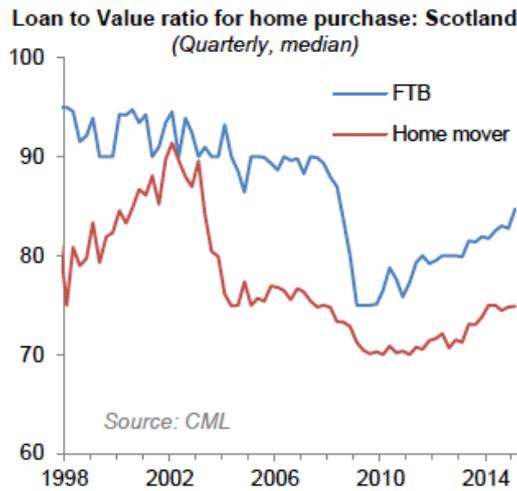
2.92 The most recent CML data for Scotland²⁰ suggests a continuing recovery in first-time buyer numbers in Scotland in 2014, but with average (median) Loan to Value rates of around 85% for First Time Buyers suggests that even the 90% LTV mortgage scenarios discussed above are not the norm. Scottish Government Help to Buy data also suggests proportionately less up-take of Help to Buy in the West of Scotland compared with other areas.

¹⁸ <https://www.cml.org.uk/industry-data/about-postcode-lending/>

¹⁹ <https://www.bba.org.uk/news/statistics/postcode-lending/>

²⁰ Source: Scottish Housing Market Review, Q2 2015

2.93 Unfortunately, CML data on LTVs and the number of FTB are not available at local authority level.



Source: Scottish Housing Market Review, CHMA Q2 2015

2.94 The Scottish Housing Market Review noted that the average deposit is around £17,000 – the equivalent of about 51% of average annual FTB income, posing a significant barrier to purchase.

2.95 This suggests that although incomes might indicate mortgage affordability, access to a substantial deposit is likely to constrain owner occupation in future.

New household formation

2.96 A Scottish Government paper in 2010²¹ highlighted a number of issues impacting on new household formation:

- Overall household numbers are increasing because the average household is getting smaller with more people living alone and in smaller households.
- People are delaying family formation but more people than in the past now experience a number of different family formations throughout their adult lives.

2.97 Future predicted trends are –

- Household numbers are predicted to increase but households will get smaller. Between 2008 and 2033, the number of households is projected to increase by 21 per cent but the population is only expected to increase by 7 per cent.
- One adult households will become increasingly common, increasing from 36 per cent of all households in 2008 to 45 per cent in 2033- a total of 1.25 million one adult households.

²¹ Household Formation in Scotland What does it mean for housing policy? Scottish Government Communities Analytical Services July 2010, Analytical Paper Series

- The ageing population will also impact on household structure. Children tend to live in larger households and older people in smaller ones.
- 2.98 More recently, there have been a number of changes in the behaviour of younger households due to economic pressures and housing affordability. The rate of household formation has been lower than trend-based forecasts predicted. This is evidenced in –
- Increased dependency on parents especially for those in their mid-twenties to early thirties
 - The probability of forming an independent household increases with age with people with partners or dependent children are more likely to form independent households.
 - Females are 1.7 times more likely to stay in an independent household than males.
- 2.99 The 2010 paper concludes that household projections are useful for indicating an overall ‘direction of travel’ but can become quickly out of date, as the 2008 projections showed when economic and social circumstances change.
- 2.100 The 2012 household projections incorporated data from the 2011 Census as well as Scottish Household Survey data. This means that the current and future household projections should reflect changes in household formation rates more accurately than in the past, even between censuses.
- 2.101 This does mean that trend-based projections reflect existing and recent constrained levels of new household formation. If the Council seeks to provide mechanisms to assist people to access more affordable housing, to enable people to form households, this will affect projections on the balance between private sector and SRS/BMR housing. This option is explored further in Section 5.

Summary

- 2.102 There is evidence of **recent strong economic growth** with reduced employment and a reduced claimant count. City Deal is projected to have a positive impact on employment and housing across the area. The scenarios developed in Section 5 look further at the possible impact of this on adjusted housing estimates.
- 2.103 However, **household incomes are polarized by area - there are concentrations of low income and deprivation**, including 3 of the 6 sub-market areas within the GCV area to see an increase in the proportion of deprived households. But mean and median incomes are higher than the Scottish equivalent, and lower quartile incomes are equivalent of £19,000 gross per annum. At 25% affordability rate this is sufficient to afford lower quartile properties and average private rents in all but the North and West areas.
- 2.104 **Property prices and rents are low** in Renfrewshire compared with Greater Glasgow and Scotland. Housing markets are polarized – with 3 of the Renfrewshire 5 market areas including a number of datazones with very low average market prices under £52,000, and overall the mean lower quartile prices being under £67,000 in these areas. North and West areas have average lower quartile prices of £93,250 but mean prices of £150,000-£170,000.

- 2.105 On average terms, **home ownership is the most affordable tenure**, and PRS the least affordable. However, the PRS also includes some very low value properties, below the LHA rate and in some areas at the same level of SRS, while providing a different offer in terms of type of accommodation, furnishing and decoration. RSLs and the Council are experiencing competition on the basis of price, location and housing type from the PRS.
- 2.106 The **apparent affordability of home ownership masks** the fact the mortgage availability has reduced and is likely to be a significant constraint to low-income households who are unlikely to have the deposit needed to secure a 90% LTV mortgage. For these low-income households home ownership would still be marginal, especially in the older and cheaper tenement stock where maintenance and heating costs are higher.
- 2.107 Sales volumes and prices have recovered but **mortgage debt has reduced**, particularly in Johnstone & Elderslie and Paisley & Linwood, where incomes are lower and affordability/risk is more of a concern. At the same time, it is reported that many investment properties are bought for renting in the private sector with low prices in the sale sector enabling landlords to let properties at or below LHA.
- 2.108 Young single people, young couples and concealed households most commonly suggest an **affordable housing cost of up to £450**. There are often gaps between perceptions of what they want will cost, and what they can afford, and as a result many people are staying put with family. People generally have clear preference towards home ownership, but saving for deposits and mortgage eligibility are widely considered a barrier to entry to this sector. Intermediate renting is cautiously viewed as an attractive alternative to private renting on the basis of affordability, and quality.

3 Housing Stock profiles, pressures and management

Housing stock and tenure

- 3.1 The table below shows the stock of dwellings in Renfrewshire, across time. The overall stock of dwellings increased by 3.6% between 2006 and 2013. There has been a significant increase in the stock of private rented dwellings, with the sector more than doubling over the period, while owner-occupation contracted slightly. The RSL stock has become proportionately larger while the local authority stock has contracted.

Table 3-1: Stock of dwellings by tenure 2006-2013

Tenure	2006	2007	2008	2009	2010	2011	2012	2013	% change 2006-2013
Owner-occupier	55,299	56,201	56,571	56,702	56,175	56,736	56,077	55,144	-0.3%
PRS	3,748	3,949	4,338	5,027	5,529	5,750*	6,603	8,286	121.1%
LA	15,000	14,324	13,980	13,411	13,111	12,867	12,776	12,728	-15.1%
RSL	6,998	7,100	7,206	7,295	7,309	7,591	7,710	7,775	11.1%
All	81,045	81,575	82,095	82,435	82,124	83,063	83,166	83,933	3.6%

Source: Housing Trends Monitoring Report 2012-2013 (Table D1 – compiled from RC data, SG stock tables, APSR data and landlord registration data *=estimate for PRS 2011)

- 3.2 The HNDA2 stock estimates combined the private sector (owner occupation and PRS) and the social rented sector. However, the social rented stock figures did not fit the March 2013 stock figures by location, from RSL and RC stock data. The table below (Table 3.2) adjusts the stock profile to reflect the actual SRS stock figures, while maintaining the same vacancy rate and overall stock figure as in the HNDA2 estimates.
- 3.3 The stock of dwellings estimates in HNDA2 of 83,445 is slightly different from the Scottish Government stock tables which are based on the 2012 NRS household estimates (83,933). The table below also uses current PRS registration data to provide an estimate of the split between owner-occupation and private renting.
- 3.4 Overall, an estimated 64% of the Renfrewshire stock is in owner-occupation but in the North and West, almost 90% of all properties are owner-occupied. It follows that the supply of both private renting and social renting in these areas is very low. The residents' focus groups in these areas noted the lack of choice of different housing tenure options in these areas.
- 3.5 Across Renfrewshire 25% of the stock is in the social rented sector, but around a third of properties in Renfrew, Johnstone & Elderslie and Paisley & Linwood are in the social rented stock.
- 3.6 As discussed in Section 2 above, local RSLs have observed the increase in the PRS associated with low house values exploited for investment purchases, with private landlords then pricing lets at similar levels to social rents in some areas, competing with social rented housing.

Table 3-2: Adjusted area stock figures (HNDA2 stock estimates by sub-area updated with March 2013 RSL/RC stock figure)

Area	Tenure	Households	Vacancy rate	Stock	% of stock
Johnstone & Elderslie	SRS	3,391	5.80%	3,600	33%
	PRS	1,155	1.70%	1,168	11%
	OO	6,136	1.70%	6,210	57%
	Total	10,682	2.70%	10,978	100%
North Renfrewshire	SRS	1,038	1.60%	1,055	11%
	PRS	442	1.60%	408	4%
	OO	8,065	1.60%	8,243	85%
	Total	9,544	1.70%	9,706	100%
Paisley & Linwood	SRS	12,623	4.10%	13,163	31%
	PRS	4,805	3.10%	4,971	12%
	OO	23,890	3.10%	24,710	58%
	Total	41,319	3.60%	42,844	100%
Renfrew	SRS	1,929	2.70%	1,983	18%
	PRS	1,441	2.40%	1,489	14%
	OO	7,092	2.40%	7,326	68%
	Total	10,462	3.10%	10,798	100%
West Renfrewshire	SRS	691	1.60%	703	8%
	PRS	322	1.80%	329	4%
	OO	7,904	1.80%	8,087	89%
	Total	8,917	2.20%	9,119	100%
Renfrewshire	SRS	19,673	4.10%	20,503	25%
	PRS	8,086	2.50%	8,308	10%
	OO	53,166	2.50%	54,634	65%
	Total	80,924	2.90%	83,445	100%

Source: GCVSDPA, 2014. Table 3.3 Technical Report 7: Strategic Housing Estimates, adjusted with 2013 RC and RSL stock figures

- 3.7 The focus group research confirmed the limited housing tenure options for people living in the North and West areas. For concealed households living with parents in these areas, home ownership was the preferred option but only a minority believed it was a realistic option (affordability, deposits, mortgage access) – for these people private renting was thought to be the only option open to them, with mixed views about quality, and affordability, and the perception that renting is “throwing money down the drain”. Amongst those for whom home ownership is no option, social renting would be the preferred option on the basis of lack of access and affordability in the PRS; however, social renting is considered inaccessible due to insufficient priority. For this group intermediate renting and shared equity options were very attractive options.
- 3.8 Amongst the two other younger household groups wishing to set up home, currently living in more affordable areas, the tenure preference was also home ownership. Thereafter, preferences were set by their experience – people living with parents in social rent would be happy to live in social rent, albeit for some in ‘better’ areas, a more suitable property, and away from anti-social behaviour. For others with no experience of social rent this was their least preferred option and was associated with high levels of crime, anti-social behaviour and poor quality housing. Few people had

an understanding of intermediate rent or purchase options. Private renting was the least favoured, although with the benefits over social rent cited as the ability to choose your preferred area, and better the 'Council' housing areas. Few people had any understanding of intermediate rent or purchase options, but some were tentatively attracted to these options.

- 3.9 For older residents in ownership (higher priced and affordable areas), all agreed that if they had to move to a smaller, more suitable home then they would again ideally purchase a downsized bungalow or flat. They would not consider any form of renting.
- 3.10 For couples and families living in social rented housing, there was an aspiration that owning their home would be good, but a realism that due to incomes this would not be an option. There was a sense that social housing was their only option (due to income), and was their tenure for life, with many positive aspects attributed to it (sense of community). The desire to move was around more suitable housing to meet their needs, or away from anti-social behaviour and crime. Intermediate options were considered to be out of their price range.

Dwelling size and type, and locational preferences

- 3.11 Table 3.3 below shows the age, size and type of properties in Renfrewshire compared to other GCV local authorities and Scotland overall. The stock in Renfrewshire is relatively newer than in Scotland overall, with 77% of the stock built post-1945. Overall, 40% of dwellings are flats and 60% houses, which is proportionately far fewer flats than in Glasgow and also less than West Dunbartonshire. Over half of the stock has 1 or 2 bedrooms and 47% 3 or more bedrooms. This is a similar size profile to Inverclyde and North Lanarkshire.
- 3.12 There is considerable variation in stock size and type by area (Table 3.4), with 80% of the stock in West Renfrewshire and 88% of the stock in North Renfrewshire being houses compared with 54% of Paisley & Linwood properties and 52% of Renfrew properties being flats. West and North Renfrewshire also have considerably larger properties, with around half having 5 or more rooms (so 3-4 bedrooms). The smallest properties are found in Paisley & Linwood, with 18% having 1-2 rooms (or 0-1 bedrooms).

Table 3-3: Dwelling age, size and type (by LA)

	Dwelling Characteristics						
	Total	Age of Dwelling		House or Flat		Number of Bedrooms	
		Pre-1945	Post 1945	House	Flat	1 or 2	3+
Local Authority	% LA	% LA	% LA	% LA	% LA	% LA	% LA
East Dunbartonshire	100%	24%	76%	84%	16%	36%	64%
East Renfrewshire	100%	44%	56%	77%	23%	34%	66%
Glasgow City	100%	44%	56%	27%	73%	67%	33%
Inverclyde	100%	32%	68%	56%	44%	54%	46%
North Lanarkshire	100%	22%	78%	64%	36%	52%	48%
Renfrewshire	100%	23%	77%	60%	40%	53%	47%
South Lanarkshire	100%	25%	75%	68%	32%	49%	51%
West Dunbartonshire	100%	22%	78%	49%	51%	55%	45%
Scotland	100%	32%	68%	63%	37%	51%	49%

Source: SHCS 2011-13 data tables

Table 3-4: Dwelling type and size by area

	Flats	Houses	1-2 rooms	3-4 rooms	5+ rooms
Johnstone & Elderslie	45%	55%	13%	67%	20%
North Renfrewshire	12%	88%	7%	48%	46%
Paisley & Linwood	54%	46%	18%	60%	23%
Renfrew	52%	48%	13%	65%	21%
West Renfrewshire	20%	80%	8%	41%	51%
Renfrewshire	44%	56%	14%	58%	28%

Source: NRS estimates, 2013 (based on administrative data). NB this is 44% flats compared with 40% in the SHCS.

- 3.13 The stock has increased in size overall, in recent years. The most recent Renfrewshire Council Housing Trends report showed a reduction in the proportion of 0 and 1-bedroom properties from 14.5% of the stock in 2004 to 13.2% of the stock in 2010.
- 3.14 There is an estimated increase in the proportion of smaller households in future, driven in part by the increasing number of older, smaller older households but North and West Renfrewshire in particular do not appear to have the stock to accommodate that growth. This is compounded with affordability issues (also driven by size/type mix here).
- 3.15 Examination of housing market self containment show Renfrewshire is broadly self contained (77-78%). There is more movement across the five sub market areas although still mainly self contained with the exception of Johnston and Elderslie. Because the Renfrewshire wide figure is greater than all the 5 sub market area self containment, this suggest more the three quarters of movers do so within Renfrewshire, but that there is some movement across some sub-areas. The evidence is not available to show the detailed breakdown of moves between areas.

Table 3-5: Self containment: Renfrewshire and 5 sub areas

	Origin based	Destination based
Johnstone & Elderslie	41%	53%
North Renfrewshire	60%	49%
Paisley & Linwood	60%	64%
Renfrew	45%	60%
West Renfrewshire	53%	40%
Renfrewshire	77.1%	78.7%

Source Glasgow and Clyde Valley Housing Need and Demand Assessment, Technical Report 02, The Housing Market Area Framework, May 2015), Table 1B and 2B

- 3.16 This analysis is true for the private sales market, but containment is likely to be much greater in the social rented sector. Findings from current residents in the focus groups showed that all respondents were familiar with the broad Renfrewshire area and most possessed in-depth knowledge of their own local area. This did not always lend itself to familiarity with the wider area and an understanding of property and rental values. There was a great sense of affection for their own area, and very few wanted to move very far due to the strong sense of community and close ties they all felt for their home and local area.
- 3.17 Their preferred location and type for any future move and reasons are as follows:
- Young single people in affordable areas (currently staying with family, social rent, private rent) – want to stay within Renfrewshire specifically Paisley or Renfrew, flat – ease of commuting, close to family and friends, socialising;
 - Older people in higher priced areas (owners) – want to stay in their current location, bungalow or ground floor new build flat – family and friends, no desire to ‘start again in a new area’
 - Young couple in affordable areas (mainly social renters, some private) – want to stay within Renfrewshire and in their current community, semi-detached or flat new build – friends and family, familiarity.
 - Concealed household in higher priced areas (living with family in North) – want to stay within Renfrewshire, specifically Erskine or Renfrew, flat or house – family and friends, commuting distance.
 - Older owners in affordable areas - (Renfrew) – want to stay within Renfrewshire, specifically Renfrew, bungalow or ground floor flat – family, friends, transport links to Glasgow including trains, buses, airport.
 - Couple / families living in social housing (Moorpark, Renfrew) as example – stay within Moorpark, new build house or flat, move to a different house or street due to housing needs or anti-social behaviour.
- 3.18 While the vast majority wanted to stay in Renfrewshire, many of the respondents were very clear on the areas they would not consider – those most commonly mentioned were Ferguslie Park, Foxbar, Glenburn, Johnstone, and Linwood which were associated with poor environment, lack of safety, high crime levels and anti-social behaviour, associated in particular with the social rented sector.

Housing Stock in Social Rented Sector

3.19 There is a mismatch in the availability of social rented stock, by area, with proportionately more social rented properties in Paisley & Linwood, Renfrew and Johnstone & Elderslie compared with North Renfrewshire and West Renfrewshire.

Table 3-6: Comparison of March 2013 stock figure and total stock by sub-area

Stock - Housing Trends 2012-2013	Total RC	Total RSLs	Total SRS stock	% of SRS	Total properties	% of all stock
Johnstone & Elderslie	2,417	1183	3,600	18%	10,978	13%
North Renfrewshire	130	925	1,055	5%	9,706	12%
Paisley & Linwood	7,840	5323	13,163	64%	42,844	51%
Renfrew	1,655	328	1,983	10%	10,798	13%
West Renfrewshire	686	17	703	3%	9,119	11%
Renfrewshire	12,728	7,775	20,503	100%	83,445	100%

Source: 2012-13 Housing Trends; RSL data used to adjust Table 3.3 HND A2 Technical Report 7: Strategic Housing Estimates

3.20 Looking at the location of Renfrewshire Council stock, we see that the properties are heavily concentrated in Paisley and Linwood (64%) followed by Johnstone & Elderslie (18%) and Renfrew (10%). Only 3% of the social rented stock is in West Renfrewshire and only 5% is in North Renfrewshire.

Table 3-7: Size of Renfrewshire Council stock, by area

Beds	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire
0 (N)	67	4	312	36	20	439
0 (%)	2.8%	3.1%	4.1%	2.2%	2.9%	3.5%
1 (N)	534	45	2,381	500	218	3,678
1 (%)	22.6%	35.4%	31.0%	30.5%	31.6%	29.4%
2 (N)	1,235	59	3,717	732	319	6,062
2 (%)	52.2%	46.5%	48.4%	44.6%	46.3%	48.5%
3 (N)	480	16	1,154	342	108	2,100
3 (%)	20.3%	12.6%	15.0%	20.9%	15.7%	16.8%
4+ (N)	49	3	110	30	24	216
4+ (%)	2.1%	2.4%	1.4%	1.8%	3.5%	1.7%
All	2,365	127	7,674	1,640	689	12,495
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Area %	18.9%	1.0%	61.4%	13.1%	5.5%	100.0%

Source: RC Council stock data, April 2015

3.21 Properties tend to be smaller, with 29% of the stock having one bedroom and 49% with two bedrooms. Overall, 17% of the stock has three bedrooms, although this proportion is larger in Johnstone & Elderslie (20%) and Renfrew (21%).

Table 3-8: Type of Renfrewshire Council property, by area

Property type	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire
House	582	48	1519	241	263	2,653
% house	24.6%	37.8%	19.8%	14.7%	38.2%	21.2%
MSF	50	0	960	0	0	1,010
% MSF	2.1%	0.0%	12.5%	0.0%	0.0%	8.1%
Other	177	0	802	52	42	1073
% other	7.5%	0.0%	10.5%	3.2%	6.1%	8.6%
Own door	681	45	1,538	376	209	2,849
% own door	28.8%	35.4%	20.0%	22.9%	30.3%	22.8%
Tenement	875	34	2,855	971	175	4,910
% tenement	37.0%	26.8%	37.2%	59.2%	25.4%	39.3%
All	2,365	127	7,674	1,640	689	12,495
% All	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: RC Council stock data, April 2015

3.22 Overall, 21% of the stock is houses and 23% main door flats while 39% are tenement flats. Almost 40% of the remaining stock in North and West Renfrewshire are houses, though, while just 15% of the Renfrew stock is houses. North and West Renfrewshire also has a higher proportion of the stock as main door flats.

3.23 Tenement flats are the largest property type in Renfrew (59% of the stock) as well as in Johnstone & Elderslie and Paisley & Linwood (37%). Multi-storey flats are more common in Paisley & Linwood than elsewhere.

3.24 Over time, the profile of the Renfrewshire Council stock has shifted towards own-door properties, mainly as a result of demolitions. The most recent Housing Trends report showed that own-door properties have increased from 20.8% of the stock in 2006 to 22.6% of the stock in 2014. The most recent Housing Trends report showed the following RSL stock profile across Renfrewshire²².

D5 (iii): RSL Stock by Social Landlord 2012-2013 (APSR Return)

Housing Association	Units	Housing Association	Units	Housing Association	Units
Bridgewater	863	Bield	30	Horizon	96
Ferguslie Park	787	Blackwood	48	Key	62
Linstone	1,568	Cairn	38	Link	418
Paisley South	1,207	Cube	30	Loretto	240
Williamsburgh	1,633	Hanover	356	Sanctuary	399
Total RSL Units					7,775

Source: Scottish Housing Regulator APSR 2012/13 Figures

²² This is the most recent data available, as more recent ARC data does not present RSL data by local authority.

- 3.25 RSL stock tends to be newer and a little more varied in size, with 37% of the stock being smaller (0-1 bedrooms) compared with 33% of the RC stock. Almost a quarter of the RSL stock has 3 or more bedrooms, compared with 19% of the RC stock.

D5 (iv): RSL Stock – Dwellings by Size

RSL	0 Beds	1 Bed	2 Beds	3 Beds	4+ Beds	Total
Bridgewater	2	251	369	144	92	858 ^o
Ferguslie Park	0	180	289	230	88	787
Linstone	49	356	634	481	48	1,568
Paisley South	13	380*	554*	238	22	1,207*
Williamsburgh	7	782	564	249	31	1,633
Blackwood	0	15	31	1	1	48
Bield	14	15	0	0	0	29
Cairn	27	10	0	1	0	38
Cube	0	7	5	18	0	30
Hanover	52	257	93	0	0	402 [^]
Horizon	0	37	35*	26*	0	98*
Key	0	30	20	10	3	63
Link	0	279	121	17	2	419*
Loretto	0	116	103	21	0	240
Sanctuary	0	21	191	151	36	399
Total	164 (2.1%)	2,736 (35.0%)	3,009 (38.5%)	1,587 (20.3%)	323 (4.1%)	7,819 (100.0%)

Source: Annual Housing Association Questionnaire 2013. *Data from 2012 HAQ Stock Database where stock figure corresponds with SHR APSR Return for 2012/13. ^Have used HAQ 2013 figure but note significant discrepancy between SHR APSR Figure of 356 and HAQ figure of 402. ^oBridgewater did not return their HAQ for 2012/13, so have used historic HAQ from 2010 and added new development of 92 units completed in 2012.

Source: Housing Trends Report 2012-13

- 3.26 The most recent RSL questionnaire data suggests that, across Renfrewshire, 49% of the RSL stock is tenement flats, 31% houses, 8% own-door flats, 8% other flats and 3% multi-storey flats. That is a higher proportion of houses than in the RC stock (where 21% are houses). However, there are more tenements than found in the RC stock (39%). Also, only 8% of RSL stock is own-door flats while 23% of the RC stock is.

Demand in the Social Rented Sector

- 3.27 Looking at the total Renfrewshire Council lets by area, we see there were 1,235 lets in 2014-15, the equivalent of 9.9% of the stock, compared with 1,433 in 2013-14 (11.5%) and 1,368 in 2012-13 (10.9%). There are proportionately fewer lets made in North and West Renfrewshire and proportionately more lets in Paisley & Linwood.

Table 3-9: Lets by area in the previous 3 years

	Lets 2012-13	Lets as a % of stock	Lets 2013-14	Lets as a % of stock	Lets 2014-15	Lets as a % of stock	Total stock
Johnstone & Elderslie	271	11.5%	270	11.4%	211	8.9%	2,365
North Renfrewshire	7	5.5%	6	4.7%	5	3.9%	127
Paisley & Linwood	865	11.3%	945	12.3%	821	10.7%	7,674
Renfrew	169	10.3%	157	9.6%	163	9.9%	1,640
West Renfrewshire	55	8.0%	54	7.8%	35	5.1%	689
Renfrewshire	1,368	10.9%	1,433	11.5%	1,235	9.9%	12,495

Source: RC lets data 2012-13 to 2014-15

3.28 The size of the 1,235 properties let in 2014-2015 is compared below. Overall, 67% of all lets were in Paisley & Linwood, compared with 61% of the stock. Less than 3% of lets were in North Renfrewshire and West Renfrewshire, compared with 6% of the stock. Overall, 37% of lets were 1-bedroom flats, compared with just 29% of the stock, while 44% of lets were 2-bedroom, compared with 49% of the stock. 19% of the lets were larger, broadly in proportion to the stock.

Table 3-10: Lets by property size (2014-2015)

Beds		Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrew- shire
0	N	13	0	52	5	1	71
	%	6.2%	0.0%	6.3%	3.1%	2.9%	5.7%
1	N	62	3	319	58	16	458
	%	29.4%	60.0%	38.9%	35.6%	45.7%	37.1%
2	N	90	1	375	59	12	537
	%	42.7%	20.0%	45.7%	36.2%	34.3%	43.5%
3+	N	37	1	67	39	6	150
	%	17.5%	20.0%	8.2%	23.9%	17.1%	12.1%
4+	N	9	0	8	2	0	19
	%	4.3%	0.0%	1.0%	1.2%	0.0%	6.5%
All lets	N	211	5	821	163	35	1,235
	%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
% of all lets		17.1%	.4%	66.5%	13.2%	2.8%	100.0%

Source: RC lets data 2014-15

3.29 Over 70% of lets in 2014-2015 were other/flats while 21% of lets were own-door flats and 8% were houses. The letting profile in North and West Renfrewshire favoured houses and own-door properties more, but involved small numbers. The 100 houses let in 2014-15 represents just 4% of the stock of houses while the 880 flats let are the equivalent of 13% of the stock.

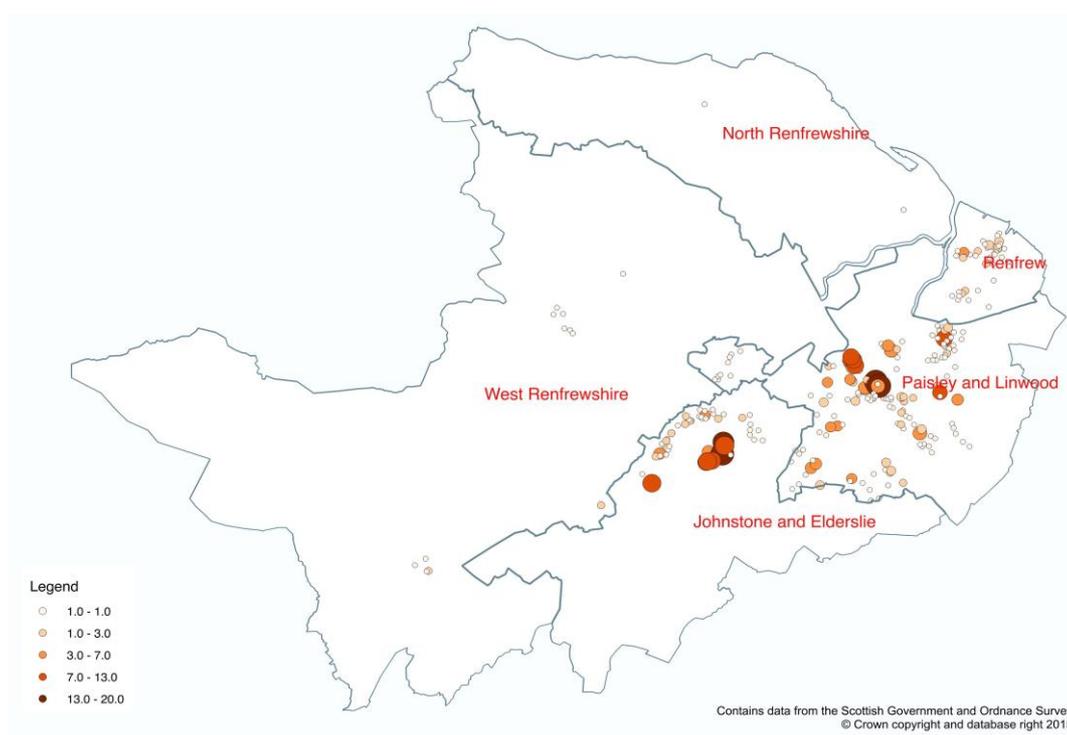
Table 3-11: Lets by property type by area (2014-2015)

	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire	% stock
Flat/other	112	2	625	128	13	880	13%
%	53%	40%	76%	79%	37%	71%	
House	28	1	50	12	9	100	4%
%	13%	20%	6%	7%	26%	8%	
Own door	71	2	146	23	13	255	9%
%	34%	40%	18%	14%	37%	21%	
All	211	5	821	163	35	1,235	10%
Col %	17%	0%	66%	13%	3%	100%	

Source: RC lets data 2014-15

3.30 The map below shows the concentration of council voids by area, with the heaviest concentrations in Johnstone & Elderslie and Paisley & Linwood.

Map 5: All voids by area



Source: RC voids data 1st May 2015

3.31 Average tenancy length also provides an indication of demand, with longer tenancies indicating better demand. Of all current Council tenancies, the following tenancy patterns are observed, by property type and area.

Table 3-12: Average Council tenancy length by property type and area (current tenancies)

Average tenancy length	Flat/other	Own door	House	All
Johnstone & Elderslie	8.6	10.9	14.3	10.8
North Renfrewshire	6.9	14.6	17.6	13.6
Paisley & Linwood	8.5	11.1	16.0	10.6
Renfrew	9.3	12.1	16.5	11.0
West Renfrewshire	9.1	12.9	15.0	12.5
Total	8.6	11.3	15.6	10.8

Source: RC current tenant database

- 3.32 The average (mean) tenancy among current tenants is 10.8 years, ranging from 8.6 years for those in flats/other properties to 11.3 years among those living in 'own door' flats and 15.6 years for people in houses. Tenancies among those in flats in Renfrew and West Renfrewshire are longer than average while tenancies in houses and main door flats in Johnstone & Elderslie are shorter than is generally the case.
- 3.33 The table below shows a summary of average void performance by the 5 sub-areas. The average rent loss is highest in Johnstone & Elderslie, and Paisley & Linwood. These are the two areas with the shortest average tenancies among terminated tenancies.

Table 3-13: Council Voids summary by area

Area	Ave tenancy years (all ended in last 3 years)	Total voids over 3 years	Total lets over 3 years
Johnstone & Elderslie	8.0	790	752
North Renfrewshire	20.4	19	18
Paisley & Linwood	8.4	2,461	2,631
Renfrew	9.9	482	489
West Renfrewshire	11.4	139	144
Renfrewshire	8.7	3,891	4,034

Source: RC data – void rent loss, terminations, lets

- 3.34 Although somewhat aspirational, the areas that people select when applying to the waiting list also provide a picture of the mismatch between lets and demand. There are 6,038 applicants on the Council's waiting list (excluding homeless applicants) of whom 1,603 (26%) are transfer applicants and 4,435 (74%) are waiting list applicants.
- 3.35 The most common areas of choice given by applicants, with more than 700 applications of the 6,038 applicants are shown below, compared with the number of lets in each of the letting areas in 2014-15 (of the 1,235 lets). So, across Renfrewshire there were 4.9 applicants to every let but in Blythswood in Renfrew Centre there is almost 400 applicants for every let and Cockels Loan in Renfrew Arkleston/ Newmains has well over 200 applicants for every let. Other very high demand areas are Victoria Gardens in Renfrew Arkleston/ Newmains and Whitehaugh in Paisley East.

Table 3-14: Most and least common applicant choice, compared with lets – all applicants

Letting area chosen	No. of apps	Allocation area	Lets 2014-15	Applicants to lets
More than 700 applicants				
Whitehaugh	1,296	Paisley East	8	162.0
Lochfield	1,153	Paisley Lochfield/Dykebar	17	67.8
Newmains	951	Renfrew Arkleston/ Newmains	11	86.5
Cockels Loan	933	Renfrew Arkleston/ Newmains	4	233.3
Arkleston	929	Renfrew Arkleston/ Newmains	9	103.2
High Calside/Calside	879	Paisley South	21	41.9
Victory Gardens	876	Renfrew Arkleston/ Newmains	5	175.2
Hagg Road Area	839	Johnstone Centre	27	31.1
Hunterhill sub-area	820	Paisley Hunterhill	9	91.1
Blythswood	785	Renfrew Centre	2	392.5
Dykebar	785	Paisley Lochfield/ Dykebar	17	46.2
George Street	729	Paisley George Street	39	18.7
Hamilton Court Area	718	Paisley South	16	44.9
Elderslie	712	Elderslie	35	20.3
Dimity Street Area	702	Johnstone Centre	51	13.8
Fewer than 150 applicants				
Glenshiel Ave/Glenbrittle	148	Paisley Lochfield/Dykebar	17	8.7
Howwood Rd Area	146	Johnstone West	30	4.9
Clavering Street	145	Paisley West	64	2.3
Affric Dr/Glenapp	139	Paisley Lochfield/Dykebar	2	69.5
Millarston	125	Paisley West	13	9.6
Rannoch Drive	111	Renfrew Kirklandneuk	5	22.2
Broomlands Area	99	-	-	-
Craigielea/Blackstoun	99	Ferguslie Park	20	7.3
Ferguslie Park	80	Ferguslie Park*		2.9
Erskine	69	Inchinnan/Bishopton	5	13.8
West End	69	Paisley West	-	-
Ferguslie Park Area	66	Ferguslie Park		Included above*
Kirklandneuk Area	61	Renfrew Kirklandneuk	33	1.8
All applicants	6,038	All lets (2014-15)	1,235	4.9

Source: RC Applicant requirements data, Lets 2014-15

3.36 By contrast, the least popular areas that tend to have more lets and fewer applicants expressing a preference for that area are shown at the bottom of the table above – areas with fewer than 150 applicants expressing a preference for that area. Lower demand areas include the Kirklandneuk area of Renfrew, with less than two applicants per let, Clavering Street in Paisley West (2.3 applicants per let) and Craigielea/Blackstoun in Ferguslie Park (2.4 applicants per let). Other areas of Ferguslie Park combine to give a higher applicant to let ratio. Affric Drive/Glenapp Road and Rannoch Drive in Kirklandneuk are other less popular areas that have a higher applicant to let ratio. Some of these low demand areas were confirmed in the focus groups with residents.

3.37 However, due to the provision of more information to potential tenants coming through the housing options route there may be fewer people recorded as interested in very high demand areas. For this reason, the results need to be interpreted with caution.

3.38 The table above also includes applicant groups that are arguably less in need – those transferring and on the general waiting list. If we look at the applicants in Groups 2 (mobility issues) and 3 (other housing needs) – the number of applications by area is as follows.

Table 3-15: Most and least common applicant choice, compared with all lets – Groups 2 and 3

Letting area chosen	No. of apps	Allocation area	G2/3 Lets 2014-15	Applicants to G2/3 lets
Over 400 applicants				
Whitehaugh	565	Paisley East	8	70.6
Arkleston	561	Renfrew Arkleston/Newmains	8	70.1
Newmains	556	Renfrew Arkleston/Newmains	9	61.8
Cockels Loan	554	Renfrew Arkleston/Newmains	4	138.5
Lochfield	525	Paisley Lochfield/Dykebar	13	40.4
Victory Gardens	521	Renfrew Arkleston/Newmains	5	104.2
Blythswood	495	Renfrew Centre	2	247.5
Hunterhill sub-area	479	Paisley Hunterhill	7	68.4
High Calside/Calside	447	Paisley South	10	44.7
Hagg Road Area	431	Johnstone Centre	22	19.6
Fulbar Ave/Campbell St	429	Renfrew Centre	10	42.9
Loanhead	422	Renfrew Townhead	3	140.7
Dykebar	420	Paisley Lochfield/Dykebar	-	-
Millburn	405	Renfrew Townhead	-	-
Neilston Rd/Alice St	405	Paisley South	-	-
George Street	403	Paisley George Street	20	20.2
Fewer than 100 applicants				
Clavering Street	98	Paisley West	33	3.0
Millarston	91	Paisley West	9	10.1
Howwood Rd Area	90	Johnstone West	20	4.5
Glenshiel Ave/Glenbrittle	76	Paisley Lochfield/Dykebar	-	-
Rannoch Drive	75	Renfrew Kirklandneuk	4	18.8
Affric Dr/Glenapp Rd	72	Paisley Lochfield/Dykebar	1	72.0
Craigielea/Blackstoun	63	Ferguslie Park	17	3.7
Broomlands Area	58	Paisley West	-	-
Ferguslie Park	46	Ferguslie Park	11	7.9
West End	42	Paisley West	-	-
Ferguslie Park Area	41	Ferguslie Park	*	*
Kirklandneuk Area	38	Renfrew Kirklandneuk	25	1.5
Erskine	34	Inchinnan/Bishopton	-	-
All G2-3 applicants	2,883	All G2-G3 lets (2014-15)	700	4.1

3.39 Overall, the Group 2 and Group 3 overall applicant to let ratio is slightly lower, at 4.1 applicants per let in 2014-15. Similar areas are popular among those in higher need groups – Blythswood, Cockels Loan and Victory Gardens all have very high applicant to let ratios, as do Whitehaugh and Lochfield (though the latter two areas with lower applicant-to-let ratios). Loanhead Millburn and Neilston Road/Alice Street also appear as very popular among higher need groups but (along with Dykebar) these areas did not see any lets Group 2 or Group 3 priority tenants in 2014-15.

3.40 Homeless applicants select letting areas differently – with a mix of very broad and very specific areas selected. The following table shows the areas most commonly selected (by at least three homeless applicants). Overall, there were 294 lets to homeless

people in 2014-15, compared with 129 current/live applicants – a ratio of 0.4 applicants per let. The table below gives an indication of the pattern of lets compared with preferences.

Broad allocation area	Applicants	Lets*
Paisley	19	126
Johnstone	9	34
Glenburn	6	20
Renfrew	6	35
Villages – Linwood	6	5
Albion St/Greenock Rd	3	0
East End	3	23
Gallowhill	3	27
George Street	3	17
Glen Street	3	3
Gockston	3	1
Kilearn Road	3	1
Montgomery Road	3	2
Old Gallowhill	3	14
Sandyford	3	10
Shortroads	3	0

* The number of lets exceeds 294 as some areas are overlapping – e.g. Glenburn, East End and Gallowhill are part of Paisley. The 23 East End lets are also included in the Paisley lets.

- 3.41 About a quarter of homeless applicants selected the broad Paisley area while over 40% of lets to homeless people were in Paisley. Overall, 7% of applicants have selected Johnstone and around 12% of lets to homeless people are in Johnstone. Within Paisley, 2% of applicants specifically asked for the East End and 8% of homeless lets were there, a similar picture to Gallowhill. This means that lets are more concentrated than homeless applicants preferences are, with around half of the letting areas selected by just one or two applicants.
- 3.42 RSL data on lets and voids is not available at the level of the 5 sub areas. However, there are some areas identified as having non-operational voids in the latest RSL survey. Johnstone Castle is an unpopular area for the majority of applicants to Linstone Housing Association. Recent measures to tackle the issue have included external wall insulation in Maple Drive. Close cleaning/garden maintenance services are being introduced on a block by block basis following the completion of internal wall insulation. New verandas have also been installed in the tenement blocks. The Association is also intending to have one of the flats as a contact point as well as opening a show flat to show prospective tenants. Linstone HA now provide housing option interviews for all applicants and a Tenancy Sustainment Officer is involved in this process. The Association's experience is that the type and size of property is unpopular now (two and three bedroom tenements) with most applicants demanding houses, rather than flats.
- 3.43 One other Association also spoke about low demand for larger tenement properties, but also for very small studio tenement properties with competing demand from the private rented sector offering similar rents for furnished properties. The RSLs are increasingly finding demand for family accommodation is for houses, not tenements. Other than the demand problems experienced by Linstone for its tenements in Johnstone Castle, other RSLs are experiencing some low demand issues in Foxbar, and some pepper potted stock in Southside, West End, East End, town centre (all of Paisley). Initiatives being considered to increase demand is a range of marketing

initiative including the letting standards, and environmental standards including bin management and close cleaning.

- 3.44 Other RSL stock experiencing lower demand includes some with sheltered housing – upper floors and bedsits/1-bed space accommodation. Studio flats in general needs housing is also unpopular. Loretto Housing Association has also experienced lower demand for 3-apartment properties when requesting nominations/Section 5 referrals. This has impacted on void re-let times and the ability to meet the council's statutory requirements.
- 3.45 As mentioned above, housing options approaches are being used to try and address some of the demand issues faced in Renfrewshire. The main outcomes of housing options recorded from 1,899 HO interviews were that the applicant remained in their current accommodation (42%) and that the applicant made a homeless application to the local authority (37%). 5% secured a tenancy of some sort (2% LA, 2% PRS and 1% RSL) while smaller proportions had other outcomes.
- 3.46 Homelessness applications have reduced by **over a quarter** in Renfrewshire in the last couple of years, from 1,103 applications in 2012-13 to 975 in 2013-14 and then to 825 in 2014-15²³. The reductions do appear unevenly distributed, with a greater reduction in applicants from West Renfrewshire and North Renfrewshire²⁴.
- 3.47 Outcomes of homeless²⁵ applications also vary by area, with 51% of all Renfrewshire homeless applicants being housed in the social rented sector but just 44% of applicants in North Renfrewshire and 48% in Renfrew have this outcome. The proportion housed in West Renfrewshire was 62%, compared with 52% in Paisley & Linwood and 50% in Johnstone & Elderslie. However, it is important to note that the number of homeless applicants giving West Renfrewshire as their origin is very small indeed. It may well be that this has been an impact of housing.

Sustainability Assessment of the Council's Stock

- 3.48 A separate report has been provided on the long-term sustainability of the Council's housing stock. This was undertaken using i.s.4 Housing and Regeneration's Strategic Asset Management system (SAMS). The SAMS work undertaken is an initial asset management review, and has been used to provide an independent check on the Council's own sustainability analysis.
- 3.49 The SAMs approach uses a traffic light system to assess the viability of the housing stock. Key findings from the SAMS initial analysis has found that there is a considerable proportion of the Council's housing stock which is low demand and shows long term poor performance prospects. This is based on the Council's current and historical housing expenditure patterns and performance levels.
- 3.50 The prevalence of low demand and poorly performing stock may appear surprising at first, given that all of the Council's stock currently meets the Scottish Housing Quality Standard. However, it is worth noting that the SAMS assessment is a long term appraisal of the likely performance and prospects of the Council's stock over the next

²³ Operation of the Homeless Persons Legislation in Scotland, 1 April 2014 to 31 March 2015, Scottish Government

²⁴ This needs to be interpreted with caution as the number of cases of unknown origin is significant

²⁵ Average outcome over 3 years

30 years and, as such, it provides a longer term planning horizon for allocating future housing management and investment resources. It does not suggest, for example, that all red properties have to be addressed in the next year or two.

- 3.51 However, the SAMS analysis suggests there is a general problem of low demand/underperforming stock across Renfrewshire. This is consistent with all the supply and demand indicators provided elsewhere in this HNDA analysis. However, the concentration of low demand stock varies across the different housing market areas.

Housing Stock in the Private Rented Sector

- 3.52 The PRS sector in Renfrewshire is very skewed towards the Paisley and Linwood area, with 62% of registered PRS properties in this area compared with 51% of the total stock. There are relatively few PRS properties in West Renfrewshire and North Renfrewshire, with 4-5% of PRS properties but 11-12% of the stock overall. The proportion of PRS properties in Johnstone & Elderslie and Renfrew is slightly higher, with 14-15% of the PRS stock compared with 13% of the stock overall.

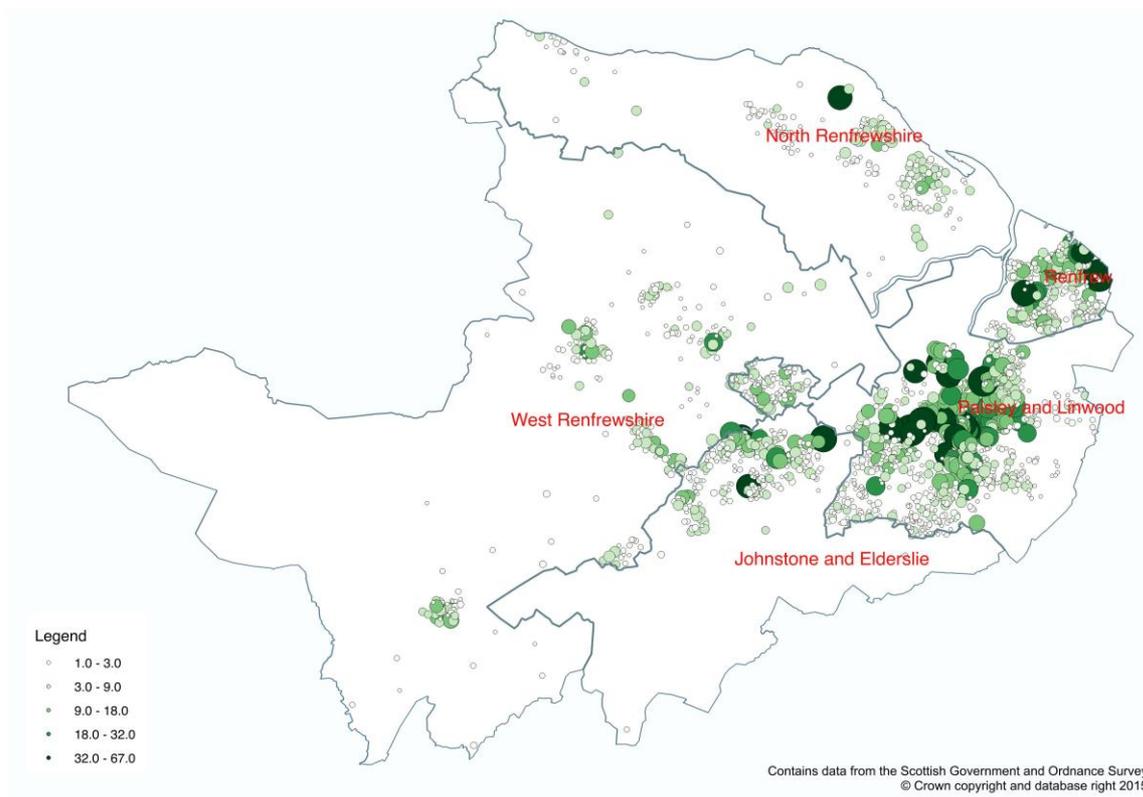
Table 3-16: PRS properties by area

	Number PRS	%	Total housing stock (2012 estimates)	% of total stock
Johnstone & Elderslie	1,174	14%	10,978	13%
North Renfrewshire	410	5%	9,706	12%
Paisley & Linwood	5,000	62%	42,844	51%
Renfrew	1,209	15%	10,798	13%
West Renfrewshire	329	4%	9,119	11%
Renfrewshire	8,122	100%	83,445	100%

Source: RC PRS registration data. Please note that town is based on registration form and may not actually be within Council recognised settlement boundaries.

- 3.53 The map below shows the concentration of PRS properties across Renfrewshire, with darker circles showing more numerous concentrations of PRS properties by postcode. The PRS is very concentrated in certain parts of each sub area, with fewest concentrations in the West and North.

Map 6: PRS registrations by area (2015)



3.54 The table below, from 2014 data compiled from a sample of properties advertised online and the 2012 PRS survey, shows that most PRS properties have one or two bedrooms and the majority of flats.

Table 3-17: Size and type of PRS properties

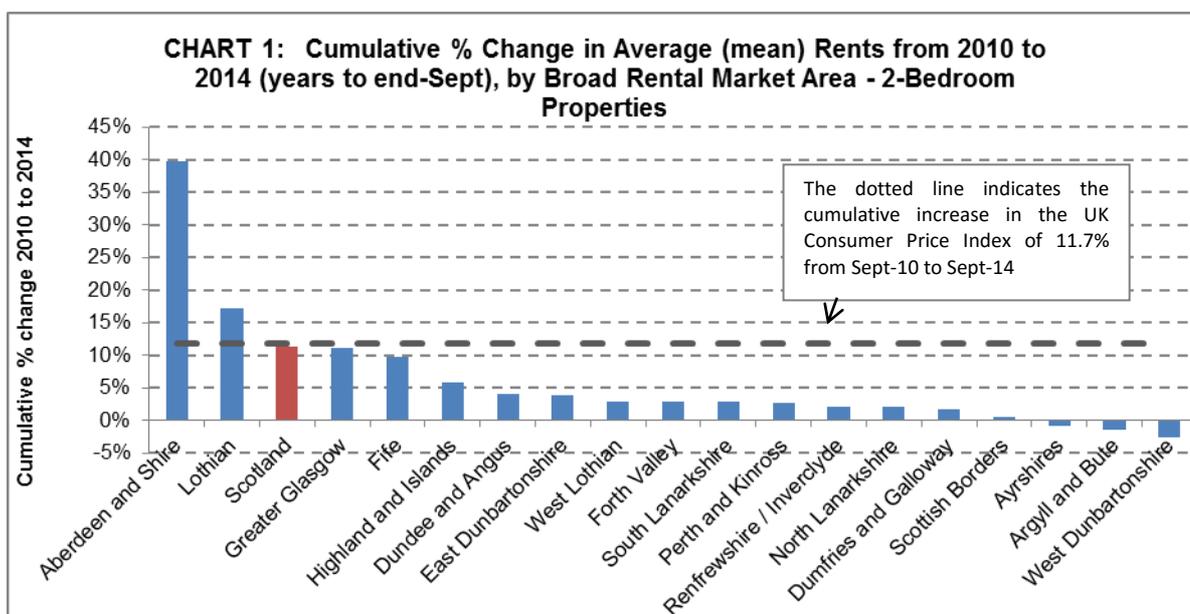
Size/type	% PRS lets data	% PRS survey
0 bed	3%	2%
1 bedroom	30%	29%
2 bedroom	50%	49%
3 bedroom	12%	17%
4+ bedroom	4%	4%
Houses	14%	28%
Flats	86%	72%

Source: RC database on advertised private rents 2015, PRS Survey 2012

3.55 Comparing the PRS survey data with information on recently advertised properties, we see fewer larger properties and fewer houses traded during 2014, compared with the stock of the PRS. The PRS survey found that those living in houses were more likely to say they had no plans to move or did not plan to move within the next two years compared with those renting flats so the lower availability of houses and larger properties makes sense.

PRS rents

3.56 Rents in the private sector in Renfrewshire and Inverclyde have seen very low increases. As outlined earlier, average PRS rents of £481 for a 2-bedroom property in Renfrewshire is on the margins of affordability for those on modest incomes, but we also know that this average price includes the higher prices in North and West, and masks some much lower prices in Paisley that are in line with LHA and even social rents.



Source: Scottish Government data on private rents; <http://www.gov.scot/Publications/2014/11/2313>

Table 3-18: PRS rents by size and area (2013-2015)

	1-bed 2015	1-bed 2013	2-bed 2015	2-bed 2013	3-bed 2015	3-bed 2013
Paisley & Linwood	£348.00	£366.00	£446.00	£443.00	£598.00	£539.00
Johnstone & Elderslie	£388.00	£358.00	£440.00	£458.88	£565.00	£520.53
Renfrew	£411.00	£347.00	£563.00	£488.00	£633.85	£618.00
North Renfrewshire	£400.00	£391.43	£536.67	£546.36	£560.00	£717.75
West Renfrewshire	£431.00	£391.43	£608.00	£546.36	£1,007.00	£717.75
Renfrewshire wide	£362.00	£365.00	£481.00	£470.00	£621.00	£573.00

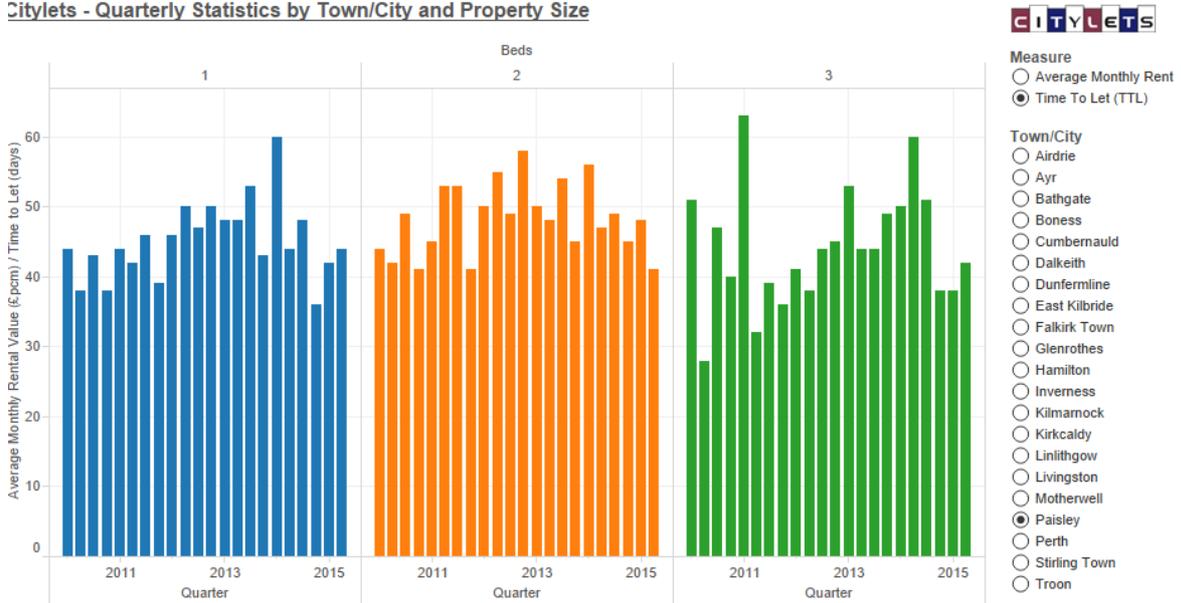
Source: RC database on advertised private rents

3.57 There is also variation in rents by area, with higher rents in Renfrew, West and North Renfrewshire compared with Paisley & Linwood and Johnstone & Elderslie. However, the number of PRS properties becoming available in the West and North areas each year is small, so the results should be interpreted with caution.

PRS Demand

3.58 Citylets data for Paisley shows the time-to-let periods for different sizes of property. The average time to let for a 2-bedroom property in Paisley in Quarter 2 of 2015 was 41 days. This compares with a TTL of 47 days for the same period in 2014 and 48 days for Q2 of 2013.

Citylets - Quarterly Statistics by Town/City and Property Size



Information, charts and indices may be reproduced citing "Source: Citylets".

For more historical or granular data, please contact us at research@citylets.co.uk

Source: Citylets

3.59 Unfortunately, the Citylets online tool only provides information for towns and cities, so we are unable to assess the letting times for the rest of Renfrewshire.

Accessing the PRS

3.60 Analysis from the survey of private renters conducted in 2012 found that private renters experienced a number of difficulties when trying to access private renting. A quarter of tenants surveyed said they found properties too expensive while around 1 in 5 said there was a lack of properties where they wanted to live and that properties were of a poor quality. Size and location are particularly important to those renting higher-rent properties at £600+ a month.

Table 3-19: Difficulties experienced trying to access private renting, by monthly rent

	Less than £400	£400-£499	£500-£599	£600+	All
Too expensive	27%	22%	24%	29%	25%
Lack of properties where wanted to live	20%	20%	22%	33%	21%
Poor quality	20%	19%	16%	21%	19%
Wrong size	13%	11%	9%	25%	13%
HB wouldn't cover costs	15%	16%	7%	4%	13%
Landlords no tenants on benefits	14%	7%	13%	17%	12%
No references	15%	5%	13%	4%	10%
Not suitable for needs/not accessible	10%	9%	4%	17%	9%
Unable to pay deposit	12%	6%	4%	0%	8%

Source: Renfrewshire Council PRS Survey, 2012

- 3.61 Those in the cheapest and most expensive properties were more likely to say that they had difficulties finding properties because properties were too expensive. Looking at the profile of these private renters, we find that 40% of all those who reported difficulties affording a property were single adults while most of those having difficulty finding an affordable property who are renting in the £600+ rent bracket are families. Single people are constrained by a single income, while families need more rooms and might also only have one full-time earner.
- 3.62 Problems due to benefits not covering rent were more commonly reported by tenants in cheaper properties, which tend to be occupied by smaller households with a lower LHA entitlement. Those in cheaper properties were also more likely to report having problems accessing the PRS because they were unable to pay a deposit.
- 3.63 Issues of poor quality were reported broadly similarly across different price segments while the properties available not meeting needs was identified more commonly by tenants in higher price properties.
- 3.64 From the focus group research, around a third of participants were living in – or had lived in - private rented accommodation in the past. Overall the comments based on experience and perception (from stories cited by friends and families) provided a mixed picture of the private rented sector – amongst respondents in higher priced areas the experience of the PRS was generally better than in lower priced areas, although one example from PRS in Paisley town centre was also very positive. Other respondents from affordable areas related tales of dank, dirty properties, profit-orientated landlords, lack of issue resolution, poor quality accommodation and lack of security which was all seen as being symptomatic of the sector.

Summary

- 3.65 There is a considerable **imbalance of tenure** across the five sub areas with lower levels of ownership and higher levels of social rent in three areas of Paisley, Johnstone and Renfrew, and very high levels of ownership and very low levels of social rent in North and West areas. The PRS has increased dramatically by 121% since 2006, and the stock of PRS is heavily concentrated in Paisley and Linwood (62% of all PRS stock located here), and only 5% and 4% of the PRS stock is located in North and West respectively.
- 3.66 While Paisley and Linwood areas have wider tenure options than some other areas, there is **lack of choice of a range of type and size of properties in some areas** – there is a predominance of flats and smaller properties in Paisley and Linwood, a higher proportion of middle-sized properties in Johnstone and Elderslie, and a predominance of large houses within North and West, with a very low supply of smaller properties of any type in these areas.
- 3.67 Research with residents suggests that for **tenure preference** home ownership is still seen as the panacea. Social rent is associated with affordability, but there are many negative perceptions around crime, anti-social behaviour and poor areas. There are mixed views about private rent with positive experiences, but mainly negative perceptions around lower affordability and often poor quality. In reality, most emerging households considered that ownership was out of reach, especially in their favoured areas, and for many private rent would be the only realistic option for those wanting to set up home. Intermediate ownership and rent options are considered attractive by some younger people, especially concealed households. Older owners in both higher priced and more affordable areas have no intention to move out of home ownership, even if they move house.
- 3.68 On **locational preferences**, Renfrewshire is a relatively self contained market, as are the five submarkets. There is a great sense of affection for people's 'own' area, and based on focus group research very few people want to move very far due to the strong sense of community and close ties with home and local area. Most people are very clear on the areas they do not want to live in - Ferguslie Park, Foxbar, Glenburn, Johnstone, and Linwood.
- 3.69 In the **Council rented sector, the mismatch between supply and demand** by housing type, size and location is even more marked, and there is a systemic problem of low demand / obsolete stock in large parts of Paisley and Linwood, and some parts of Johnstone and Elderslie, and Renfrew. Only 50% of the Council stock is 'core' sustainable stock, and this is reflected in the perception of this amongst consumers. The **RSL sector** is also increasingly experiencing small pockets of low demand stock, mainly related to large or very small tenemental stock, exacerbated by increased competition from the PRS competing at similar prices. Low property prices in the housing market and low rental prices in PRS are also indicators of low demand or oversupply, and these all appear to be occurring in the same geographic areas combined with concentrations of income deprived households.
- 3.70 At the same time there is **strong waiting list demand for SRS areas where people do want to live**, and there is evidence that for single people with one earner, and families that require more space, there are difficulties in accessing affordable PRS, and home ownership in their preferred location.

4 Housing stock pressures - Affordability Analysis

- 4.1 Section 2 outlined a range of house price and rent scenarios to test, ranging from being able to afford intermediate renting (or not) to being able to afford the mortgage on a lowest quartile house price property in one of the higher value areas of Renfrewshire. All the incomes tested are still at the modest end of the earnings scale, either below or just above lowest quartile full-time earnings.
- 4.2 The next stage of the analysis is to test the affordability of different market and intermediate options among people who currently have unaffordable housing, with the aim of generating smaller area estimates and mapping results. The latest publically available data from the SHS – the 2009-10 dataset – is used for this purpose. This was the most recent data available for the study team to use for estimating²⁶.
- 4.3 Of course, there are methodological issues with using current house prices, rents and LHA rates as against 2009-10 incomes. However, as incomes have increased at fairly low rates in recent years, the impact is likely to be marginal. Also, the purpose is to show the differences between areas, with the same income comparisons being made across each area.
- 4.4 The stages of the affordability analysis are as follows –
- 1 Generate Scotland-wide estimates of the households currently in unaffordable housing
 - 2 For those identified at stage (1), identify those households already in SRS
 - 3 Estimate the proportion in different scenarios based on tenure and the incomes associated house price and rents data above
 - 4 Analyse the prevalence of these estimates by ONS classification
 - 5 Assign an estimate to each ONS classification across Renfrewshire
 - 6 Map the results by datazone to produce maps of the prevalence of affordability issues and concerns at the sub-area level, by datazone.
 - 7 The same method is also used to look at other in-situ housing issues, relating to stock mismatch, stock condition mobility/care needs, discussed below.
- 4.5 This method was developed by Ipsos MORI to enable the Scottish Household Survey to be used to generate small area estimates. Tests of the mapping of estimates against official/administrative data suggest a very good fit between the survey-derived maps and maps based on administrative data. The method has been used to map the market for intermediate renting and also the market for older people's housing.
- 4.6 The first stage of the affordability assessment is to establish who lives in housing that is not currently unaffordable, based on the assumption that households should not spend more than a quarter of their income on housing. The imputed annual income data available in the Scottish Household Survey is net income so this was used for the analysis. A further test was added to capture financial hardship, based on the stated

²⁶ Before embarking on the small area modelling, a special data request was made to the SHS Manager to use the 2012 dataset. At that time, the SHS team was prioritizing the preparation of the 2012 data to be uploaded to the UK Data Archive. To avoid considerable delay to the analysis, it was decided to use the earlier dataset.

experience of financial difficulties (not managing very well or not managing at all well, financially, or being in deep financial trouble – asked of 50% of the sample) or having a low income (where not asked the question²⁷). Households were judged as having affordability issues if they paid more than a quarter of their net household income on their mortgage or rent **and** where they either had financial difficulties or had a very low income. This therefore excludes high earners who pay a large proportion of their income in mortgage or rent but also have a high residual income left after housing costs.

- 4.7 It is important to highlight from the outset that the data estimates produced here are primarily for the purposes of area comparison. They provide a more nuanced estimate than those based solely on the proportion of the population living in each area, by adding a geo-demographic element. However, they are still estimates based on survey data and therefore must be interpreted with caution. Although confidence limits apply to the initial Scotland-wide estimates, these are used to generate indicative ranges for the modeled results rather than as a strict statistical test, as confidence intervals apply to the Scotland level estimate only.
- 4.8 In arriving at the range of estimates, we have sought to validate/test the results against other data sources, where available. The affordability estimates are also deliberately conservative, based on paying more than a quarter of income on housing **and** having a very low income or financial difficulties.
- 4.9 We would note that further work to develop intermediate options or products would require by a full options appraisal to test out the local market.

Affordability estimates

- 4.10 The tables below summarise the base results of the estimates. This is based on a count of the estimated number of households across the area, built up from the datazone level estimates. Overall, around 8% of households are in unaffordable housing and in financial hardship/with low incomes. The map below shows where these households are concentrated, with darker shading showing the higher expected prevalence.

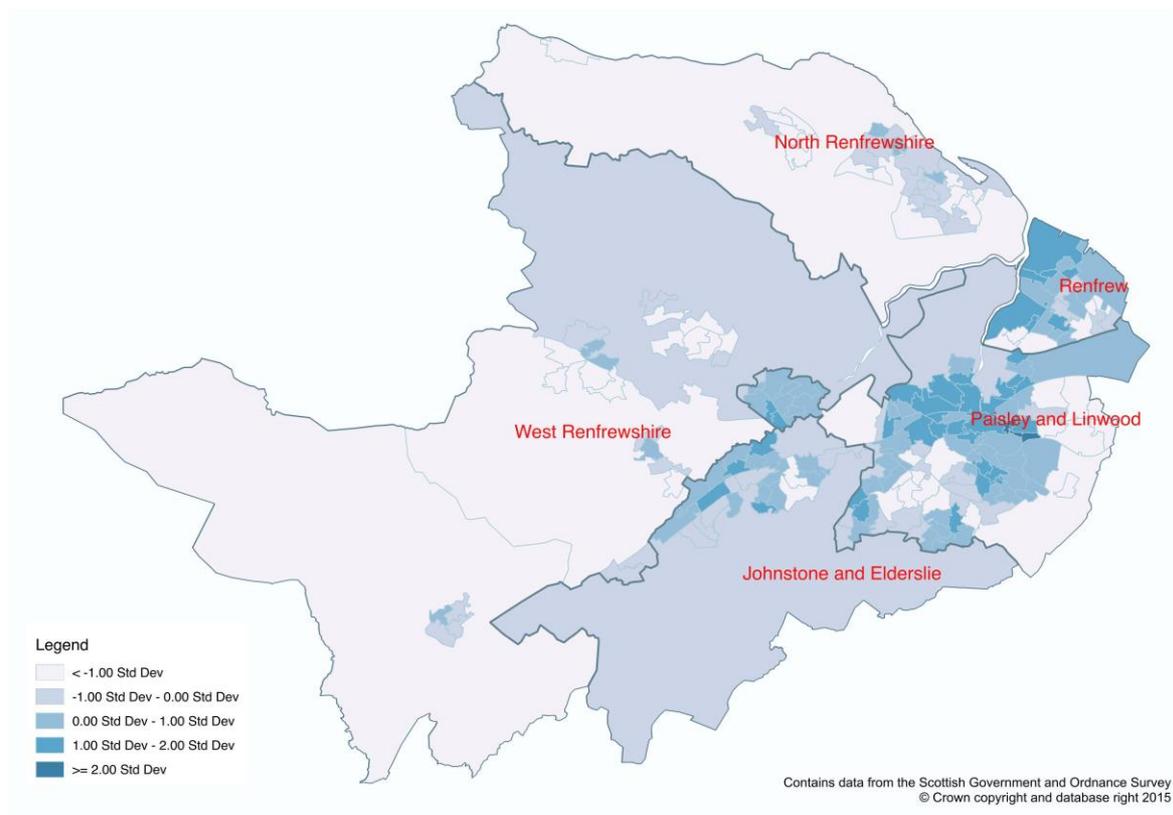
²⁷ 75% of those with financial difficulties had incomes of less than £15,000 so this was taken as a suitable low income threshold.

Group 1: Unaffordable housing and financial hardship (% of all households, by area)

	%	Household estimates 2012	Number (2012 household estimates)
Johnstone & Elderslie	9.1%	10,682	973
North Renfrewshire	4.5%	9,544	430
Paisley & Linwood	9.7%	41,319	4,002
Renfrew	8.6%	10,462	897
West Renfrewshire	4.4%	8,917	392
Renfrewshire	8.2%	80,924	6,666

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)
Renfrewshire total not a sum of other totals due to rounding

Map 7: Concentrations of households with unaffordable housing/financial hardship



4.11 However, many of those in unaffordable housing and in financial hardship/with low incomes are already in the social rented sector. The estimates for these SRS households are shown below.

Group 2: Unaffordable housing and financial hardship BUT in SRS (% of all households, by area)

	%	Household estimates 2012	Number (2012 household estimates)
Johnstone & Elderslie	6.2%	10,682	659
North Renfrewshire	2.5%	9,544	235
Paisley & Linwood	5.7%	41,319	2,375
Renfrew	5.1%	10,462	538
West Renfrewshire	2.1%	8,917	184
Renfrewshire	4.9%	80,924	3,969

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)
Renfrewshire total not a sum of other totals due to rounding

- 4.12 The income of those households who are in unaffordable housing and struggling financially but **not currently in the SRS** was then tested to see which housing options might be affordable to them. This is Group 1 minus Group 2:

Group 1-Group 2: Unaffordable housing and financial hardship and not in SRS (% of all households, by area)

	%	Household estimates 2012	Number (2012 household estimates)
Johnstone & Elderslie	2.9%	10,682	314
North Renfrewshire	2.0%	9,544	195
Paisley & Linwood	3.9%	41,319	1,626
Renfrew	3.4%	10,462	359
West Renfrewshire	2.3%	8,917	208
Renfrewshire	3.3%	80,924	2,697

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)
Renfrewshire total not a sum of other totals due to rounding

- 4.13 A number of income scenarios were tested to see whether the households living in unaffordable housing could afford various different market and mid-market options. These were as follows (based on testing the net incomes associated with the following gross income scenarios, assuming people pay no more than a quarter of their gross income in housing costs) –

- (A) Gross incomes of over £16.8K – In unaffordable housing but could afford 1-bed LHA rate PRS rent or lowest quartile house prices
- (B) Gross incomes of over £21.1K – In unaffordable housing but could afford 2-bed LHA rate PRS rent or lowest quartile house prices in North/West Renfrewshire
- (C) Gross incomes of over £14.4K – In unaffordable housing but could afford 1-bed MMR property based on 85% of LHA rates (or a 1-bedroom social rented property).
- (D) Gross incomes of over £18K – In unaffordable housing but could afford 2-bed MMR based on 85% of LHA rates.
- (E) Gross income of over 15.6K – In unaffordable housing but could afford an average 2-bed social rented property.

Table 4-1: Affordability estimates: in unaffordable housing and could afford the following options... (% of all households, by area)

Area	(A) £16,800 1-bed LHA Lowest quartile HP*	(B) £21,120 2-bed LHA or Lowest quartile HP**	(C) £14,400 1-bed MMR	(D) £18,000 2-bed MMR	(E) £15,600 (average 2-bed social rent)
Johnstone & Elderslie	0.8%	0.4%	1.4%	0.5%	1.0%
North Renfrewshire	0.7%	0.4%	1.2%	0.6%	0.9%
Paisley & Linwood	0.9%	0.4%	1.6%	0.7%	1.2%
Renfrew	0.9%	0.4%	1.5%	0.7%	1.2%
West Renfrewshire	0.8%	0.4%	1.2%	0.7%	1.0%
Renfrewshire	0.9%	0.4%	1.5%	0.6%	1.1%

Source: SHS 2009-10 small area estimates

* Paisley and Linwood or Johnstone & Elderslie lowest quartile house prices, **North or West Renfrewshire lowest quartile house prices

4.14 The table above shows that around 1 in 8 of those currently in unaffordable accommodation (0.4% of all households) could afford lowest quartile house prices in the North or West or a 2-bed privately rented property at the LHA rate (B), while just over 1 in 4 could (0.9% of all households) could afford lowest quartile house prices for properties in cheaper areas (A).

4.15 Almost half of those in unaffordable housing could afford a 1-bed intermediate rented property based on 85% of the LHA (C) while about 1 in 5 could afford a 2-bed intermediate rented property (D). Around 1 in 3 of those in unaffordable housing could afford an average 2-bedroom social rent (E).

4.16 The table below shows (1) the proportion and estimated number of households who cannot currently afford their housing **but** would be able to afford a market option (A above), (2) those who would be able to afford a MMR option but not a market option (C minus those also in category A) and (3) those unable to afford a mid-market option.

Table 4-2: Potential market and intermediate solutions for those in unaffordable housing

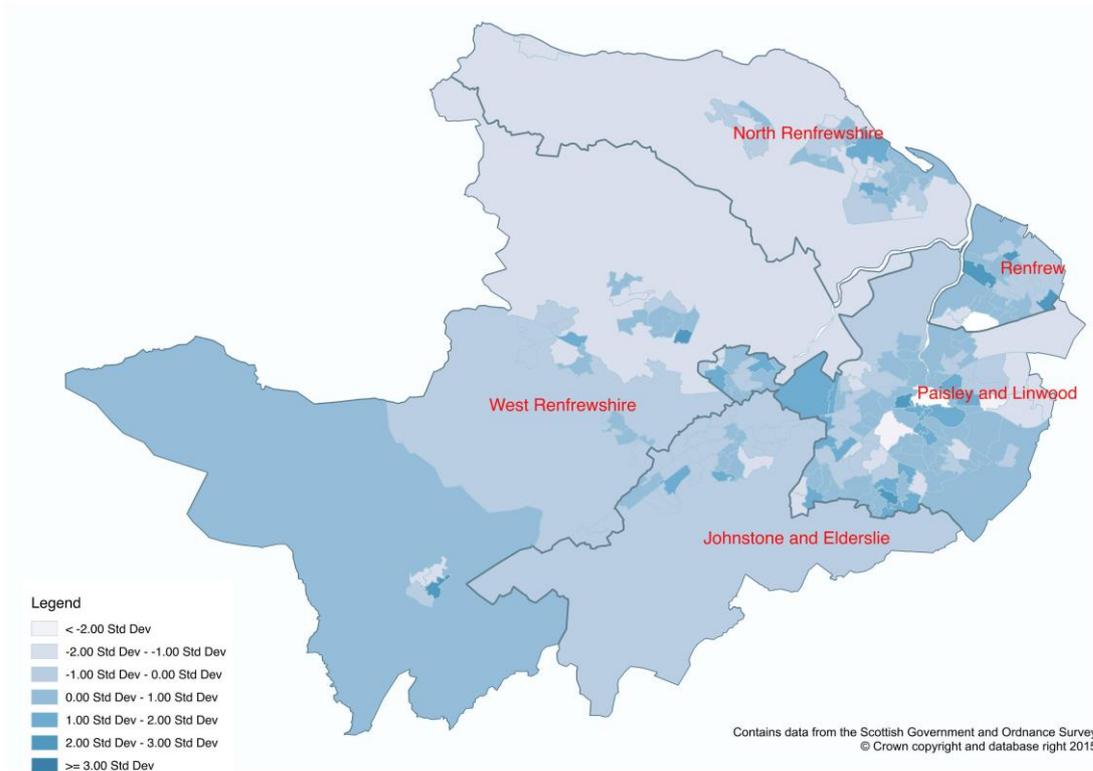
	Can afford market option % (1)	Household estimate (1)	Can afford MMR option % (2)	Household estimate (2)	Cannot afford MMR % (3)	Household estimate (3)
Johnstone & Elderslie	0.8%	82	0.6%	64	1.6%	167
North Renfrewshire	0.7%	71	0.4%	38	0.9%	86
Paisley & Linwood	0.9%	375	0.7%	290	2.3%	951
Renfrew	0.9%	94	0.6%	65	1.9%	196
West Renfrewshire	0.8%	72	0.4%	36	1.1%	102
Renfrewshire	0.9%	693	0.6%	489	1.9%	1,499

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)

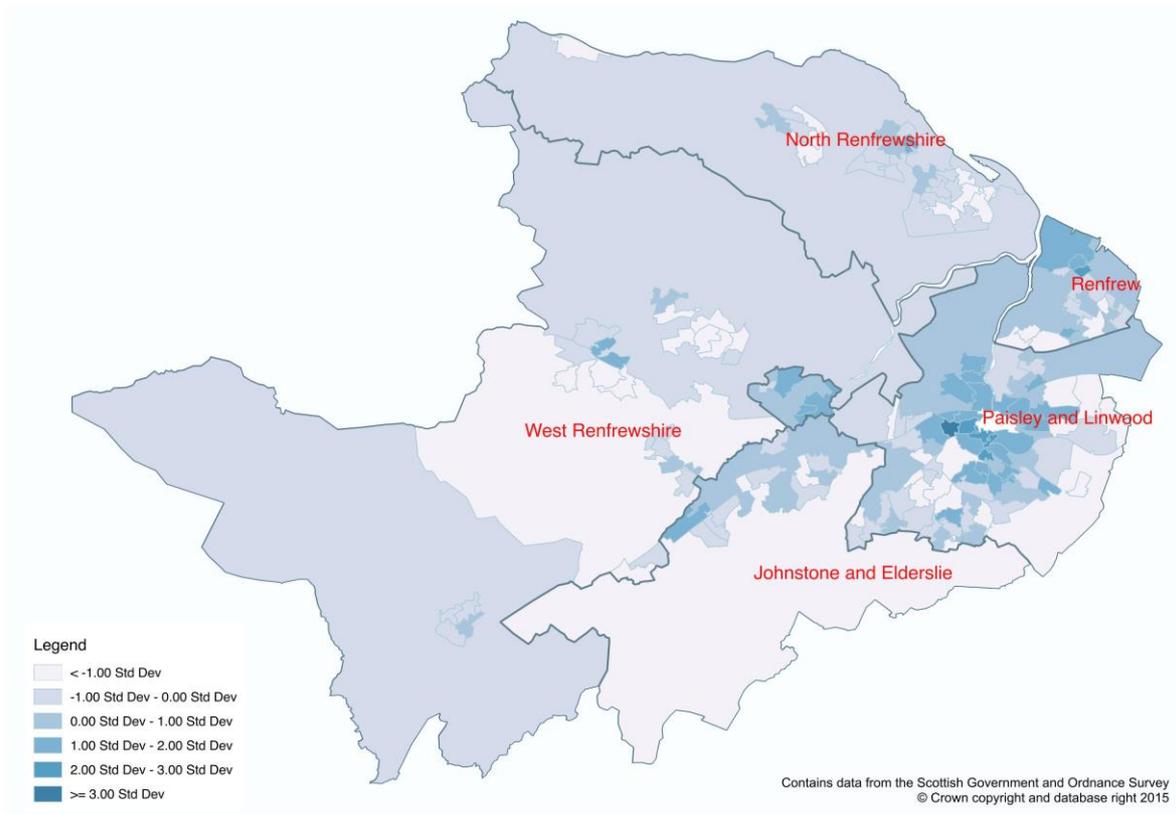
4.17 The following maps show where the three groups in the table above are expected to be concentrated. Map 8 shows concentrations of those who are currently in unaffordable housing but could afford a market solution – either private renting or

lowest quartile house prices. These are households with gross incomes of over £16,800. We see concentrations in a number of areas, including parts of West and North Renfrewshire. This pattern suggests that these might be households that have opted for a more expensive market than they can comfortably afford.

Map 8: Concentrations of households in unaffordable housing but can afford the market

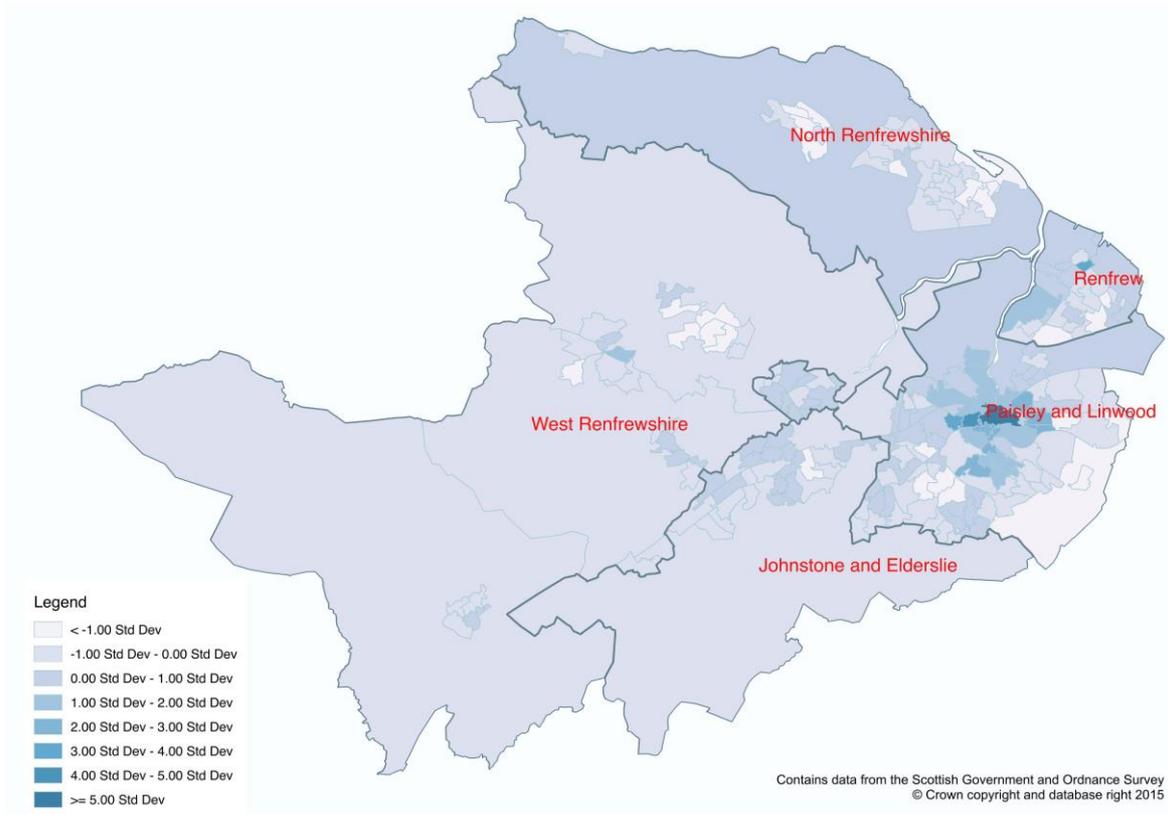


Map 9: Those in unaffordable housing but can afford an intermediate option



- 4.18 Map 9 shows the clustering people in unaffordable housing/struggling financially who could afford intermediate renting but not market prices. These tend to be clustered in lower value markets at the moment, although not the cheapest areas. Those able to afford intermediate renting have incomes of less than £16,800 but more than £14,400.
- 4.19 Finally, Map 10 below shows the concentration of households in unaffordable housing/financial difficulties unable to afford intermediate options, with incomes of below £14,400 a year. These households are clustered in Central Paisley and Renfrew and likely to be struggling private renters. At these incomes, it is worth noting that social renting would also be on the margins of affordability.

Map 10: Those in unaffordable housing/financial difficulties and unable to afford intermediate options



Size of property required by those in unaffordable housing

- 4.20 The table below shows the household type and the required number of bedrooms (based on the bedroom standard) of households with unaffordable housing in each of the three segments – those who could afford in the market, those who could afford intermediate renting and those who could not afford intermediate renting.
- 4.21 Proportionately more of the households in unaffordable housing able to afford market options or intermediate renting are families. Those unable to afford even the cheapest intermediate option are more commonly single adults and small adult households.
- 4.22 Most households in unaffordable housing are smaller households, needing one or two bedrooms. Over 60% of those unable to afford intermediate renting need one bedroom.
- 4.23 One in 5 households in unaffordable housing that could afford a lowest quartile house price need three or more bedrooms - suggesting family households. This might suggest the proportion able to afford to buy in the market is less than estimated, since the number of larger properties at lowest quartile prices is likely to be limited. In policy terms this suggests the need for types of new supply in the private sector that are 'affordable', but more likely will require shared equity products to satisfy demand for large properties at lower quartile prices.

Table 4-3: Profile of households in unaffordable housing – household type and number of bedrooms required (Row %)

Household type	Can afford market	Can afford MMR	Cannot afford MMR
Single adult	30%	33%	47%
Small adult	14%	21%	23%
Single parent	17%	21%	7%
Small family	17%	8%	4%
Large family	9%	3%	4%
Large adult	9%	7%	8%
Older smaller	2%	3%	2%
Single pensioner	3%	3%	5%
Total	100%	100%	100%
Bedrooms required	Can afford market	Can afford MMR	Cannot afford MMR
1	41%	47%	61%
2	39%	42%	29%
3	18%	8%	9%
4+	2%	3%	2%
Total	100%	100%	100%

Source: SHS 2009-10, all households in unaffordable housing

4.24 Similarly, around half of those in unaffordable housing who could afford intermediate renting need one bedroom (single adults and small adult), but over 53% require 2 beds or more (e.g. small family, single parents). However, because this scenario is tested on incomes of between £14k and £16k, households with these incomes may struggle to afford larger sized properties.

Other data sources on affordability

4.25 The 2013 Renfrewshire Council tenants survey does not ask specifically about rent affordability. However, 12% of tenants had received money advice from the Council and when asked about Universal Credit, 8% of tenants said they would need regular reminders to pay their rent and 6% said they would need budgeting support. Around 17% of those paying rent said that the rent was fairly or very poor value for money. This latter indicator is a measure of quality more than affordability, so it seems likely that the proportion of social tenants experiencing rent affordability issues is likely to affect around 1 in 10 tenants.

4.26 The table below shows the relationship between rent affordability, condition and heating affordability in the private rented sector.

Table 4-4: PRS tenant views of property condition, rent and ease/affordability of heating

Rent	Dissatisfied-condition	Dissatisfied-rent	No - not easy to heat
Less than £400	16%	15%	56%
£400-£499	7%	28%	56%
£500-£599	9%	18%	47%
£600+	17%	38%	50%
All	12%	22%	54%

Source: Renfrewshire Council PRS survey 2012

4.27 Overall, those renting the cheapest properties (paying less than £400 a month) were more likely to be dissatisfied with the condition of their property and say it is not easy/affordable to heat but they are **not** more likely to be dissatisfied with the rent paid. This supports the idea that people trade off quality against price.

4.28 The rents at which tenants were more likely to be dissatisfied with the rent paid are the £400-£499 rent bracket and the £600+ rent bracket. It is notable that those within the £600+ rent bracket are more critical than average of the condition of their property **and** their rent level. These households are more commonly families.

4.29 Data on the households in receipt of LHA indicate that the recipients of LHA more commonly occupy 1- and 2-bedroom properties. However, 16% of those in receipt of LHA were in 3-4 bedroom properties. Many of these households will be families with children.

Table 4-5: Profile of LHA properties/recipients

Number of rooms	Total LHA cases	%
1 bedroom	1,189	38%
1 bedroom shared	390	12%
2 bedroom	1,071	34%
3 bedroom	409	13%
4 bedroom	95	3%
Grand Total	3,154	100%

	1 occupant	2 occupants	3+ occupants	All
Full LHA	32%	20%	31%	29%
Part LHA	68%	80%	69%	71%

Source: Renfrewshire Council LHA data

4.30 Overall, 71% of recipients received part LHA and 29% received full LHA, though single occupants and larger households more commonly received full LHA than households with two occupants.

4.31 From the qualitative research with consumers, in balancing out decisions between house size/type and location, the highest priority was location. This was about being

near their familiar areas; those areas where there are close ties with family and friends. This means the search patterns is tight e.g. within Paisley, within Renfrew, within Bridge of Weir, but some people spoke about slightly wider search within Paisley but would consider Renfrew, within Erskine area but would consider Renfrew. Some people talked about willingness to compromise on size and type over location - 1 bed rather than 2 bed, and flat rather than house – with the exception of a family households for whom a house with garden was a requirement. For older households location was an even stronger requirement, and they would likely stay longer in large or unsuitable home rather than move to a different area.

Data on income

- 4.32 A useful source of data on incomes to compare the affordability analysis to is from the income-modeling project completed by Heriot Watt University in 2014²⁸. That work also used a small area modeling approach, generating using data from the Family Resources Survey, the Scottish Household Survey and Understanding Society (based on British Household Panel Data). The locations with the lowest gross median incomes and concentrations of low-income households are shown below. These correspond very closely to the areas identified in Map 10 with a concentration of households in unaffordable housing/financial difficulties unable to afford intermediate options, with incomes of below £14,400 a year.

²⁸ <http://www.improvementservice.org.uk/income-modelling-project.html>

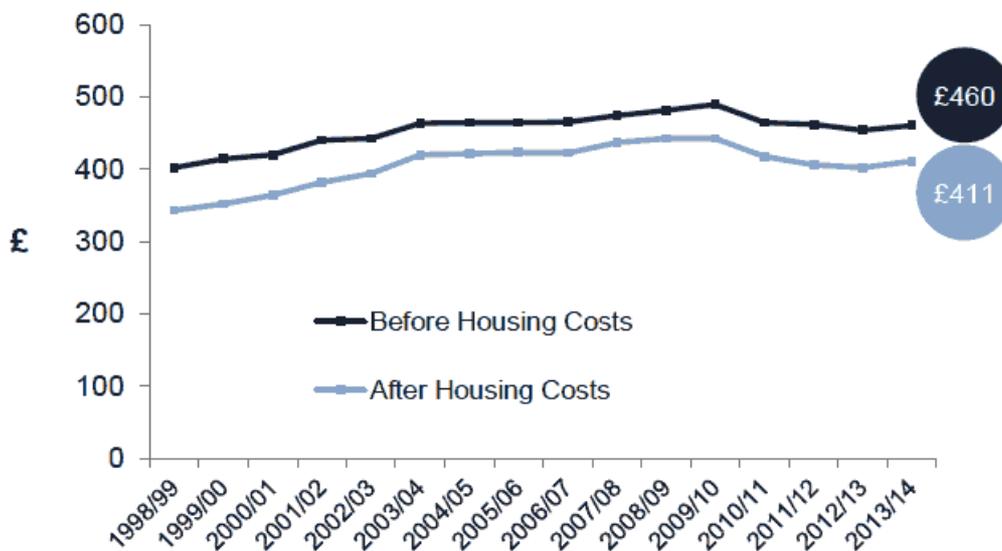
Table 4-6: Areas with low/below average incomes (HW income model)

Intermediate datazone	Median Gross Income £pw	% on a low Income (<60% median) BHC
Paisley North West	353	20%
Johnstone North West	391	20%
Linwood South	391	22%
Paisley Gallowhill and Hillington	392	21%
Paisley Ferguslie	396	22%
Paisley East	402	21%
Paisley North	403	18%
Paisley South East	404	17%
Johnstone South East	406	20%
Paisley Foxbar	418	19%
Johnstone North East	426	18%
Renfrew North	431	18%
Paisley North East	432	16%
Paisley Central	436	17%
Renfrew South	454	18%
Paisley Glenburn West	457	19%
Johnstone South West	457	19%
Renfrew West	466	18%
Linwood North	467	21%
Paisley Glenburn East	478	18%
Paisley West	490	17%
Renfrewshire	489	17%
Scotland	468	19%

Source: Heriot Watt income model, Annex F

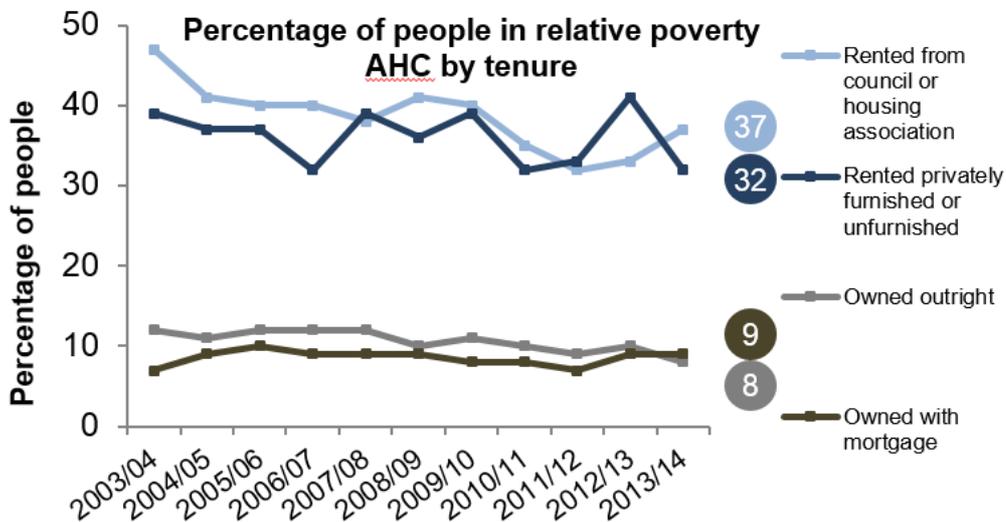
- 4.33 The incomes shown above indicate that in those in the lowest income areas would struggle to afford a 2- bedroom private rent, even at LHA rents (£440) and in Paisley North West a 1-bed LHA private rent (£350) would be on the margins of affordability for the average household.
- 4.34 Although the Heriot Watt analysis is based on income data from 2008-09, more recent data from the DWP Household Below Average Income statistics for Scotland for 203/14 suggests very similar income levels. This further validates the income thresholds in the affordability model.

Chart 8A – Median weekly household income in Scotland (in 2013/14 prices)



Source: HBAI dataset, DWP. These figures are also presented in [Annex 1 \(Table A8\)](#).

4.35 The DWP’s Household Below Average Income statistics, though not just for Scotland, also show the relationship between tenure and relative poverty. 37% of social renters and 32% of private renters are defined as in relative poverty (with an income of below 60% of the median) after housing costs, compared with 9% of owners.



Source: DWP Family Resources Survey Below Average Incomes Dataset

Understanding the dynamics of affordability

Moving behaviour

- 4.36 The analysis of the housing market and household incomes in Section 2 suggests that there are significant affordability constraints. Here, we aim to consider how households are currently occupying their property and how they tend to move between tenures at different life stages. Later in the section, we look at the ‘special case’ of young people who are unable to form a household.
- 4.37 The affordability analysis above shows that between a quarter and a third of those in unaffordable housing at the moment would appear to be able to afford lowest quartile house prices or a private rented property. This suggests that some people may opt for an unaffordable housing option for other reasons, while others may have larger households or other costs that contribute to financial difficulties. To understand to what extent these households might be expected to resolve their affordability issues, it is useful to look at the dynamics of affordability.
- 4.38 The 2011 Tribal Housing Affordability Study (HNDA2 Technical Report TR04), aimed to predict tenure change using various national and UK-level data²⁹. They identified a very consistent pattern of ‘gross flows’ between tenures within a year (using data for 1999-2006) as follows:
- 8.5% - 10 % of private renters become home owners
 - 4% of private renters move to social housing
 - 1% of owners move to private renting
 - 0.25% of owners move to social renting
 - 0.6% of social renters move to owner occupied housing (excluding RTB)
 - 1.2% of social renters move to private renting.
- 4.39 However, looking at more recent patterns of tenure across younger households in Scotland show very significant reductions in the proportion buying with a mortgage. In 1999, 48% of young highest income householders were buying with a mortgage while in 2006 43% were. This proportion has continued to fall since then and stood at just 28% in 2014.

²⁹ Data constraints with Scottish data meant that much of the tenure change analysis is based on the Survey of English Housing, which explores actual tenure moves better than Scottish data.

Table 4-7: Tenure of households by year for households where the highest income householder is aged between 16-34 years

Year	1999	2000	2001	2002	2003	2004	2005	2006
Owner Occupier	53	53	53	52	53	50	50	48
Owned outright	5	5	4	5	3	4	4	5
Buying with help of loan/mortgage	48	48	49	48	50	46	46	43
Social Rent	32	31	28	28	27	28	25	28
Private Rent	13	15	17	17	19	20	23	23
Other	2	2	2	2	2	2	3	2
All	100	100	100	100	100	100	100	100
<i>Base</i>	<i>3,010</i>	<i>3,050</i>	<i>3,030</i>	<i>2,790</i>	<i>2,580</i>	<i>2,730</i>	<i>2,620</i>	<i>2,600</i>
Year	2007	2008	2009	2010	2011	2012	2013	2014
Owner Occupier	46	45	43	41	40	36	34	30
Owned outright	4	4	3	3	3	3	2	2
Buying with help of loan/mortgage	43	41	40	38	37	33	32	28
Social Rent	25	26	24	24	25	24	25	26
Private Rent	27	27	31	33	34	38	39	41
Other	2	2	2	2	2	3	3	2
All	100	100	100	100	100	100	100	100
<i>Base</i>	<i>2,170</i>	<i>2,140</i>	<i>2,400</i>	<i>2,400</i>	<i>2,320</i>	<i>1,780</i>	<i>1,780</i>	<i>1,770</i>

Source: Figure 3.3, Scottish Household Survey Annual Report, 2014 (Sept 2015)

4.40 Among the older cohort – highest income householders aged 35-59 years – there has been a 5% reduction in the proportion buying with a mortgage, which in 2014 accounted for 47%, compared with 53% in 2006. Again, the main shift in the older group has been towards private renting.

4.41 The data above suggests that over the period between 1999 and 2015, the most significant overall shift in tenure among younger households has been from owner-occupation (and, to a lesser extent, social renting) to private renting. In 1999 13% of younger households were private renters while in 2014 41% were.

Table 4-8: Tenure of households by year for households where the highest income householder is aged between 35-59 years

Year	1999	2000	2001	2002	2003	2004	2005	2006
Owner Occupier	68	69	70	72	71	71	72	70
Owned outright	14	15	14	16	16	16	17	17
Buying with help of loan/mortgage	54	54	56	56	55	55	55	53
Social Rent	26	26	24	23	23	22	21	22
Private Rent	4	4	4	4	4	6	6	6
Other	2	2	1	1	1	2	2	2
All	100	100	100	100	100	100	100	100
Base	7,160	7,710	7,490	7,390	7,350	7,840	7,660	7,740
Year	2007	2008	2009	2010	2011	2012	2013	2014
Owner Occupier	70	71	71	69	68	66	65	64
Owned outright	17	17	17	17	17	17	16	17
Buying with help of loan/mortgage	53	54	53	53	51	49	49	47
Social Rent	22	21	21	22	22	22	22	24
Private Rent	6	7	7	8	8	11	11	11
Other	1	1	1	1	1	1	2	1
All	100	100	100	100	100	100	100	100
Base	6,510	6,680	6,890	6,700	6,840	4,970	5,020	4,970

Source: Figure 3.4, Scottish Household Survey Annual Report, 2014 (Sept 2015)

4.42 So, the Scottish evidence since 2006 on the overall tenure profile of younger households suggests that assuming that 8.5%-10% of private renters flow into owner-occupation is likely to overestimate the extent to which households might be able to make this move.

Table 4-9: Tenure moves - SHS data (adult population moving in last year)

Movers as a proportion of all within the tenure	As a % of current tenure	As a % of prev tenure	Tribal estimates
PRS to own	0.8%	5.0%	8.5-10%
PRS to SRS	1.6%	3.1%	4.0%
Owners to PRS	3.8%	0.6%	1.0%
Owners to SRS	0.8%	0.2%	0.3%
SRS to own	0.2%	0.8%	0.6%
SRS to PRS	2%	1.2%	1.2%

Source: SHS data 2009/10 (Base=2,185 adults in households moving on previous year)

4.43 Analysis of the SHS data suggest that the proportion of private renters moving to own is lower, with 5% of the adult population who had previously been in a PRS property now living in an owner-occupied property. That is 0.8% of current owner-occupiers having made the move from the private rented sector.

4.44 Other tenure moves seem similar to that predicted by the Tribal model, although there is a slightly lower proportion moving into the social rented sector from the private rented sector.

4.45 The qualitative research is also important in understanding tenure aspirations, barriers and constraints. As previously discussed elsewhere in this report, home ownership is still considered as the 'panacea' amongst potentially newly forming households, but

financial restrictions from deposits and mortgage eligibility is the main barrier. Barriers to the social rented sector, for those interested in this sector, is around eligibility, and so for many of the young and concealed households living in the private rented sector, or staying put with parents is the only option.

Tenure preferences

4.46 The table below shows the preferred tenure of the sample of private renters interviewed in the Renfrewshire PRS survey in 2012. Overall, 23% of current PRS tenants said they would prefer to buy their next property while 41% would prefer to move to the social rented sector and the remainder would move within the PRS, did not know or would do something else. Proportionately more PRS tenants paying a higher rent aspire to own.

Table 4-10: Preference for tenure of next move, by current monthly rent level

Rent	PRS to own	PRS to SRS	PRS to PRS/other
Less than £400	21%	44%	35%
£400-£499	22%	39%	39%
£500-£599	27%	42%	31%
£600+	33%	33%	34%
All	23%	41%	36%

Source: Renfrewshire Council PRS survey, 2012

- 4.47 Compared with actual moving behavior at a national level identified above, it is clear that proportionately far more private renters would like to move to other tenures in Renfrewshire than are likely to be able to do so in the near future.
- 4.48 There is movement into the social rented sector from other tenures, though. On average, there were 24 lets of RC tenancies to private renters and 53 lets to owner-occupiers over the three years from 2012-2015. That is 11% of lets to private renters and 25% of lets to owners, on average, over three years. This is slightly lower than the proportion on the waiting list (15% of the waiting list are in the PRS and 27% in owner-occupation).
- 4.49 Moves **out** from the social rented sector to the private sector appear to be more common than moves in, though with an average of 36 RC tenants moving to own in the same period and 124 social tenants moving to the PRS. That is an average net difference of 84 moves out from RC stock to the private sector³⁰.
- 4.50 Of the current private renters in the 2012 PRS survey who said they would prefer to move into owner-occupation on their next move, over half were families with children and over 70% were aged between 36-64 years old. That is an estimated 12% of private renters being families wanting to move into owner occupation.

³⁰ RSL data collected in the annual survey shows 'found alternative accommodation' but not which tenure.

Summary

- 4.51 This section has outlined a number of **key segments of the market for whom their current housing poses affordability problems**. This is about affordability pressure rather than necessarily about requirements for additional units – it provides us with a steer on where different scenarios on the housing needs estimates may be developed. There are -
- An estimated 700 households are in unaffordable housing and struggling financially but could afford lower quartile market housing. However 20% of this group require larger 3+ bedroom properties but there will likely be few larger sized market housing priced within lower quartile prices of the type and in the location that families want to buy.
 - An estimated 500 households could not afford market housing but could afford an intermediate option – there are however limited number of MMR rental options for people to move to, as this is a relatively new tenure.
 - A further 1,500 households have affordability issues but have incomes so low that even an intermediate option would be unaffordable.
- 4.52 Currently, these are **geographically distinct segments**, with those able to afford market solutions or intermediate renting in different locations than those for whom these options do not exist. This is due to the income distribution in Renfrewshire – the locations with the lowest gross median incomes and concentrations of low-income households correspond very closely to the areas with a concentration of households in unaffordable housing/financial difficulties unable to afford intermediate options i.e. for whom social rent is the only affordable option.
- 4.53 It will also be the case that many households will choose to stretch the amount they spend on housing beyond the 25% affordability threshold used for this analysis. From the preceding chapters we know that markets are relatively self-contained, confirmed by data on house moves and focus groups evidence where consumers suggest very strong local connections, and little willingness to move very far within Renfrewshire – location generally comes first. This means that in these very polarised housing systems (location, price, income, tenure, type and size of housing) there may be very limited flexibility and housing options to meet a range of needs and incomes, and as result people will stretch affordability.
- 4.54 It might be reasonable to expect that some of these households will resolve their affordability issues over time – as employment/incomes change, couples form, people change tenure etc. In that respect, affordability and housing choices are dynamic. However, it is likely there will remain a core of households, most likely living in PRS, for whom SRS would be a more affordable option. But tenure and locational preferences dictates that they may not chose to move into SRS where it is available, and rather pay more in the PRS – we have evidence that some people do move into social rented housing from private housing, but more households move out from the SRS to private renting, and to a lesser extent to ownership, in Renfrewshire. This confirms locational, tenure and type of housing preferences discussed by consumers, and the systematic low demand and sustainability problems in the SRS as analysed in Section 3.
- 4.55 There is evidence that more people want to move out of the private rented sector to owner occupation than look able to – this is also confirmed by qualitative research where newly forming households have the aspiration to move into ownership, but deposit and mortgage eligibility are barriers to access. The numbers able to move into

owner occupation are likely to remain constrained, with about 5% a year possibly able to do so (though maybe even less if national trends continue).

- 4.56 The evidence presented in this section provides further weight to the evidence of large scale housing supply and demand imbalances, with mismatch by tenure, location and housing type leading to affordability pressures across the income range.

5 Housing stock pressures - unsuitable housing

Property mis-match

5.1 The other aspects of housing unsuitability where a housing adjustment might be needed without an additional unit of accommodation are:

- over-crowding (where there is not a concealed household needing a new property)
- poor condition or lack of amenity – for the Council housing sector this has been discussed earlier through the sustainability assessment in section 3 above.
- the need for adaptations and the need for social care
- severe harassment/safety issues.

5.2 Table 5.1 shows the estimated proportion and number of **overcrowded** households failing the bedroom standard. Overall, 2% of households in Renfrewshire fail the bedroom standard and do not contain a concealed household as defined by HNDA2. This is an estimated 1,600 households whose properties are too small to meet their needs. Overcrowding is less common in North Renfrewshire and West Renfrewshire.

Table 5-1: Estimated % and number of households failing the bedroom standard (excluding those overcrowded and concealed by the HNDA2 definition)

	%	Household estimate
Johnstone & Elderslie	2.3%	244
North Renfrewshire	1.3%	125
Paisley & Linwood	2.3%	935
Renfrew	2.1%	225
West Renfrewshire	1.1%	100
Renfrewshire	2.0%	1,623

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)

5.3 These are households who we would expect to resolve their housing need through moving within the existing stock. However, the ability to move depends on the availability of the right type and size of stock in places that people want to move to.

5.4 Across Renfrewshire, the SHCS 2011-13 found the following prevalence of **property condition** issues.

Table 5-2: National estimates of various property condition issues

	%	Household estimate	Confidence interval at 95% level (+ or -)	Estimate range
Below Tolerable Standard	4%	3,000	2.5%	1,100-5,500
Urgent disrepair	41%	33,000	6.3%	27,900-37,700
Extensive disrepair	11%	9,000	4.0%	5,800-11,800
Fuel poverty	29%	24,000	5.8%	19,100-28,300
Extreme fuel poverty	7%	5,000	3.3%	3,100-7,500

Source: SHCS Local Authority analyses 2011-13, household estimates from SHCS stats tool (232 cases for Renfrewshire)

- 5.5 There is a lack of local information about stock condition in Renfrewshire, so we need to use other data to look at disaggregated results by tenure and location. SCHS data have been combined over a number of data years (2007-2013) to enable analysis by tenure. However, a limited number of variables can be combined across datasets. There is also a large amount of ‘unobtainable’ data for the PRS properties in Renfrewshire for measures of urgent and extensive disrepair.

Table 5-3: Fuel poverty and % Below Tolerable Standard by tenure

Fuel poverty	Owner-occupied	LA/Other public	HA/ Co-op	Private-rented	Rent free	All
1 – Not fuel poor (<8%)	63.9%	45.9%	74.5%	68.2%		61.8%
2 - Marginal fuel poor (8-10%)	9.9%	20.8%	9.9%	11.9%		11.9%
3 - Fuel poor (10-20%)	18.7%	31.1%	15.6%	16.6%	100.0%	20.6%
4 - Extreme fuel poverty (20%+)	6.6%	2.2%		3.4%		5.1%
9 - Missing income	.9%					.6%
BTS	3.9%	1.7%	0.0%	5.7%	0.0%	3.4%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: SHCS (Combined dataset 2007-2013, Renfrewshire base=949)

- 5.6 Overall, the fuel poor are more commonly social renters but **extreme** fuel poverty appears more of a concern in the private sector – with 7% of owners, 3% of private renters and 2% of social renters in fuel poverty. Less than 2% of LA and no RSL stock was Below Tolerable Standard while 4% of owner-occupied and 6% of PRS stock was.
- 5.7 If we base sub-area estimates of poor property condition in proportion to the tenure in each area, we would have the following estimates of BTS and extreme fuel poverty (based on the 2011-2013 estimates).

Table 5-4: BTS and extreme fuel poverty – sub area estimates

	Johnstone & Elderslie	North Renfrew-shire	Paisley & Linwood	Renfrew	West Renfrew-shire	Renfrew-shire
Extreme fuel poverty	620	690	2430	600	660	5000
Low extreme FP	380	430	1510	370	410	3100
High extreme FP	930	1035	3645	900	990	7500
BTS	390	370	1510	370	360	3000
Low BTS	140	140	550	140	130	1,100
High BTS	710	675	2780	675	660	5,500

Source: Estimates based on SHCS estimate 2011-13, tenure profile in combined dataset 2007-2013, NRS adjusted projections (base on March 2013 SRS stock figures).

5.8 Fuel poverty estimates are available at intermediate datazone to enable some analysis of the concentration of fuel poverty by area³¹. The local estimates show values of 1 for areas where less than 20% of households experience fuel poverty, 2 for areas where 20-29.99% do, 3 where between 30%-39.99% are in fuel poverty and 4 where 40% or more households are estimated to be in fuel poverty. There were no areas of Renfrewshire scoring 4 on the fuel poverty measure, but those areas scoring 2-3 are shown below. The areas with the highest fuel poverty scores include some more rural areas with predominantly private sector housing, as well as some poorer urban areas.

Table 5-5: Intermediate datazones with higher fuel poverty (scoring 3 or 2)

Intermediate datazone	Fuel poverty score
Johnstone South East	3
Linwood South	3
Linwood North	3
Paisley Gallowhill and Hillington	3
Renfrewshire Rural North and Langbank	3
Renfrewshire Rural South & Howwood	2
Paisley Glenburn West	2
Paisley Glenburn East	2
Paisley Foxbar	2
Johnstone South West	2
Paisley South West	2
Paisley South East	2
Johnstone North West	2
Paisley West	2
Kilbarchan	2
Paisley East	2
Johnstone North East	2
Elderslie and Phoenix	2
Paisley Central	2
Paisley North West	2
Paisley Ralston	2
Paisley Ferguslie	2
Paisley North East	2
Bridge of Weir	2
Paisley North	2
Renfrew South	2
Renfrew East	2
Renfrew West	2
Renfrew North	2
Erskine Central	2
Erskine West	2

Source: SHCS Local Fuel poverty estimates –

<http://www.gov.scot/Topics/Statistics/SHCS/Downloads/LIFP-2014/QIF-Methodology>

- 5.9 In terms of policy responses, there is certainly the need for better information about private sector property condition. 12% of private renters surveyed in the 2012 PRS survey said their property was in poor condition (5% very poor) while 19% had difficulties finding a property of a reasonable quality. There is continued growth of private renting and evidence of affordability issues for people in the PRS and owner occupation, as well as consultation evidence (from Council and RSLs) of some very poor condition tenemental properties in central and the west end of Paisley.
- 5.10 The estimate of the proportion of Below Tolerable Standard properties is close to the proportion of private renters saying their property is in a very poor condition (5.7%, compared with 5%).

5.11 The Scottish Government is about to publish research on the most appropriate energy efficiency measures for a large number of property archetypes across Scotland. This is to inform the work of the ‘Regulation of energy efficiency in private sector homes’ (REEPs) working group. There is a commitment to consult of private sector regulation in 2015.

Adaptations and Social Care

5.12 The Scottish Household survey collects information from randomly selected adults about their receipt of help with **domestic or personal care** and their need for property **adaptations**. The table below shows the estimated number of households containing an adult receiving care or needing adaptations. The estimates in Table 5.6 takes the figure for adults and weights it down by the average number of adults in each area, to provide a household-level estimate.

Table 5-6: Estimated % and number of households needing care and adaptations

	Receive care ³² %	HH est 2012	Need adapt ³³ %	HH est 2012	Get care or need adapt %	HH est. 2012
Johnstone & Elderslie	6.4%	689	4.1%	437	8.4%	897
North Renfrewshire	4.8%	456	2.7%	261	2.7%	261
Paisley & Linwood	5.4%	2,222	3.5%	1,427	3.5%	1,427
Renfrew	5.2%	542	3.3%	346	3.3%	346
West Renfrewshire	3.9%	350	2.1%	189	2.1%	189
Renfrewshire	5.2%	4,213	3.2%	2,618	6.8%	5,484

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)

5.13 Overall, an estimated 5% of households contain an adult who receives domestic or personal care while an estimated 3% contain someone needing an adaptation that they currently do not have. Some adults receive care and have identified an adaptation need, so overall almost 7% of households either receive care or need adaptations.

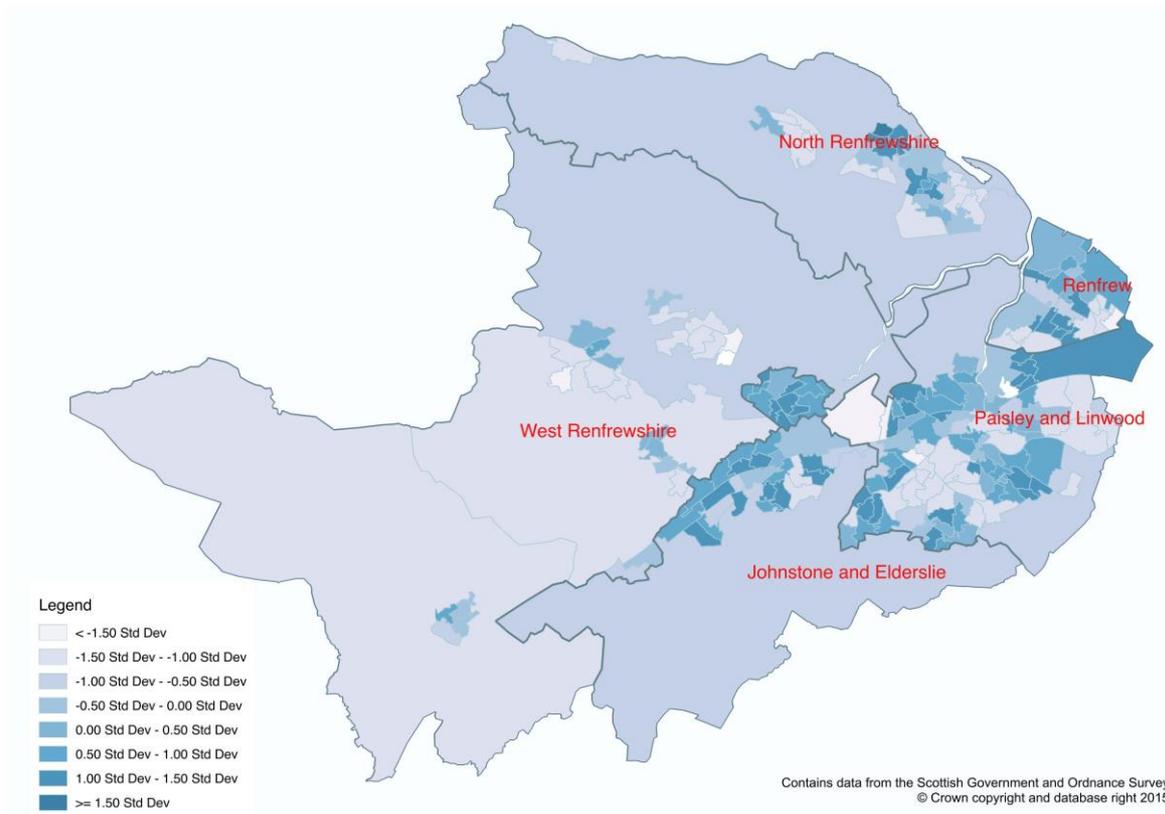
5.14 Although the 3% of household with a self-identified adaptation need have an unmet need for adaptations, a fair proportion of the 5% receiving care will have their care needs fully met. However, these 5% receiving care are those likely to require more support in future.

5.15 The map below shows where there are concentrations of households receiving domestic or personal care or needing adaptations.

³² Care – receiving domestic or personal care

³³ Whether there are adaptations or equipment that the respondent does not have that would help (asked of anyone having difficulties within with household tasks, personal care, mobility etc.)

Map 11: Households receiving care or needing adaptations



- 5.16 Scottish Government data on home care³⁴ in Renfrewshire in the last three years suggest an average number of **1,920** home care clients receiving an average of 15 hours each, with an average of 370 clients (19%) receiving 10 or more hours of care per week.
- 5.17 This 1,920 figure for home care is far lower than the estimate derived from the Scottish Household Survey, which includes **both** domestic care and personal care. Domestic care is far more common (received by around twice as many adults compared with personal care).

³⁴ Scottish Government Social Care Survey 2014; Number of home care clients and hours provided/purchased

- 5.18 The people most likely to need Extra Care Housing or other specialist provision in future are more likely to be the clients currently in receipt of 10+ hours of care. If we use the SHS smaller area estimates to model the distribution of the average 'higher care' households by area, the 370 cases would be distributed as follows –
- Johnstone & Elderslie - 60
 - North Renfrewshire - 40
 - Paisley & Linwood - 195
 - Renfrew - 45
 - West Renfrewshire – 30.
- 5.19 Although 370 households receive intensive levels of care, most of these are likely to want to stay in their current home rather than move to an extra care setting. However, recent work by Craigforth and Newhaven Research indicated that there was scope for expansion of the extra care housing model in Renfrewshire, with a **potential current target population** of between 280 and 370 older people. After discounting the existing provision of 190 units, this suggests a potential unmet need for **85-180 units**.
- 5.20 Projecting forwards, and assuming no change in the proportion of older residents in receipt of home care suggests that by 2024-25 the target population could exceed 300. However, the Craigforth/Newhaven report acknowledges that Renfrewshire Council is seeking to increase the number of older people receiving intensive packages of care in their own home.
- 5.21 If part of this additional provision were to be provided through new supply rather than upgrading existing sheltered housing provision, this would need to be factored into the adjusted housing requirement (although the older people would free up an existing property). Assuming a third of ECH was new supply as opposed to utilising existing sheltered housing, that would be around 30 units in the short term.

Harassment

- 5.22 The best information on **severe harassment** held by Renfrewshire Council relates to the 'ASIST' data system. The Antisocial Investigations Team and Mediation Service (ASIST) have two specialist teams that deal with complaints of neighbour nuisance and antisocial behaviour. The number of cases dealt with by area in 2014-15 was as follows –

Table 5-7: Area profile of ASIST cases compared with the 2012 household estimates

	ASIST cases	% of cases	Households	% of households
Johnstone & Elderslie	72	17%	10,682	13%
North Renfrewshire	40	9%	9,544	12%
Paisley & Linwood	243	57%	41,319	51%
Renfrew	62	15%	10,462	13%
West Renfrewshire	8	2%	8,917	11%
Renfrewshire	425	100%	80,924	100%

Source: ASIST cases 2014-15, NRS household estimates 2012 (HNDA2)

- 5.23 There are proportionately more ASIST cases in Paisley & Linwood, Johnstone & Elderslie and Renfrew compared with the proportion of households in these areas while there were proportionately fewer ASIST cases in North and West Renfrewshire, compared with the number of households there.

5.24 ASIST performance data³⁵ suggests that in 95% of cases, antisocial behaviour cases reported no further incidents within 6 months of investigation while 78% of mediation agreements satisfactorily maintained for more than 3 months. This suggests that of the total 425 cases, we would expect that between 21 and 94 cases may be longer-term/ongoing issues. These 'unresolved' cases, if in proportion to the original areas would be – 4-16 cases in Johnstone & Elderslie, 2-8 cases in North Renfrewshire, 12-54 in Paisley & Linwood, 3-14 cases in Renfrew and 0-2 cases in West Renfrewshire. Around 40 tenancies end each year with eviction but it is not recorded what proportion of these are due to anti-social behaviour.

Young people unable to form a new household

5.25 A group not included within the back-log need figure of concealed households that are overcrowded (Section 6) in HNDA2 are young people living in the parental home. These households are likely to include those who will emerge as new households in future. An interesting sub-group of younger people living with parents where we would expect them to be requiring/wishing an alternative housing option are people aged over 30 years who are in full time employment.

5.26 This group is of interest in policy terms, as a further potential market for intermediate or social housing, or lower end market housing. It is likely that those aged over 30 years should be beyond studying/early career stage and so be expected to be considering independent living. If by this age people working full-time have not yet formed a new household this may indicate some affordability concerns.

5.27 Those aged over 30 years old who are caring for someone else within the household or who are cared for by someone else in the household are excluded, as these people are more likely to need to or wish to stay within the parental home. Although we may wish to consider whether some of those aged 30+ who are cared for might wish to live independently if there were housing options to enable that.

Table 5-8: Estimates – aged 30+, working full time and 'stuck' in parental home

	%	HH estimate	Also overcrowded
Johnstone & Elderslie	0.9%	100	6
North Renfrewshire	1.4%	133	6
Paisley & Linwood	0.9%	362	24
Renfrew	0.9%	92	4
West Renfrewshire	1.0%	90	3
Renfrewshire	1.0%	779	43

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)

Estimates excludes those cared for or caring and those included within the concealed and overcrowded estimate based on HNDA2.

5.28 It is interesting to see a higher proportion of adults 'stuck' in the parental home in North Renfrewshire in particular, where (along with West Renfrewshire) we find proportionately low levels of social renting and private renting and the highest average

³⁵

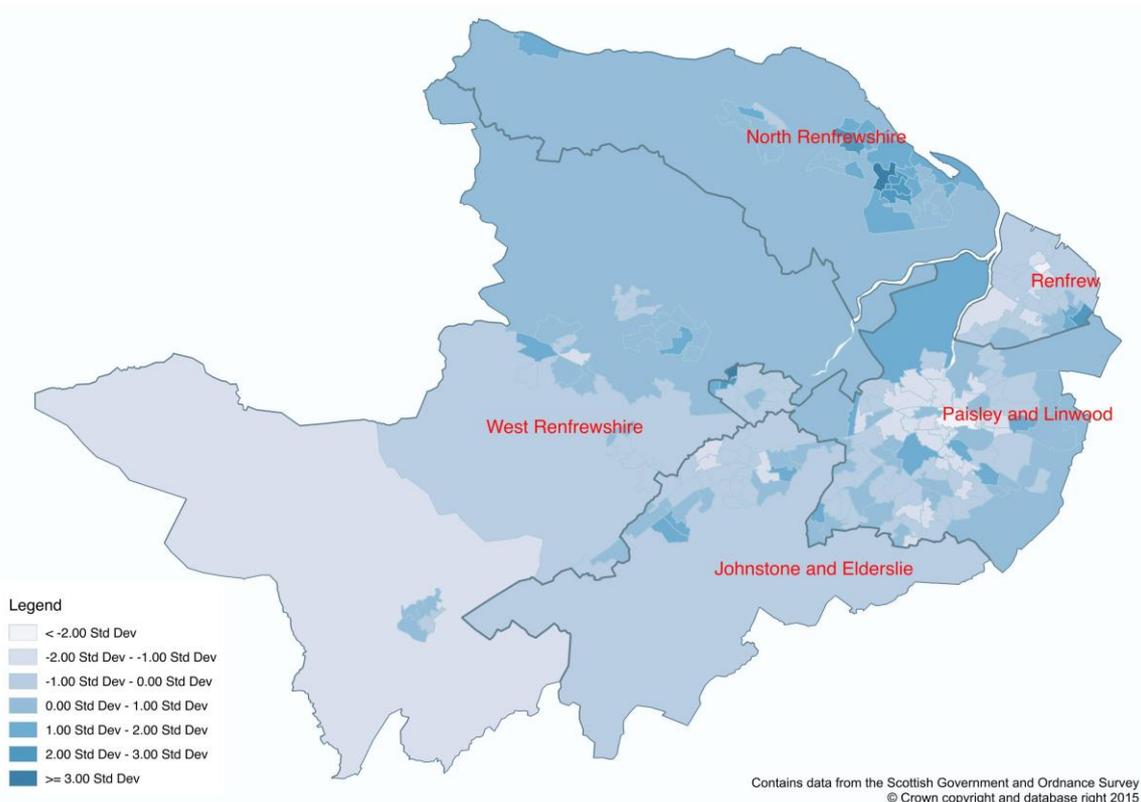
<http://www.renfrewshire.gov.uk/webcontent/home/services/council+and+government/council+information,+performance+and+statistics/council+performance/hp-kw-asistmediationservice-howarewedoin>

house prices. The qualitative research with consumers confirmed that people have relatively local search patterns and there is a reluctance to move to cheaper parts of the housing market in order to be able to form a new household.

5.29 The focus groups for concealed households (the example area chosen was North) found that affordability was the main barrier to moving to housing independence. In the North these households' preference was to remain in that area (mainly Erskine) close of family and friends, and to move into home ownership, or private renting as a reluctant second choice – both were considered as unaffordable for the majority of respondents. These people said they may possibly stretch their search to Renfrew which some thought had a broad range of housing options, and was still within close proximity to Erskine for travelling to see friends and family.

5.30 There is a small amount of double-counting between those households containing a 'stuck' young person and those overcrowded but without a concealed family. The overlap is only around 40 households, though, suggesting that one of the reasons that people aged 30+ who are working are still living at home is that they can comfortably be accommodated there. In an ideal world these people would form new households but given that most are able to comfortably stay living with parents, but the question here is whether there should be a policy response to make it easier for households to form.

Map 12: Households with someone aged 30+ in full time work, living with parents



Summary

- 5.31 Overcrowding affects an estimated 1,600 households across Renfrewshire, with more overcrowding in Johnstone & Elderslie, Paisley & Linwood, and Renfrew and less in the North and West. Where overcrowding is not associated with a concealed family, there is assumed to be no need for a new unit of housing, so an adjustment is needed through moving to appropriate, larger accommodation.
- 5.32 There is a lack of family-sized housing in some of these areas and in private renting in particular, with many households having difficulties accessing sufficiently large accommodation.
- 5.33 There is a greater prevalence of concealed households that are not overcrowded in the North and West areas – adult children living with their parents. This is where there are very constrained housing choices across housing tenure, and less smaller accommodation.
- 5.34 Very poor property condition (Below Tolerable Standard or extreme fuel poverty) affects around 5% of households in Renfrewshire, with more issues in the private market - owning and private renting and is likely to be concentrated in the low value areas although detailed information about private sector stock condition is not available. Fuel poverty as a whole (not just extreme fuel poverty) affects lower-income social renters more commonly.
- 5.35 With the significant shift towards private renting, which is projected to continue for the foreseeable future, this suggests a need for better information and regulation of quality in this sector.
- 5.36 Section 2 discussed the projected rise in older households – the population of 65-74 years will increase by 35% and 75+ years by 50% against an overall population increase of 1% in the projections to 2029. A recent study on the requirement for Extra Care Housing suggests a current unmet need of up to 90 units. This needs to be factored into the future housing requirement (see Section 7).

6 Estimating housing need and demand

- 6.1 This section of the report aims to provide sub-area level estimates of housing need and demand which fit the 'back-log' or 'existing' need elements of the HNDA2 model. The two key elements of need that contribute to existing need are shown below in the summary table from HNDA2.
- 6.2 In HNDA2, existing need is assessed as (1) homeless households and (2) households that are overcrowded **and** concealed households. This is an estimated total of 578 homeless and overcrowded and concealed households in Renfrewshire.
- 6.3 HNDA2 backlog need is essentially homeless households not expected to be securely housed (where securely housed is defined as those moving into a social tenancy)³⁶ – and concealed households that are also overcrowded. The latter 'concealed household' group is defined as follows –
- a married, same-sex civil partnership, or cohabiting couple, with or without child(ren)
 - a lone parent with child(ren), □
 - a married, same-sex civil partnership, or cohabiting couple with grandchild(ren) but with no children present from the intervening generation, or
 - a single grandparent with grandchild(ren) but no children present from the intervening generation.
- 6.4 Critically, a single person cannot be a concealed household in this ONS definition. Households where adults are part of wholly unrelated households are also excluded (so HMOs are not treated as multiple concealed households).
- 6.5 Along with other GCV local authorities, with the exception of Glasgow City and North Lanarkshire, Renfrewshire's backlog need was assumed to be cleared within 5 years. All of the GCV local authorities also assume that the backlog need would be met through affordable housing rather than in the PRS or owner-occupation.

³⁶ This method was developed in preference to the default HATAP method.

Table 6-1: HNDA2 backlog need estimates by LA

Local Authority	Homeless	Overcrowded and Concealed	Total Backlog (Homeless + Overcrowded and Concealed)	% of Existing (Backlog) Need within GCV Area
East Dunbartonshire	258	0	258	2%
East Renfrewshire	48	154	202	2%
Glasgow City Council	2,507	3170	5,677	48%
Inverclyde Council	120	0	120	1%
North Lanarkshire Council	548	1,675	2,223	19%
Renfrewshire Council	206	372	578	5%
South Lanarkshire Council	629	1,561	2,190	19%
West Dunbartonshire Council	325	154	479	4%
GCV Total	4,641	7,086	11,727	100%

Source: HNDA2 Technical Report TR07, Table 4.1 Total Existing Need

Concealed and overcrowded households across the 5 areas

- 6.6 In order to replicate the approach to estimating overcrowded and concealed households to generate sub-areas estimates, the syntax used for the CHMA bespoke Scottish Household Survey (SHS) analysis was replicated to ensure the same rules on what is a concealed household were applied. Again, the 2009-10 survey was used for the small area estimates as this gave the largest currently publically available dataset at the time the estimates were run. Generating the analysis of the base national estimates from more than 28,000 cases means that every case is used in compiling the estimate, based on its ONS classification. An estimate is derived for each ONS classification and then these are grouped to datazones to arrive at an estimate at the datazone level. Datazones can then be aggregated up to larger sub-areas.
- 6.7 This differs slightly from the CHMA approach used to generate the HNDA2 estimates, as the CHMA used the SHCS for 2010-12, with the three years of data grouped to provide a larger sample for local authorities within the GCV. However, the CHMA estimates are directly based on the survey data.
- 6.8 HNDA2 estimated that 372 households were overcrowded and in concealed households. That is, households failing the bedroom standard and also containing a concealed household as defined above. Replicating this method to estimate the area profile, we found the following area profile of overcrowded and concealed households (OCH).

Table 6-2: Overcrowded and concealed households - area estimates

	% of all OCH	Est HH	% of all HH
Johnstone & Elderslie	15%	57	13%
North Renfrewshire	10%	39	12%
Paisley & Linwood	54%	199	51%
Renfrew	13%	49	13%
West Renfrewshire	8%	28	11%
Renfrewshire	100%	372	100%

Source: SHS 2009-10 small area estimates, NRS household estimates 2012 (HNDA2)
HNDA2 Technical Report TR07, Table 4.1 Total Existing Need

6.9 Replicating the CHMA analysis and then aggregating the datazone estimates to sub-areas and Renfrewshire as a whole produces a significantly larger estimate – with around 700 households in Renfrewshire estimated as concealed and overcrowded. There is, however, a large estimate range arising from the survey confidence intervals producing estimates of between 0 and 1,000 for Renfrewshire, with a midpoint at 372. It is noted that some of the GCV local authorities have an estimate of zero, due to their being no observed cases in the survey sample of concealed and overcrowded households. In that respect, the estimate of 700 represents a higher estimate within the range of expected estimates generated from the CHMA analysis.

6.10 Table 6.3 shows the differences between the small area estimates aggregated by local authority across the GCV. Using the small area estimates allows an estimate to be made for smaller LAs without observed cases using the HNDA2 survey analysis approach.

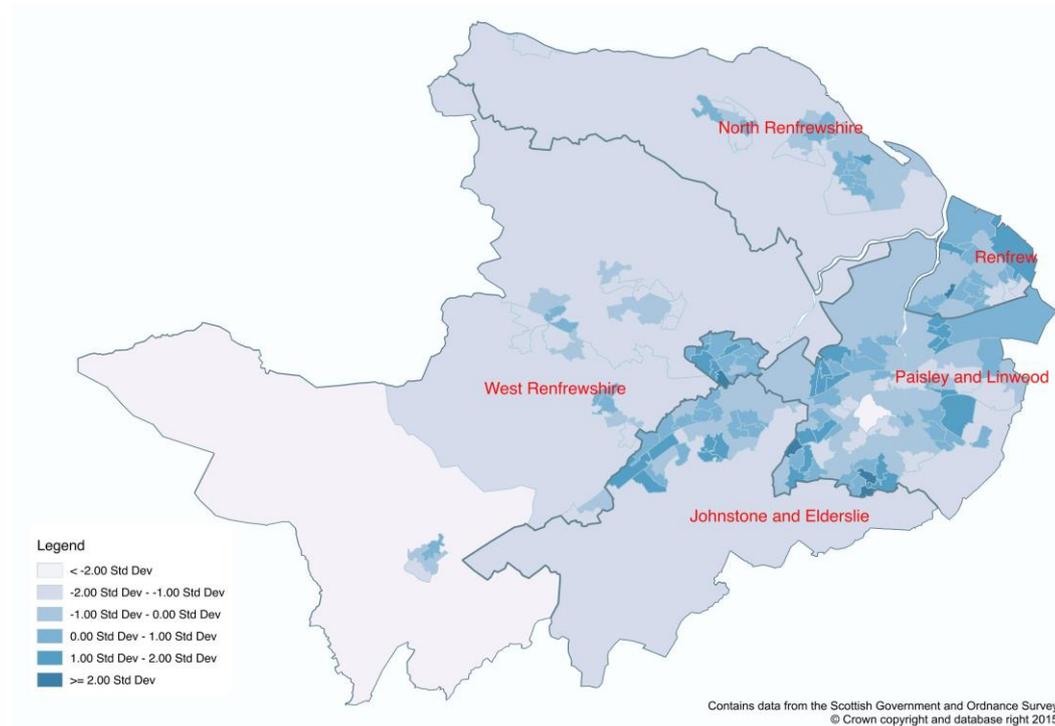
Table 6-3: Comparing overcrowded and concealed household estimates

GCV estimates	Small area estimates (SAE)	Recalibrated to HNDA2 global total	SAE % of total in each LA	HNDA2 est.	% HNDA2 in each LA
East Dunbartonshire	293	280	4%	0	0%
East Renfrewshire	261	250	4%	154	2%
Glasgow City	2,789	2,672	38%	3,170	45%
Inverclyde	336	322	5%	0	0%
North Lanarkshire	1,372	1,314	19%	1,675	24%
Renfrewshire	717	686	10%	372	5%
South Lanarkshire	1,190	1,140	16%	1,561	22%
West Dunbartonshire	441	422	6%	154	2%
GVC	7,398	7,086	100%	7,086	100%

Source: SHS small area estimates; HNDA2 estimates (Table 1, TR06)

6.11 There is a higher estimated prevalence of overcrowded and concealed households in Paisley & Linwood and Johnstone & Elderslie compared to their share of the stock. There is a lower estimated prevalence of overcrowded and concealed households in North Renfrewshire and West Renfrewshire. Map 13 shows the concentrations of over-crowded and concealed households, with darker shading indicating a higher than average prevalence in pockets of Johnstone & Elderslie, Paisley & Linwood and Renfrew.

Map 13: Overcrowded and concealed households



6.12 Looking at the datazones with concentrations of overcrowded and concealed households and concentrations of overcrowded but not concealed household, there is a strong positive relationship between the percentage of concealed and overcrowded households in an area and the percentage with incomes below £400 a week (from the Heriot Watt income model). In contrast, there is a strong **negative** relationship between the proportion of households with an adult child who is working but living at home and the percentage of households with incomes of below £400 a week. It would appear that in better off areas, adult children are more comfortably accommodated but in less well-off areas, where parents cannot afford the space, adult children are not well accommodated and so are overcrowded and concealed. In areas of deprivation, adult children are also more likely to have children.

6.13 North and West Renfrewshire were the two areas where there were proportionately more people aged 30+ working full time and living with parents but where overcrowding was less common.

6.14 By definition, the households in need because they are overcrowded and concealed are families. The number of bedrooms required by the concealed households identified in the SHS are as follows:

- 1 bedroom – 39%
- 2 bedrooms – 53%
- 3+ bedrooms – 9%.

6.15 There is a small amount of overlap between concealed and overcrowded households and those in need of care, with around 5% of those overcrowded and concealed households c. 30 households needing care.

Homeless households

- 6.16 Rather than using the standard 'HATAP' approach used by the CHMA to estimating homeless households in need, the GCV partners developed an approach using HL1 data. The measurement of homeless households in need is as follows -
- The number of live homeless cases at end March, averaged over 3 years, to provide an estimate of the number of homeless households in need of housing at a given point.
 - The proportion of homeless applicants rehoused in a 'secure' tenancy (defined as council or RSL tenancy), averaged over 3 years, and in turn the proportion unlikely to be rehoused 'securely', i.e. creating a need for an additional new unit of housing.
- 6.17 The proportion (%) unlikely to be rehoused was then applied to the live cases (average) to give an approximation for the potential number of existing homeless households whose needs would be unmet within existing housing provision, and who therefore require an additional unit of housing. The estimate of homeless households in Renfrewshire requiring an additional unit of housing (in HNDA2) was 206 households.
- 6.18 Scottish Government analysts have provided bespoke analysis of the HL1 data, based on the postcodes of the applicant's last permanent accommodation to enable the approach above to be applied to the 5 areas across Renfrewshire. This was provided for the latest three years of data for 2013-2015.
- 6.19 The average number of live homelessness cases across the three years is shown in Table 6.4. Across Renfrewshire, there were an average of 317 live cases in each year. However, in a third of the cases, the location of the previous permanent accommodation was unknown. Setting these unknown cases aside, the profile of live homeless cases is as follows – 61% were from Paisley & Linwood, 20% from Johnstone & Elderslie, 12% Renfrew and 5% each from North and West Renfrewshire.
- 6.20 The vast majority (84%) of live homelessness cases are single person households while 9% are single parents and 4% are other families with children.
- 6.21 Looking at the outcomes of applications to establish what proportion of these live cases would be expected to result in a secure tenancy, we find the following results. The final column below shows the average percentage of applicants by area and the average percentage of social tenancy outcomes, by area.
- 6.22 Overall, the proportion of applications and the proportion of applications resulting in a SRS tenancy in each area are similar, with 61% of homeless applicants from Paisley & Linwood and around 60% of applications resulting in a social rented tenancy also in Paisley & Linwood. These proportions assume that the missing cases are in proportion to the area profile of the other cases.

Table 6-4: Live cases averaged across 3 years, by area and household type

	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire	Not known
Single Person	30	4	100	18	4	266	110
Single Parent	6	2	11	2	0	28	6
Couple	0	0	2	0	0	4	1
Couple with Children	0	0	2	0	0	3	0
Other	0	1	5	1	0	10	3
Other with Children	2	2	1	2	0	8	1
Total (ALL)	39	10	120	23	5	317	121
% of known	20%	5%	61%	12%	5%	196	

Source: HL1 data 2013-2015

6.23 In order to estimate the level of homeless need by area, the cases missing area information have been redistributed proportionately to produce adjusted estimated. The table below shows the adjusted average number of applications by area, the average number of SRS tenancies across the three years. Overall, on average across the three years around 51% of applications did not result in a social rented tenancy. This proportion applied to the average number of live cases gives an overall homeless back-log need estimate of 164 tenancies.

Table 6-5: Number of applications and number of SRS tenancies by area

	2012/2013	2013/2014	2014/2015	Average % exc NK
All applications				
Johnstone & Elderslie	147	125	86	19%
North Renfrewshire	57	31	25	6%
Paisley & Linwood	416	378	332	61%
Renfrew	80	78	50	11%
West Renfrewshire	22	14	12	3%
Total exc. N/K	722	626	505	100%
Area not known	364	354	341	
Renfrewshire	1,086	980	846	971
All SRS tenancy	2012/2013	2013/2014	2014/2015	Average % exc NK
Johnstone & Elderslie	72	60	51	20%
North Renfrewshire	37	16	12	7%
Paisley & Linwood	200	183	177	60%
Renfrew	42	33	33	12%
West Renfrewshire	9	7	5	2%
Area not known	192	144	145	100%
Total exc. N/K	360	299	278	
Renfrewshire	552	443	423	473

Source: HL1 data 2013-2015

6.24 This figure of 164 is lower than the figure in the HNDA2 (206). This is due to the significantly lower number of applications in Renfrewshire in 2014-15 compared with

earlier years. The lower estimate for homeless backlog need is based on the most recent data while the higher estimate reflects the data in the HNDA2.

Table 6-6: Number of applications and number of SRS tenancies by area

	Ave apps (adjusted)	Average SRS tenancies (adjusted)	Ave % not housed in SRS	Adjusted ave live cases	Homeless estimate (lower)	Homeless estimate (higher)
Johnstone & Elderslie	188	95	50%	63	31	39
North Renfrewshire	59	33	44%	16	7	9
Paisley & Linwood	590	284	52%	194	101	127
Renfrew	109	57	48%	37	18	22
West Renfrewshire	25	9	62%	8	5	6
Renfrewshire	971	473	51%	319	164	206

Source: HL1 data 2013-2015

Summary of estimates – backlog need and stock mismatch

6.25 The tables below draw together the area-based estimates of households affected by stock mismatch and housing need. For stock mismatch, households are in need but that does not necessarily currently require an additional dwelling. The mid-point of the estimates is shown below, rounded. The range of the estimates is shown as a low and high estimate, based on confidence intervals or variation in assumptions.

SE1 -	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire
Stock mismatch						
A - Unaffordable housing (could afford MMR)	64	38	290	65	36	489
A - Rounded estimate	60	40	290	70	40	500
A - Low estimate	40	25	180	45	25	315
A - High estimate	80	55	400	100	55	690
B - Unaffordable housing could not afford MMR	167	86	951	196	102	1,499
B - Rounded estimate	165	85	950	200	100	1,500
B - Low estimate	140	70	800	170	85	1,265
B - High estimate	190	100	1090	230	115	1,725
C - Overcrowded but not concealed	244	125	935	225	100	1,623
C - Rounded estimate	240	120	940	220	100	1,620
C - Low estimate	200	100	780	180	80	1,340
C - High estimate	280	140	1100	260	120	1,900

6.26 The table above shows the estimates from the SHS analysis. The higher and lower could be based on the estimates for the overall survey confidence interval for the estimates. However, estimates are based on the whole sample of around 28,400

responses but the estimates are small proportions (typically 1-2%) which would give a confidence interval of +/-0.3% on the national-level estimate, which is then modeled down using the ONS classification. It is difficult to establish the accuracy of the estimates themselves. However, it seems reasonable to take at least the confidence interval as a margin for error.

6.27 Analysis of income and poverty data from other sources suggests that the income levels used in generating the estimates are valid and that the mapping results are consistent with other data (from SIMD, for example). This lends weight to the modeling approach, which has found high correlations between survey-generated small estimates and HMRC data on child poverty, for instance.

6.28 The estimates for poor property condition are shown below, with the mid-point estimate highlighted. The low and high estimates are the confidence interval range based on the 2011-13 dataset although the combined data is used to produce the tenure breakdown on which the area estimates are based.

SE2 – Property condition	Johnstone & Elderslie	North Renfrew-shire	Paisley & Linwood	Renfrew	West Renfrew-shire	Renfrew-shire
D -Extreme fuel poverty	620	690	2430	600	660	5000
D - Low extreme FP	380	430	1510	370	410	3100
High extreme FP	930	1035	3645	900	990	7500
D - BTS	390	370	1510	370	360	3000
D - Low BTS	140	140	550	140	130	1,100
D - High BTS	710	675	2780	675	660	5,500

Source: Estimates based on SHCS estimate 2011-13, tenure profile in combined dataset 2007-2013, NRS adjusted projections (base on March 2013 SRS stock figures).

6.29 The range of estimates on specialist provision show a lower estimate for the need for specialist provision – the difference between the current provision and the likely need for Extra Care Housing identified in the Craigforth report.

6.30 A higher estimate of the need for specialist provision is the total number of clients in receipt of 10 or more hours of home care. This larger body of clients may emerge as future ECH clients or may have intermediate needs for additional support services.

SE3 - Specialist provision	Johnstone & Elderslie	North Renfrew-shire	Paisley & Linwood	Renfrew	West Renfrew-shire	Renfrew-shire
E - 10+ hours of care* (High estimate)	60	40	195	45	30	370
E - Market for ECH (Low estimate)	16	9	47	11	7	90

* Those with 10+ hours of care, most likely to require additional support in future. Estimated market for EHC distributed in the same proportions as clients receiving 10 hours+ care

6.31 The estimates for harassment are taken as a proportion of the total ASIST cases that are not resolved. This is based on ASIST performance data³⁷ which suggests that in 95% of cases, antisocial behaviour cases reported no further incidents within 6 months of investigation while 78% of mediation agreements satisfactorily maintained for more than 3 months. So, the low unresolved ASB cases is based on 5% on-going issues while the higher rate is the 22% on-going issues.

6.32 In most of the cases where the matter was unresolved, we would expect that additional housing would not be required. There may be some instances of serious ASB leading to evictions but it is not clear from the 40 eviction cases recorded in terminations data what proportion of these are ASB cases.

SE4 Harassment	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire
F - Unresolved anti-social behaviour (low)	4	2	12	3	0	21
F - High estimate	16	8	54	14	2	94

6.33 The table below shows the estimate of the number of current households where an adult aged 30 years old or older lives with parents and is employed and not cared for by or caring for other people in the household. The proposition is that these potential or 'stuck' households are unable to form a new household.

SE5 – unformed households	Johnstone & Elderslie	North Renfrewshire	Paisley & Linwood	Renfrew	West Renfrewshire	Renfrewshire
G - Working adults 30+ in parental home (not concealed or overcrowded)	94	127	338	88	87	736
G - Rounded estimate	90	130	340	90	90	740
G - Low estimate	60	90	240	60	60	510
G - High estimate	120	170	440	120	120	970

6.34 Not all the households identified as young people who may form a household would like to do so. The next section on scenarios proposes a conservative scenario of 1 in 4 of these households being able to form.

³⁷

<http://www.renfrewshire.gov.uk/webcontent/home/services/council+and+government/council+information,+performance+and+statistics/council+performance/hp-kw-asistmediationservice-howarewedoin>

SE6 - Additional units	Johnstone & Elderslie	North Renfrew-shire	Paisley & Linwood	Renfrew	West Renfrew-shire	Renfrew-shire
H - Overcrowded and concealed	57	39	199	49	28	372
H1 - Rounded estimate	60	40	200	50	30	370
H2 - Higher estimate	110	75	370	90	55	700
Homeless and not housed in SRS	Johnstone & Elderslie	North Renfrew-shire	Paisley & Linwood	Renfrew	West Renfrew-shire	Renfrew-shire
I1 - Low estimate	31	7	101	18	5	164
I2 - High estimate	39	9	127	22	6	206
Total existing need (rounded)						
Low estimate (H1+I1)	90	50	300	70	35	545
Medium estimate (H2+I1)	140	80	470	110	60	860
High estimate (H2+I2)	150	85	500	110	60	905

6.35 The estimate of overcrowded and concealed households is based on the CHMA estimate approach to identifying overcrowded and concealed households, modeled down to sub-area. The confidence intervals in the CHMA data analysis are significant, so the CHMA estimates for Renfrewshire range from 0-1,000, with a mid-point or around 400 (370, as reported in HNDA2).

6.36 The higher estimate is based on the CHMA analysis generated using small areas estimates as in the affordability analysis, recalibrated to match the overall GCV estimate. This gives a higher rounded estimate of 700 concealed and overcrowded households.

6.37 The higher homeless estimate is based on the HNDA2 estimate modeled down to sub-area based on the additional SG analysis while the lower estimate reflects more recent, lower application rates over the 3 most recent years.

Summary – need and demand

6.38 The two key elements of the additional housing supply calculation are overcrowded and concealed households, and homelessness. It model outputs are therefore a function of the current and projected population profile. In Renfrewshire these two 'need' elements are concentrated in areas where

- there are concentrations of lower income areas
- where there is greatest concentration of homeless households (driven by population, and housing stock availability for homeless households), and
- where low demand / low value areas are concentrated.

- 6.39 The result produces highest estimates for additional units in Paisley and Linwood, followed by Johstone and Elderslie. These are also areas of the highest amount of low demand/low value SRS stock. The conclusion here is not necessarily that there is an overstatement of additional housing requirement, but that it must be delivered very carefully to support restructuring and regeneration (discussed further in conclusions).
- 6.40 By contrast, the estimates are lower in lower population areas where
- incomes are higher in the North and West
 - there is a concentration of concealed adults children but who are not overcrowded;
 - there are less homeless households, due to population and availability of housing stock in which to temporarily house homeless people.
- 6.41 As a result, even though there are very constrained housing options in these areas, there is relatively low new additional supply requirement. From earlier sections it is clear that there is considerable stock mismatch in these area – in terms of tenure, size and type of stock. This suggests the need for particular attention on North and West Renfrewshire for new supply despite the low level of estimates, where people cannot form households or down-size due to the lack of smaller, cheaper properties.
- 6.42 In terms of the type and size for additional housing units, concealed households are families with children, and will tend to need 2-3 bedroom properties while homeless households tend to be smaller. Over 80% of homeless people are single people needing 1 bedroom.

7 The household need and demand projections

Approach to small area housing estimates

The overall process

- 7.1 The aim of providing estimates at the sub-area level is to model down from the HNDA2 estimates, rather than producing a new set of estimates that do not nest within the overall estimate of housing need for Renfrewshire. Then, once the estimates of need are derived at the sub-area level, a number of scenarios are explored arising from the analysis presented in earlier sections to inform future decision-making.
- 7.2 The diagram below shows the process of arriving at the housing land requirement (from the Housing Supply Target draft). The HNDA Tool provided estimates of the amount and likely tenure of additional future housing (Housing Estimates) by LA in the GCV area (Stage 1). For the Private sector the Housing Estimates are then used as an input to a comparison of supply and demand in the HMA framework. The outcome of this is the Adjusted Housing Estimates, an assessment of housing demand for this sector (Stage 2). For the SR&BMR sector the Housing Estimates, as output from the HNDA Tool, provide an estimate of housing need for this sector.



The approach to projecting demand and need

7.3 The main approach to the small area estimates was to start from the housing estimates generated at Stage 1 for Renfrewshire, to model down to the sub-areas and to identify where there is a need to consider 'adjustment' scenarios at Stage 1 or Stage 2, as follows:

1. Start from the HNDA2 small area based household estimates in line with scenario agreed within GCV (the planning/steady growth scenario)
2. Make adjustments to this base scenario to take account of known anomalies in the household estimates based on stock information (Table 7.1 below has adjusted vacancy rates and RSL stock figures)
3. Arrive at a new 'base' household estimates for each sub-area at 2012 (a revision of Table 6.6 of the HNDA2 Technical Report TR07 – Strategic Housing Estimates – appended at the end of this section)
4. Develop base housing estimates and adjusted housing estimates at the sub-area level, replicating the assumptions at the LA level (Stage 2 table - below)
5. Present adjustment scenarios taking account of a range of assumptions derived from the Renfrewshire small-area modelling, other secondary data analysis, the SAMs outputs and other stock projection factors.

7.4 Some of the adjustments are made at Stage 1 and impact on the housing estimates while others are at Stage 2, impacting on the adjusted housing estimates.

Table 7-1: Comparison of March 2013 stock figure and household estimates by sub-area

Stock - Housing Trends 2012-2013	Total RC	Total RSLs	Total SRS stock	Vacancy rate	Household estimate (2012-13 stock)	2012 HH estimates (TR07)
Johnstone & Elderslie	2,417	1183	3,600	5.80%	3,391	3,467
North Renfrewshire	130	925	1,055	1.60%	1,038	1,063
Paisley & Linwood	7,840	5323	13,163	4.10%	12,623	12,411
Renfrew	1,655	328	1,983	2.70%	1,929	1,925
West Renfrewshire	686	17	703	1.60%	691	826
Renfrewshire	12,728	7,775	20,503	4.10%	19,673	19,692

Source: 2013 RSL survey (area profile), Total figures: Housing Trends Monitoring Report 2012-2013 (Table D1 – compiled from RC data, SG stock tables, APSR data and landlord registration data *=estimate for PRS 2011) Vacancy rate based on RC March 2015 snapshot vacancies.

Stage 2 : Adjusted Housing Estimates By LA

LA Table 2. HNDA Tool Adjusted Housing Estimates - Planning Scenario									
Source : HNDA Fig 5.13	Household Change by Tenure								
	2012-2024			2024-2029			2012-2029		
	SR&BMR	Private	Total	SR&BMR	Private	Total	SR&BMR	Private	Total
LA									
East Dunbartonshire	626	1,608	2,234	-7	23	16	619	1,631	2,250
East Renfrewshire	910	2,035	2,945	281	560	841	1,191	2,595	3,786
Glasgow City	17,964	15,008	32,972	5,712	5,619	11,331	23,676	20,627	44,303
Inverclyde	0	29	29	0	-2	-2	0	27	27
North Lanarkshire (BN 10 years)	4,699	8,963	13,662	770	3,579	4,349	5,469	12,542	18,011
Renfrewshire	2,138	4,967	7,105	375	814	1,189	2,513	5,781	8,294
South Lanarkshire	4,774	7,921	12,695	763	2,733	3,496	5,537	10,654	16,191
West Dunbartonshire	748	1,229	1,977	-21	321	300	727	1,550	2,277
GCV Total	31,859	41,760	73,619	7,873	13,647	21,520	39,732	55,407	95,139

Note: Private sector figures were altered as a result of consideration of mobility within the HMA framework and consideration of supply and demand against all stock and all households (HNDA TR 07 refers)
Social sector figures were not adjusted from Tool estimates apart from in the case of Inverclyde where positive adjustments were made to negative figures.

Planning scenario/steady growth – demand and need

- 7.5 Table 7.2 shows the HNDA2 steady growth scenario estimates modeled down to the 5 sub-areas. The private sector results are produced using the same methodology as in HNDA2 – adjusting the estimates produced from the HNDA tool to consider mobile and local demand. There are slight differences in the overall Renfrewshire figures due to the RSL stock figures being adjusted as discussed above.
- 7.6 The number of additional private sector dwellings required between 2012-2029 to meet demand is highest in Renfrew (2,187) followed by Paisley & Linwood (1,689). West and North Renfrewshire are estimated to require around 590 private dwellings and Johnstone & Elderslie 730.
- 7.7 The steady growth model predicts the following requirement for affordable housing –
- 2,508 properties across Renfrewshire (150 units per year)
 - 484 in Johnstone & Elderslie (28 units per year)
 - 108 in North Renfrewshire (6 units per year)
 - 1,311 in Paisley & Linwood (77 units per year)
 - 531 in Renfrew (31 units a year)
 - 74 in West Renfrewshire (4 units a year).

Table 7-2: Steady growth/planning scenario 2012-2029

	HMA adjusted housing estimates approximated to sub-area	HMA adjusted housing estimates approximated to sub-area	HMA adjusted housing estimates approximated to sub-area
Private sector	2012-2024	2024-2029	2012-2029
Johnstone and Elderslie	620	114	734
North Renfrewshire	543	45	588
Paisley and Linwood	1,537	152	1,689
Renfrew	1,730	458	2,187
West Renfrewshire	542	46	588
Renfrewshire	4,971	815	5,786
Renfrewshire - HNDA2	4,967	814	5,781
SR& BMR	Housing estimates 2012-2024	Housing estimates 2024-2029	Housing estimates 2012-2029
Johnstone and Elderslie	404	80	484
North Renfrewshire	96	13	108
Paisley and Linwood	1,166	145	1,311
Renfrew	404	127	531
West Renfrewshire	65	8	74
Renfrewshire	2,134	374	2,508
Renfrewshire - HNDA2	2,138	375	2,513
All tenure	Private sector adjusted housing estimate + SR&BMR housing estimate 2012-2024	Private sector adjusted housing estimate + SR&BMR housing estimate 2024-2029	Private sector adjusted housing estimate + SR&BMR housing estimate 2012-2029
Johnstone and Elderslie	1,024	194	1,218
North Renfrewshire	638	58	696
Paisley and Linwood	2,703	297	3,000
Renfrew	2,133	585	2,718
West Renfrewshire	607	55	662
Renfrewshire	7,106	1,189	8,295
Renfrewshire - HNDA2	7,105	1,189	8,294

Source: NRS household estimates (2012 mid-year estimates, 2013 small area estimates, RC Housing Trends data. Based on TR07 Strategic Housing Estimates - Table 10.1

7.8 The study brief required 10 year estimates of housing need from 2016 to 2026. The small area estimates undertaken (as Table 7.2 above) replicates the HNDA 2 timeframe of 2012-2029, and so has been recalculated to create estimates 2012-2026.³⁸ Table 7.3 summarises the 2026 estimates of affordable (SRS and BMR) housing and the private sector adjusted estimate for each sub-area and Renfrewshire overall based on steady economic growth.

³⁸ There are slight variations in the figures between HNDA2 and HNDA 2015 due to the RSL figures and vacancy rates being changed for this current HNDA to reflect more up to date information. This has affected the balance between the private and BMR figures. The annual equivalent figures for the period 2012-2026 also differ because the backlog has been spread across the first five years - i.e. between 2012 and 2017. So, the backlog is divided across 5 years instead of the full 14 years. Then the new household formation for the period 2012-2029 is applied, pro-rata, to the period from 2012-2026.

Table 7-3: Housing need estimates 2012-2026 – steady growth scenario

LA-Sub Areas	SRS/ BMR	Annual equivalent	Private - adjusted estimate	Annual equivalent	Total	Total Annual equivalent
Johnstone and Elderslie	436	31	604	43	1,040	74
North Renfrewshire	101	7	484	35	585	42
Paisley and Linwood	1,224	87	1,391	99	2,615	187
Renfrew	455	32	1,801	129	2,256	161
West Renfrewshire	69	5	484	35	553	39
Renfrewshire	2,284	163	4,765	340	7,049	504

- 7.9 Overall, just over 7,000 additional properties are required between 2012 and 2026, an average of around 500 properties a year – around 160 social rented/below market rent and 340 private properties per year.
- 7.10 We see the highest level of need overall in Paisley and Linwood, with around 2,600 properties required across both sectors, the equivalent of around 190 properties a year. Private sector need is highest in Renfrew, at around 1,800 properties or around 130 units a year.
- 7.11 This figure of 160 SR/BMR per annum compares to the broadly comparable recent SHIP completions of around 170 units per annum. However, we can see from the Finalised Housing Land Audit that recent private sector completions (2012/13) were below the projected 340 requirement by around 90 units (at 251 completions).
- 7.12 Given the evidence of low demand across sectors found through this study, the SR/BMR 160 need figure should not be seen as a ‘target’ in isolation of the Council’s overall housing strategy and the requirement for rebalancing of the housing market and regeneration (as discussed in the conclusions). As noted earlier in the report, low demand properties remain a challenging area for the Council in future, but it is also important to acknowledge the potential impact of vacancies on meeting housing need in future.

Different modelling assumptions – demand and need

(1) Better economic out-look scenario

- 7.13 City Deal plans estimate that almost **7,900 jobs** will be created at GAIZ and Renfrew Bridge (around 2,400 by 2024 and a further 2,600 by 2029) and **1,596 properties** (including 140 affordable units) will be built across Renfrewshire. The timing of this growth is based on the funding gateways of City Deal – 2024 and 2029.
- 7.14 The LHS and LDP are aiming to help deliver Renfrewshire Council's Community Plan target of stabilising the population and **increasing Renfrewshire's resident population by 5%** in the number of households by 2023. HNDA2 estimates (Table 6.6 – TR07 appended) show projected household growth of 4.2% (3,400 households) in Renfrewshire between 2012-2017.
- 7.15 Table 7.4 below shows the results from the modeling of the strong economic growth HNDA model down to the sub-areas. This takes the process used to generate the adjusted housing demand figures in the steady growth scenarios to produce weighting factors to base the higher growth estimates on (i.e. tenure shifts are modeled down at

the Renfrewshire rate, and the split of mobile/local demand is weighted according to the steady growth model).

Table 7-4: Strong economic growth scenario housing estimates 2012-2029

	HMA adjusted housing estimates approximated to sub-area	HMA adjusted housing estimates approximated to sub-area	HMA adjusted housing estimates approximated to sub-area
Private sector	2012-2024	2024-2029	2012-2029
Johnstone and Elderslie	678	177	855
North Renfrewshire	791	207	998
Paisley and Linwood	2,668	698	3,365
Renfrew	793	207	1,001
West Renfrewshire	765	200	965
Renfrewshire	5,695	1,489	7,183
SR & BMR	Housing estimates 2012-2024	Housing estimates 2024-2029	Housing estimates 2012-2029
Johnstone and Elderslie	349	53	402
North Renfrewshire	107	16	123
Paisley and Linwood	1,299	198	1,497
Renfrew	199	30	229
West Renfrewshire	71	11	82
Renfrewshire	2,025	309	2,334
All tenure	Private sector adjusted housing estimate + SR&BMR housing estimate 2012-2024	Private sector adjusted housing estimate + SR&BMR housing estimate 2024-2029	Private sector adjusted housing estimate + SR&BMR housing estimate 2012-2029
Johnstone and Elderslie	1,027	230	1,257
North Renfrewshire	898	223	1,121
Paisley and Linwood	3,967	896	4,863
Renfrew	992	238	1,230
West Renfrewshire	836	211	1,047
Renfrewshire	7,720	1,798	9,517

Source: NRS household estimates (2012 mid-year estimates, 2013 small area estimates, RC Housing Trends data. Based on TR07 Strategic Housing Estimates - Table 10.1

7.16 The main difference observable in the strong economic growth model is that there is a projected shift from the social rented/below market rent sector to the private sector overall. The main drivers of this in the CHMA model are assumptions about incomes, employment and migration that influence the proportion of new households expected to form in the private sector.

7.17 The effect is to reduce the affordable housing requirement in some of the 5 areas, but not all. The estimated need for affordable housing between 2012-2029 under the strong growth projection is as follows (comparison with the steady growth scenario in brackets):

- 2,334 properties across Renfrewshire (137 units per year – down from 150)
- 402 in Johnstone & Elderslie (24 units per year – down from 28)
- 123 in North Renfrewshire (7 units per year – up from 6)
- 1,497 in Paisley & Linwood (88 units per year – up from 77)
- 229 in Renfrew (13 units a year – down from 31)

- 82 in West Renfrewshire (5 units a year – up from 4).

7.18 Table 7.5 summarises the 2026 estimates of affordable (SRS and BMR) housing and the private sector adjusted estimate for each sub-area and Renfrewshire, based on strong economic growth.

Table 7-5: Housing need estimates 2012-2026 – strong growth scenario

LA-Sub Areas	SRS/ BMR	Annual equivalent	Private - adjusted estimate	Annual equivalent	Total	Total Annual equivalent
Johnstone and Elderslie	370	26	704	50	1,075	77
North Renfrewshire	113	8	822	59	935	67
Paisley and Linwood	1,379	98	2,771	198	4,150	296
Renfrew	211	15	824	59	1,035	74
West Renfrewshire	76	5	794	57	870	62
Renfrewshire	2,149	153	5,916	423	8,064	576
Renfrewshire (steady growth)	2,284	163	4,765	340	7,049	504

7.19 With stronger economic growth, the overall requirement is greater – over 8,000 units, compared with just over 7,000 in the steady growth scenario. That is around 70 more units a year. Most of this is accounted for by an increased need for private sector housing.

7.20 However, in Paisley & Linwood, North Renfrewshire and West Renfrewshire, the strong economic growth scenario is associated with a higher level of need for social rented/below market rent than in the case of the steady growth scenario.

(2) More household formation assisted

7.21 HNDA2 estimates are based on NRS population and household estimates that are trend-based. This means that they take recent trends in new household formation forward, assuming the same levels of frustrated household formation. If it is Renfrewshire's aim to enable more households to form, through encouraging wider provision of type, size and tenure choice of housing, where choice is currently restricted e.g. by encouraging smaller private dwellings in some areas, providing additional social housing or intermediate renting options, or a range of low cost home ownership initiatives, for example, this will assist new household formation beyond the estimated trend.

7.22 If 1 in 4 people in their 30s who are working full time were assisted to leave the parental home, this is an estimated 185 new households per annum based on current estimates. These are additional to concealed and overcrowded households and new household formation.

7.23 As any 'stuck' households are helped into below market rent, unless economic conditions change it is reasonable to assume that these will be replaced by a new cohort of 'stuck' households (those who were 29 and so not included before, those who were not working before and so not judged to be feasibly able to form a new household and those who may move back with parents after not being able to afford their housing). It may be that the new cohort of stuck households might be fewer than

those assisted but we have only assumed that the Council might be able to help 1 in 4 of those unable to form a new household anyway – which is a conservative estimate.

Table 7-6: Estimated new households formed by 1 in 4 young people unable to form a household being assisted to do so

Sub area	2016-2026	Per annum	Revised annual SRS/BMR*
Johnstone and Elderslie	240	24	55
North Renfrewshire	320	32	39
Paisley and Linwood	850	85	172
Renfrew	220	22	54
West Renfrewshire	220	22	27
Renfrewshire	1,850	185	348

*Annual SRS/BMR requirement plus annual new young household assistance

7.24 It is assumed that these younger households would need below market rent options to enable them to access the market. As such, this would be an additional 185 units of SRS/BMR housing a year, bringing the requirement to 348 a year. If there was better economic growth, we might expect some of this additional requirement to be met in the private sector.

(3) Moves to intermediate renting

7.25 The overall HNDA2 private sector housing estimates combine owner-occupation and private renting. Evidence from the small area affordability estimates suggests that there are significant barriers to entering owner occupation, where minimum LTV is 90% and average deposits (across Scotland) are £17,000 or 85% LTV.

7.26 On the face of it, owning is more affordable than renting but deposits are not affordable to lower income households including younger people aiming to form households, considered above. Might RC seek to underpin the assumptions of HNDA2 tenure mix through enabling a range of initiatives which enable access to home ownership e.g. MMR with deposit saving scheme for later purchase, shared equity products, deposit loan schemes? **BUT** do the maintenance costs of owner occupation mean that those on the margins of home ownership are better renting than owning – does RC want to intervene?

7.27 If owner-occupation is estimated to be too high, where do new households form? PRS is expanding faster than SRS, due to barriers to entry / limited supply in SRS and ownership. PRS Rents are lower in RC than elsewhere but there is still evidence of affordability issues.

7.28 The affordability estimates suggest that an estimated 500 people currently living in unaffordable housing and struggling financially in the private rented sector or owner-occupation would be able to afford an intermediate solution but could not afford a market solution – an estimated 0.6% of all households. However, a higher proportion of newly formed households would face financial difficulties, who tend to have lower incomes. If we assume that newly forming households are considerably more likely to suffer financial problems, we could assume a 5% shift from private to BMR housing. The recent PRS survey certainly suggested far higher unmet demand for social renting among current private renters than this, so this is still a conservative scenario.

7.29 If we project that this proportion of the need for new housing shifted from the private sector to the SRS/BMR sector, the following additional properties would be required. This has a very small impact on the requirement, of only 17 units a year (over 14 years

2012-2026). This may be an underestimate, given the strong support for BMR expressed in the focus groups.

Table 7-7: Projected increase in affordable housing supply from 5% shift from private to SRS/BMR

	HMA adjusted housing estimates approximated to sub-area	Shift 5% in Private to SRS/BMR hh growth	Annual equivalent
Private sector	2012-2029	2012-2026	
Johnstone and Elderslie	734	30	2
North Renfrewshire	588	24	2
Paisley and Linwood	1,689	70	5
Renfrew	2,187	90	6
West Renfrewshire	588	24	2
Renfrewshire	5,786	238	17

(4) Providing a better mix of size and type of housing

- 7.30 There are very low levels of private renting and social renting in the North and West of Renfrewshire. These areas are relatively affluent, with higher rents and higher house prices. The availability of affordable properties of any type in these areas is a concern and there is a higher level of adult children who are working and living with parents. The lack of smaller, more affordable housing also impacts on the ability of older households to trade down.
- 7.31 In considering the provision of intermediate options to encourage household formation among those unable to afford this, the North and West areas might be key targets for that housing.
- 7.32 Scenarios (2) and (3) above cover additional provision in the North and West that could provide more tenure options in these areas. The table below shows the base type of properties required to meet existing need and newly emerging households at 2016. The estimates are based on the profile of homeless households not in social housing, the bedroom requirements of concealed and overcrowded households from the household survey and the size of properties let to newly forming households by RC over the past 3 years.
- 7.33 The table below shows the size of properties that should have been built between 2012-2016 in order to meet the needs of those with existing needs and households due to emerge by 2016. This is treated separately as it is primarily existing/backlog need, which is different from that of newly emerging households.
- 7.34 The table below assumes that overcrowded and concealed households are housed in proportion to the property size indicated in the Scottish Household Survey Analysis. Homeless households are distributed in proportion to their prevalence in the HL1 data – mainly single adults, but some families – distributed across the 2- and 3-bedroom stock. The property size needed by newly forming households is estimated from the property sizes of lets to newly forming households (excluding homeless households).

Table 7-8: Property type required by households in need (2016 estimate – steady growth)

Housing estimate 2016 – steady growth	Number of bedrooms				
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	22	30	3	1	56
Homeless and not housed in SRS	33	3	3	1	39
Emerging households	10	18	3	0	31
Johnstone & Elderslie	65	51	8	2	125
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	15	21	3	1	39
Homeless and not housed in SRS	8	1	1	0	9
Emerging households	0	0	0	0	0
North Renfrewshire	23	21	3	1	48
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	78	105	14	4	201
Homeless and not housed in SRS	107	8	8	3	126
Emerging households	11	20	3	0	34
Paisley & Linwood	195	134	25	7	361
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	19	26	3	1	49
Homeless and not housed in SRS	18	1	1	0	22
Emerging households	50	91	14	1	156
Renfrew	88	118	19	2	227
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	11	15	2	1	28
Homeless and not housed in SRS	5	0	0	0	6
Emerging households	0	0	0	0	0
West Renfrewshire	16	15	2	1	34
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	Total
Overcrowded and concealed	145	197	25	7	374
Homeless and not housed in SRS	171	13	13	4	201
Emerging households	71	128	20	1	220
Renfrewshire	387	339	58	12	795

7.35 From 2016-2026, the need arising is primarily from newly emerging households (except any of the backlog in the table above that has not been dealt with). For need arising in 2016-2026 in order to meet the needs of newly forming households, the following stock would be required.

Need arising 2016-2026	Number of bedrooms				Total
	1-bedroom	2-bedroom	3-bedroom	4+ bedroom	
Johnstone & Elderslie	83	150	23	1	257
North Renfrewshire	15	27	4	0	46
Paisley & Linwood	220	398	62	3	683
Renfrew	93	167	26	1	287
West Renfrewshire	10	18	3	0	31
Renfrewshire	421	761	118	5	1304

7.36 Although those in existing/backlog need tend to require smaller properties, newly emerging social renting households tend to need slightly large properties. This is because such a large proportion of back-log need is homeless people not housed in social rented stock, who are predominantly single person households.

7.37 The other scenarios discussed above are likely to require a mix of smaller and larger properties. If young people living in the parental home were enabled to move to an alternative property, it is likely that the majority might need a 1-bedroom property, although some may join to become couples or families.

Sub area	Newly formed households 2016-2026	1-bedroom	2 bedroom
Johnstone and Elderslie	240	180	60
North Renfrewshire	320	240	80
Paisley and Linwood	850	638	213
Renfrew	220	165	55
West Renfrewshire	220	165	55
Renfrewshire	1,850	1,388	463

(5) Enabling moves to specialist housing

7.38 Recent work by Craigforth and Newhaven Research indicated that there was scope for expansion of the extra care housing model in Renfrewshire, with a potential current target population of between 280 and 370 older people. After discounting the existing provision of 190 units, this suggests a potential unmet need for 85-90 units.

7.39 Projecting forwards, and assuming no change in the proportion of older residents in receipt of home care suggests that by 2024-25 the target population could exceed 300. However, the Craigforth/Newhaven report acknowledges that Renfrewshire Council is seeking to increase the number of older people receiving intensive packages of care in their own home.

7.40 If part of this additional provision were to be provided through new supply rather than upgrading existing sheltered housing provision, this would need to be factored into the adjusted housing requirement (although the older people would free up an existing

property). Assuming a third of ECH was new supply, that would be around 30 units in the short term. If located in proportion to the distribution of households receiving higher levels of care, the 30 units would be distributed as follows –

- 5 units in Johnstone & Elderslie
- 3 in North Renfrewshire
- 16 in Paisley & Linwood
- 4 in Renfrew
- 2 in West Renfrewshire.

7.41 However, it is unlikely that such dispersed provision would be possible. Further work will be required to identify where 1-2 potential sites might be developed.

Summary of 2026 housing need estimates

7.42 The table below summarises the different estimates of the need for affordable housing. More affordable housing is required with the steady growth scenario than with the strong growth scenario. If the Council assists additional households to form by enabling those stuck living with households to form, an additional 1,850 properties would be required. A shift of 5% of new household formation from the private sector to the below market sector would have a lesser effect, requiring around 240 properties.

7.43 Recent work by Craigforth has indicated that an estimated 85-180 Extra Care Housing properties is required to meet current unmet need. Projections undertaken for this HNDA suggests that by 2024-25 the target population for this type of housing could exceed 300. Of course, this level of need will not all be met through new supply, but the housing needs of older people must also to be factored into future plans.

	SRS/BMR requirement 2016-2026				
Sub area	Steady growth	Strong growth	Helping HH form	Shift to BMR	Extra Care Hsg
Johnstone and Elderslie	436	370	240	30	50
North Renfrewshire	101	113	320	24	30
Paisley and Linwood	1,224	1,379	850	70	160
Renfrew	455	211	220	90	40
West Renfrewshire	69	76	220	24	20
Renfrewshire	2,284	2,149	1,850	238	300
	Annual SRS/BMR requirement				
Sub area	Steady growth	Strong growth	Helping HH form	Shift to BMR	Extra Care Hsg
Johnstone and Elderslie	31	26	24	3	5
North Renfrewshire	7	8	32	2	3
Paisley and Linwood	87	98	85	7	16
Renfrew	32	15	22	9	4
West Renfrewshire	5	5	22	2	2
Renfrewshire	163	153	185	24	30

Note: Steady growth and strong growth estimates are 2012-2026 to fit the HNDA2 estimates, other estimates are 2016-2026 as these are future/additional elements to HNDA2.

8 Developing Balanced and Sustainable Communities

Conclusions

8.1 This study has provided a large body evidence around housing demand and need across Renfrewshire. It concludes that the requirement for new additional SR/BMR housing will be around 160 additional units each year for the next ten years between 2016-2026. When various scenarios are developed we can see the impact of the following:

- Strong economic growth and increasing population growth to 5% may reduce the requirement for affordable housing overall through a shift of additional units to the private sector – reducing the additional affordable housing requirement to around 150 units a year;
- Assisting concealed households to form through the addition of another 185 households each year will substantially increase the requirement for affordable housing;
- Increasing the proportion of intermediate renting, on the basis of lack of access to PRS and Owner Occupation by shifting 5% of the need for new housing from the private sector to the SRS/BMR sector (to help those currently struggling financial in PRS and OO) will have a smaller impact of around 25 units a year.

8.2 However, the requirement for additional housing is only one part of the overall housing need/demand picture in Renfrewshire. The addition of these units, whether social rent or intermediate housing will not in themselves solve the problem. There is strong evidence that there is systematic problem of low demand, stock imbalance, and segregated markets in Renfrewshire. The key findings are:

- There is net out migration from Renfrewshire;
- Population growth is projected as static or modest;
- There is widespread deprivation;
- There is considerable imbalance in tenure, and housing type and size, and segregated markets;
- There is systemic low demand and low value housing in parts of the private sector, and many areas in the social rented sector;
- But, there are very positive signs of improving economic and labour market improvement.

8.3 On an area basis -

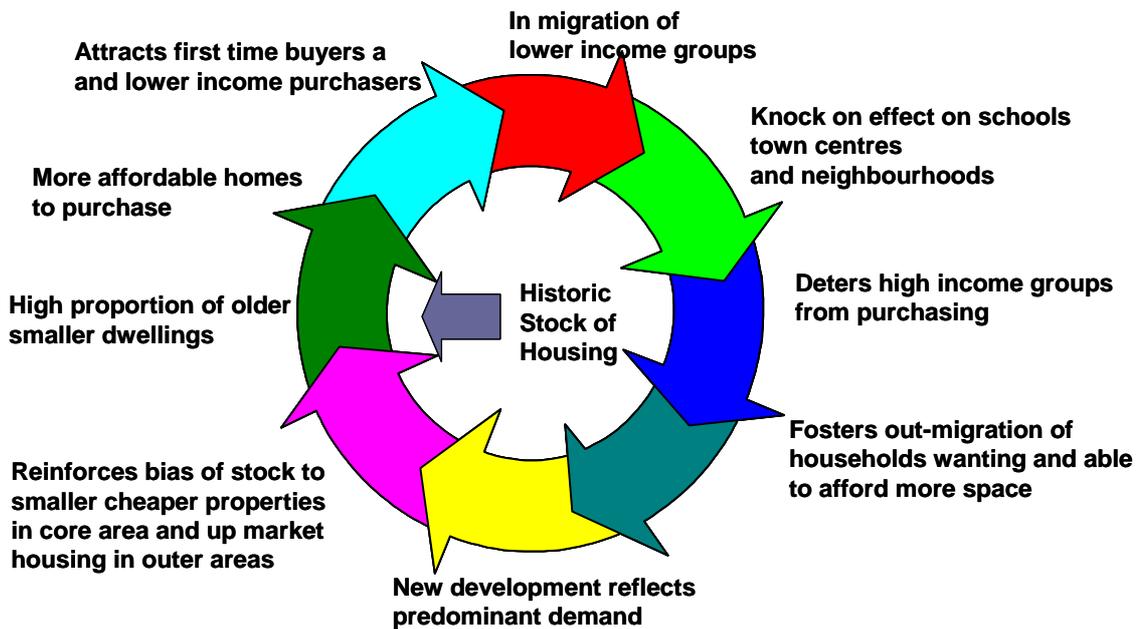
- Paisley and Linwood, Johnstone and Elderslie and Renfrew have a large amount of ineffective stock in both the SRS and private sectors. In the SRS this is demonstrated by obsolete low demand low value stock where people do not want to live. In the private sector it is demonstrated by endemic low demand and poor condition stock. In these areas there is almost complete overlap between low value and high levels of income deprivation, and so even though prices are very low, there are also affordability problems.
- In the North and West, markets are skewed almost exclusively to home ownership, there are affordability pressures due to higher prices, and there are

concentrations of concealed households who are not able to effect demand due to lack of options.

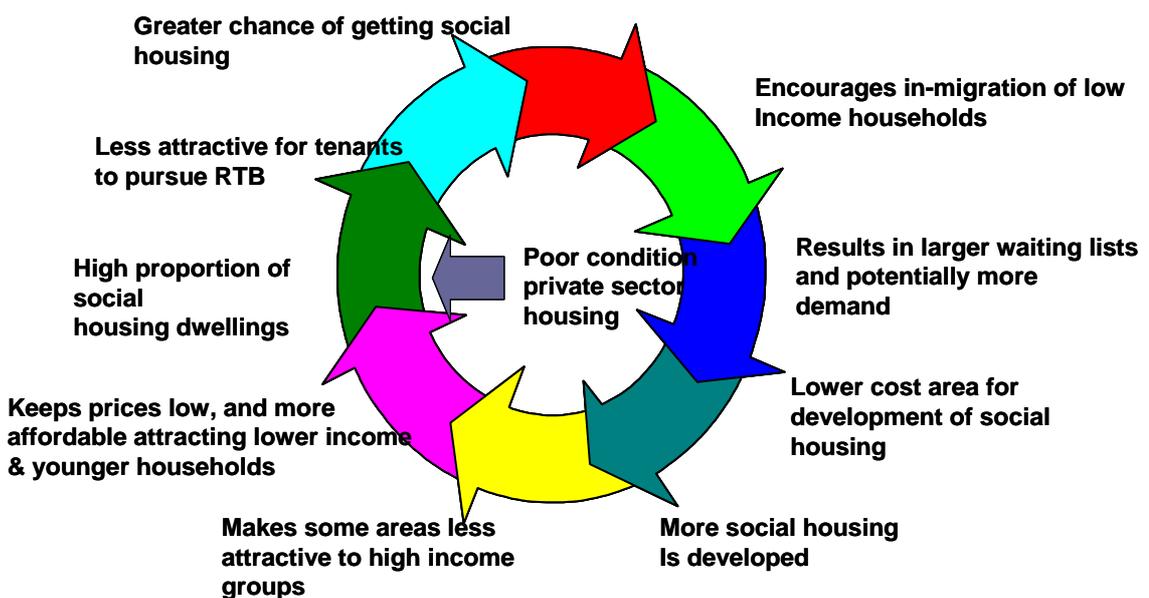
- Without intervention, market forces will tend to perpetuate the low demand low value areas, and the problems associated with increasing concentrations of low income and deprivation will be difficult to tackle. As a result, these areas will only attract those with the least choice, and people with higher incomes/employment who need smaller, cheaper properties will not move in. This means housing demand will continue to be frustrated in more popular areas and affordability problems / lack of access to housing will increase.

These vicious cycles are illustrated in the diagrams below:

Vicious Cycle - ownership



Vicious Cycle – Social renting



Recommendations

- 8.4 These challenges demonstrate that there is considerable work needed to achieve balanced and sustainable communities throughout Renfrewshire. A positive factor here is that it appears that housing growth can be accommodated without large increases in the rate of house building, although new house building across all tenures will have a significant role to play in improving the choice in type and size of dwellings and the improving quality of living environments. Public intervention will not be confined to restructure of council housing areas, or to the supply of additional housing in the pressured areas, but a comprehensive housing market restructuring strategy should be developed harnessing resources across planning, housing and economic development sectors to make lasting change in some of Scotland's most deprived communities.

Housing market restructuring and creating graduated housing markets

- 8.5 Sustainable communities are assisted if there is a **graduated housing market**, where people can trade-up or trade-down depending on their housing needs, and move to different tenures, types, and sizes to meet changing needs and long term aspirations. Many areas in Renfrewshire do not have this. Paisley for example, has abundant supply of smaller dwellings but lacks larger dwellings, and has a concentration of renting, while North and West have an abundance of larger owner occupied properties, but a small number of smaller, rented properties. As discussed above, this has caused segregation of the local housing markets that are reinforced by strategies to tackle the most immediate problems, rather than developing communities which are sustainable for the long term.
- 8.6 As outlined in the vicious cycles above, in parts of Renfrewshire, high demand for social housing is reinforced by low income / deprivation. In areas of concentration of social housing, the availability of relatively low cost land for housing development may then mean that the area attracts additional investment in social housing, supported by the argument of long waiting lists for social housing in these areas, and new supply of social housing to 'fix' the immediate problem. But this new provision will reinforce the existing socioeconomic profile of the area. Instead of using the land and funding for more social housing provision, there is a clear case in many areas in Renfrewshire not only to provide different types and sizes of property in social housing, but to promote the development of much greater tenure mix so there are graduated markets – intermediate rent and ownership options which meets aspirations for home ownership, more middle market and larger housing than has historically been the case in the urban areas. This is a **long-term regeneration strategy**, and much broader than supplying different and sizes, types and, higher value social housing. There is also a requirement for smaller more affordable properties in the rural areas in order to develop graduated housing markets in these areas, reduce affordability problems and prevent housing market segregation here.
- 8.7 This is a **bold strategy** when housing estimates suggest there is a requirement for additional units of affordable housing in the low value areas. But in order to break the vicious cycles that are at play, Renfrewshire Council and its Community Planning partners should prioritise housing market restructuring in the most vulnerable communities if there is to be any long term prospect of these being successful places. This means being **very cautious** about the addition and/or replacement of social housing in areas of current low demand low value until such time as **full option appraisal and masterplans are created for each area**.

- 8.8 It is noted that the Council has experience of this approach through the historical Area Development Frameworks, demolitions, and the current initiative for the West End of Paisley. What is critical in all these areas is that **graduated markets are created**, which may not only involve replacing demolished social housing with higher value new build social housing of a different type and size, but also includes a range of intermediate and market properties, and considering the wider needs of amenity and environmental improvement. Because most of these vulnerable areas include low demand Council housing, the process of restructuring should dovetail with the Council's housing asset management strategic planning and business planning, and should involve development strategies for each area for restructuring in line with best practice in place-making approaches. This approach will also require close alignment of resources from the HRA and the AHP to help deliver this restructuring programme.
- 8.9 The sustainability analysis has shown that around a quarter of the Council's housing stock is at greatest risk of low demand and poor long-term performance. The is4 report has outlined the areas of work required to refine the sustainability analysis. The steps include:
- identification of the full range of investment required in the housing stock and surrounding environment;
 - separation of the routine responsive repairs from void repairs costs;
 - a more detailed breakdown of housing management expenditure to enable allocation's which better reflect the use of resources; and,
 - a more detailed examination/alignment to the HRA business plan.
 - The initial findings should be updated as better data becomes available.
 - The Council then devises an asset management strategy which secures the appropriate level of investment in the core (green) stock and which consider options for the red stock.
- 8.10 Given the scale of the low demand stock, AEHC believes Renfrewshire Council should undertake a comprehensive option appraisals process for stock at risk, to sit along side the development of a housing market restructuring strategy. The restructuring strategy is not about council housing only – it is about working with all stakeholders in a given area to develop a long-term plan across tenure to create sustainable communities.
- 8.11 The steps of this strategy development could include:
- Build the evidence base – much of that work is completed through this housing needs and demand assessment, but more refinement is required for the Council's sustainability work (as above);
 - Developing the Renfrewshire strategy – This may be part of the Local Housing Strategy, but there needs to be some concentration and development of a vision of what the tenure (private and SR/BMR), housing type and size split is required in each submarket, and key priority areas identified for restructure. This is about total supply, not just additional, new housing supply. It may require developing a specific regeneration vehicle, and seeking regeneration support from Scottish Government.
 - Identifying and agreeing the priority areas – through further detailed research and option appraisal, and initial discussions with partners that could be involved. This should involve development and consultation with key stakeholders on key criteria against which areas will be assessed and identified.

- Scoping the task and range of funding options – for each area an audit to identify the key players, housing and land ownership, amenity and environmental improvement requirements and the likely scope and scale of the task and funding implications.
- Developing the individual area strategies – through masterplanning / place making approaches with a vision for the balance of housing tenure, type and size required across the whole area to be achieved over the long term.
- Building stakeholder support – consultation with key stakeholders within and outwith the Council.
- Implementation.

Ways of tackling problems of housing access and affordability in the North and West

8.12 The evidence clearly shows lack of housing choices and affordability problems, particularly for younger and emerging households in the North and West. There is also lack of choice for older people who may wish to downsize and require more suitable housing. In order to tackle these choice and affordability issues, AEHC believes that there does need to be the building of more housing units to meet local needs, and at a greater level than that set out in the base case estimates – more akin to the concealed and intermediate scenarios. Here, increasing the output of subsidised housing, both social rented housing and intermediate housing, would also act quickly on some parts of the market where problems are most acute. This should be combined with market provision of starter and smaller homes, better focused on meeting local emerging needs, rather than the demand for larger, more expensive homes from in-migrants.

8.13 The options to increase supply and choice in the affordable and market sectors are:

- Enforcing affordable housing provision where market housing is being provided through an Affordable Housing Policy (AHP). This policy will have to be carefully framed to provide a targeted response – it is not recommended that the AHP is applied across Renfrewshire as it is not needed in many of the lower value areas. The Council does not currently have an affordable housing policy, and there is sufficient evidence to introduce Supplementary Guidance for this purpose so long as it is targeted to the pressured areas. The policy should allow for at least 25% affordable housing provision on every residential site in pressured areas (or a last resort option for commuted sums where very small sites are not feasible for affordable housing, for reinvestment in the same sub market).
- The policy should include affordable housing across of range of tenures – including social housing for rent, intermediate housing for rent and sale, discount sale, and entry level market ‘starter homes’. Options for intermediate rent could be to include shared equity and rent to buy options (including deposit saving schemes in intermediate rent), to enable many consumers’ aspirations to purchase when it is more affordable through increased income. The Policy should allow flexibility for a range of affordable options to be offered according to specific local requirements.
- Promotion of the development of smaller dwellings for sale through Planning briefs for flats, and smaller houses suitable for entry-level housing, housing suitable for first move-on accommodation, and for downsizing for older people (thereby releasing larger properties for families). In this way the market provision should work well with the additional affordable housing provision to create much more graduated markets than currently exist (as discussed above).

- The assumption is that funding will be provided through the Affordable Housing Programme, and De facto subsidy by provision of public land at nil cost or below market value for development of affordable housing – where Renfrewshire Council land is available in these areas.
- Where land supply is constrained in these areas (particularly West), options for increasing supply should be sought for the next LDP. It is noted that large land releases/developments are programmed for North (Bishopton) but this should not be seen as 'fixing' the North; opportunities for further supply through an Affordable Housing Policy on private led sites will provide further opportunities to provide graduated markets in this currently segregated market.

8.14 One advantage of focusing on development of smaller units will be that these dwellings are more likely to meet locally emerging housing demand and less likely to be attractive to in-migrants from other areas. This will reduce the competition that local residents face in the housing market.

Table 6.6 Household Tenure Projection - Planning Scenario by LA Sub-Area, 2017

LA-Sub Area	Estimated number of households 2012			Projected number of households 2017			Net change in households 2012-17		
	Private	GR&BMR	Total	Private	GR&BMR	Total	Private	GR&BMR	Total
Beardsen and Milngavie	15,643	1,079	16,722	15,939	1,179	17,117	296	99	395
Strathkelvin	22,679	4,177	27,056	23,138	4,556	27,694	259	381	640
East Dunbartonshire	38,522	8,256	46,778	39,877	8,736	48,613	555	480	1,035
Eastwood	25,430	1,567	26,997	26,138	1,729	27,867	708	162	870
Leven Valley	7,758	2,820	10,578	7,847	3,143	10,990	89	323	412
East Renfrewshire	33,188	4,387	37,575	33,982	4,872	38,854	794	485	1,279
Glasgow East	36,548	25,657	62,205	38,031	27,696	65,727	1,283	2,039	3,412
Glasgow North East	9,033	6,674	15,707	9,317	9,360	18,677	284	686	970
Glasgow North West	68,624	35,721	104,345	69,403	38,548	107,951	2,779	2,825	5,604
Glasgow South	70,167	33,580	103,747	73,214	38,235	111,449	3,047	2,655	5,702
Glasgow City	182,492	163,642	346,134	189,945	111,837	301,782	7,453	5,195	12,648
Inverclyde East	14,277	8,889	23,166	13,715	8,819	22,534	-562	-50	-612
Inverclyde West	10,832	1,019	11,851	11,209	1,131	12,340	377	112	489
Kilmacolm and Quarters Village	2,189	113	2,302	2,277	131	2,408	88	18	106
Inverclyde	27,298	10,091	37,389	27,291	10,081	37,372	-97	80	-17
Airth and Coatbridge	31,259	14,686	45,945	32,555	15,615	48,171	1,296	930	2,226
Cumbernauld	28,839	7,339	36,178	29,736	7,702	37,438	897	363	1,260
Motherwell	41,322	23,480	64,802	42,348	24,581	66,929	1,026	1,101	2,145
North Lanarkshire	101,420	45,485	146,905	104,637	47,899	152,536	3,217	2,414	5,631
Johnstone and Elderslie	7,215	3,467	10,682	7,445	3,725	11,170	230	258	488
North Renfrewshire	8,481	1,063	9,544	8,739	1,130	9,869	258	87	325
Paisley and Linwood	28,908	12,411	41,319	29,571	13,199	42,770	663	788	1,451
Renfrew	8,837	1,925	10,762	9,157	2,136	11,293	320	211	531
West Renfrewshire	8,091	826	8,917	8,343	879	9,222	252	53	305
Renfrewshire	61,232	18,992	80,224	63,255	21,089	84,344	2,023	1,377	3,400
Clydebank	20,854	6,412	27,266	21,439	7,093	28,532	585	681	1,266
East Kilbride	31,721	6,367	38,088	32,812	7,066	39,878	1,091	679	1,770
Hamilton	35,680	11,904	47,584	36,828	13,189	49,798	948	1,285	2,211
Rutherglen and Cambuslang	20,293	6,974	27,267	20,818	7,715	28,533	525	741	1,266
South Lanarkshire	108,548	31,677	140,225	111,895	35,043	146,938	3,347	3,366	6,713
Clydebank	11,583	8,865	20,448	11,673	9,212	20,885	90	347	437
Dumbarton and Vale of Leven	14,834	6,834	21,668	15,030	7,091	22,121	196	267	463
West Dunbartonshire	26,417	15,689	42,106	26,763	16,303	43,066	286	614	900
GOV area	579,117	235,829	814,946	595,515	252,840	848,355	17,398	17,911	34,409

Source: HMDA Tool results 2014 including existing need (11,727)

HMDA Tool results are Stage 1 Housing Estimates and are incomplete for the Private sector (see paragraph 6.7). See Tables 6.7-6.10 for Stage 2 Private sector results

This table provides an input to the Private sector supply/demand comparison in Section 8, Table 8.4

Totals may vary due to rounding

Table H - Household estimates by Tenure for sub areas from 2001 and 2011 Census and estimates for 2012

	total	Council owned	RSL owned	owner occupied	private rented	pr rent share
Johnstone and Elderslie						
2001 Census	9,863	3,289	695	5,523	356	6.1%
2011 Census	10,706	2,434	1,122	6,196	954	13.3%
mid-year 2012 provisional		2,416	1,120		1,043	14.5%
mid-year 2012 final	10,682	2,375	1,092	6,171	1,044	14.5%
North Renfrewshire						
2001 Census	9,032	376	683	7,709	264	3.3%
2011 Census	9,533	247	821	7,933	532	6.3%
mid-year 2012 provisional		247	841		571	6.7%
mid-year 2012 final	9,544	243	820	7,909	572	6.7%
Paisley and Linwood						
2001 Census	39,017	11,001	3,218	22,547	2,251	9.1%
2011 Census	41,371	7,649	4,759	23,753	5,210	18.0%
mid-year 2012 provisional		7,605	5,061		5,593	19.3%
mid-year 2012 final	41,319	7,477	4,934	23,310	5,598	19.4%
Renfrew						
2001 Census	9,007	2,205	184	6,256	362	5.5%
2011 Census	10,368	1,638	345	7,194	1,191	14.2%
mid-year 2012 provisional		1,616	345		1,326	15.5%
mid-year 2012 final	10,462	1,589	336	7,209	1,328	15.6%
West Renfrewshire						
2001 Census	8,436	983	78	6,977	398	5.4%
2011 Census	8,924	744	114	7,322	744	9.2%
mid-year 2012 provisional		727	114		793	9.8%
mid-year 2012 final	8,917	715	111	7,297	794	9.8%

The 2012 total household estimates are from Table B.

Provisional estimates for Council owned have been derived from stock data (see Table G1). E.g. $2,416 = 2,434 * 2,428 / 2,446$

Calibration of provisional estimates to Council area estimate of 12,399 (see Table F) gives the final estimates for Council owned

Provisional estimates for RSL owned have been derived from stock data (see Table G2). E.g. $1,120 = 1,122 * 1,274 / 1,276$

Calibration of provisional estimates to the Council area estimate of 7,293 (see Table F) gives the final estimates for RSL owned

Pr rent share is estimated via same method as in phase 2. E.g. $14.5\% = 13.3\% + (19.1\% - 18.1\%) * (13.3 - 6.1) / (18.1 - 11.3)$

Application of estimated pr rent share to private sector gives prov. private rented. E.g. $1,043 = 14.5\%$ of $(10,682 - 2,375 - 1,092)$

Calibration of provisional estimates to the Council area estimate of 9,336 (see Table F) gives the final estimates for private rented

The estimated number of owner occupied households is calculated as a residual.

Table 6.6 Household Tenure Projection - Planning Scenario by LA Sub-Area, 2017

LA-Sub Area	Estimated number of households 2012			Projected number of households 2017			Net change in households 2012-17		
	Private	GR&BMR	Total	Private	GR&BMR	Total	Private	GR&BMR	Total
Bearden and Milngavie	15,643	1,079	16,722	15,939	1,179	17,117	296	99	395
Strathkelvin	22,979	4,177	27,056	23,138	4,558	27,696	259	381	640
East Dunbartonshire	38,522	8,256	46,778	39,977	8,736	48,713	555	480	1,035
Eastwood	25,430	1,567	26,997	26,135	1,729	27,864	705	162	867
Leven Valley	7,758	2,820	10,578	7,847	3,143	10,990	89	323	412
East Renfrewshire	33,188	4,387	37,575	33,982	4,872	38,854	794	485	1,279
Glasgow East	38,548	25,667	64,215	38,031	27,696	65,727	1,383	2,029	3,412
Glasgow North East	9,033	8,674	17,707	9,317	9,360	18,677	284	686	970
Glasgow North West	68,624	35,721	104,345	69,403	38,548	107,951	2,779	2,825	5,604
Glasgow South	70,167	33,580	103,747	73,214	38,235	111,449	3,047	2,655	5,702
Glasgow City	182,492	103,642	286,134	189,945	111,837	301,782	7,453	8,195	15,648
Inverclyde East	14,277	8,889	23,166	13,715	8,819	22,534	-562	-50	-612
Inverclyde West	10,832	1,019	11,851	11,209	1,131	12,340	377	112	489
Kilmacolm and Quarriers Village	2,189	113	2,302	2,277	131	2,408	88	18	106
Inverclyde	27,298	10,091	37,389	27,291	10,091	37,382	-97	80	-17
Airdrie and Coatbridge	31,259	14,688	45,947	32,555	15,615	48,171	1,296	927	2,223
Cumbernauld	28,839	7,339	36,178	29,736	7,702	37,438	897	363	1,260
Motherwell	41,322	23,480	64,802	42,348	24,581	66,929	1,026	1,101	2,145
North Lanarkshire	101,420	45,485	146,905	104,837	47,899	152,736	3,417	2,414	5,831
Johnstone and Elderslie	7,215	3,487	10,702	7,445	3,725	11,170	230	238	468
North Renfrewshire	8,481	1,063	9,544	8,739	1,130	9,869	258	67	325
Paisley and Linwood	28,908	12,411	41,319	29,571	13,199	42,770	663	788	1,451
Renfrew	8,537	1,925	10,462	8,157	2,136	11,293	620	211	831
West Renfrewshire	8,091	828	8,919	8,343	879	9,222	252	53	305
Renfrewshire	81,232	19,992	101,224	83,255	21,089	104,344	2,023	1,377	3,400
Clydebank	20,854	6,412	27,266	21,439	7,093	28,532	585	681	1,266
East Kilbride	31,721	6,367	38,088	32,812	7,068	39,880	1,091	679	1,770
Hamilton	35,680	11,904	47,584	36,828	13,189	49,797	948	1,285	2,211
Rutherglen and Cambuslang	20,293	6,974	27,267	20,818	7,715	28,533	525	741	1,266
South Lanarkshire	108,548	31,677	140,225	111,895	35,043	146,938	3,347	3,366	6,713
Clydebank	11,583	8,885	20,468	11,673	9,212	20,885	90	347	437
Dumbarton and Vale of Leven	14,834	6,834	21,668	15,030	7,091	22,121	196	287	483
West Dunbartonshire	26,417	15,689	42,106	26,763	16,303	43,066	286	614	900
GCV area	579,117	235,829	814,946	595,515	252,840	848,355	17,398	17,911	34,409

Source: HMDA Tool results 2014 including existing need (11,727)

HMDA Tool results are Stage 1 Housing Estimates and are incomplete for the Private sector (see paragraph 6.7). See Tables 6.7-8.10 for Stage 2 Private sector results

This table provides an input to the Private sector supply/demand comparison in Section 8, Table 8.4

Totals may vary due to rounding

Annex 1

2013 Datazone estimates aggregated (based on 2012 mid-year estimates)

RCSubArea	AGE_0_15_sum	AGE_16_29_sum	AGE_30_44_sum	AGE_45_64_sum	AGE_65_74_sum	AGE_75_plus_sum	All_pop (2013 est)	2011 Census	Difference
Johnstone & Elderslie	3674	3611	3722	5834	2117	1892	20850	23163	2313
North Renfrewshire	4122	3766	4049	7378	2543	1821	23679	23755	76
Paisley & Linwood	14439	15438	16615	23442	7745	6900	84579	85070	491
Renfrew	3756	3795	4526	6191	2216	1636	22120	21854	-266
West Renfrewshire	4130	3183	3963	7193	2551	1652	22672	21066	-1606
Renfrewshire	30121	29793	32875	50038	17172	13901	173900	174908	1008
Weight to 2011 Census profile									
RCSubArea	AGE_0_15_sum	AGE_16_29_sum	AGE_30_44_sum	AGE_45_64_sum	AGE_65_74_sum	AGE_75_plus_sum	All_pop weighted to 2011 Census		
Johnstone & Elderslie	4082	4012	4135	6481	2352	2102	23163		
North Renfrewshire	4135	3778	4062	7402	2551	1827	23755		
Paisley & Linwood	14523	15528	16711	23578	7790	6940	85070		
Renfrew	3711	3749	4472	6117	2189	1616	21854		
West Renfrewshire	3837	2958	3682	6683	2370	1535	21066		
Renfrewshire	30296	29966	33066	50328	17272	13982	174908		
Recalibrate to mid-2012 Renfrewshire total									
RCSubArea	AGE_0_15_sum	AGE_16_29_sum	AGE_30_44_sum	AGE_45_64_sum	AGE_65_74_sum	AGE_75_plus_sum	All_pop recalibrated to 2012 est.		
Johnstone & Elderslie	4097	4014	4203	6408	2301	2052	23075		
North Renfrewshire	4151	3780	4129	7318	2496	1784	23657		
Paisley & Linwood	14577	15537	16988	23310	7621	6776	84809		
Renfrew	3725	3752	4546	6047	2142	1578	21789		
West Renfrewshire	3852	2959	3743	6608	2319	1499	20979		
Renfrewshire	30400	30043	33610	49690	16879	13688	174310		

Annex 2

Working age claimant count from DWP tabulation tool				
Ward	Nov-14	Nov-13	Nov-12	Change 2012-2014
Ferguslie	930	995	1,025	-9%
Paisley Central	775	850	855	-9%
Seedhill	755	820	870	-13%
Johnstone Cochranemill	670	700	720	-7%
St. James	665	710	765	-13%
Sandyford	660	695	705	-6%
Shortroods	655	705	685	-4%
Blythswood	635	715	745	-15%
Linwood East	630	670	710	-11%
Brediland	615	650	665	-8%
Johnstone Central	610	620	635	-4%
Saucel and Hunterhill	595	610	625	-5%
Foxbar	580	590	640	-9%
Johnstone West	565	570	605	-7%
Johnstone Castle	555	595	620	-10%
Glenburn South	535	595	605	-12%
Gallowhill and Whitehaugh	535	565	595	-10%
Linwood West	510	535	535	-5%
Castlehead	450	465	470	-4%
Glenburn North	440	470	495	-11%
Elderslie	420	460	485	-13%
Blackhall and Hawkhead	410	430	440	-7%
Townhead	405	425	445	-9%
Arkleston and Newmains	400	425	425	-6%
Lonsdale and Millarston	375	370	410	-9%
Moorpark	375	415	420	-11%
Erskine Central	375	405	425	-12%
Lochfield	365	390	365	0%
Deanside	365	385	390	-6%
Lochwinnoch and Howwood	335	335	350	-4%
Parkmains	295	305	325	-9%
Bridge of Weir North and Craigends	290	325	340	-15%
Erskine West	275	280	305	-10%
Erskine S.E. and Inchinnan	245	265	265	-8%
Kilbarchan	235	255	280	-16%
Ralston	185	215	230	-20%
Bishopton	170	160	175	-3%
Bridge of Weir South and Brookfield	165	175	190	-13%
Stanely	160	175	190	-16%
Houston and Langbank	115	135	155	-26%

