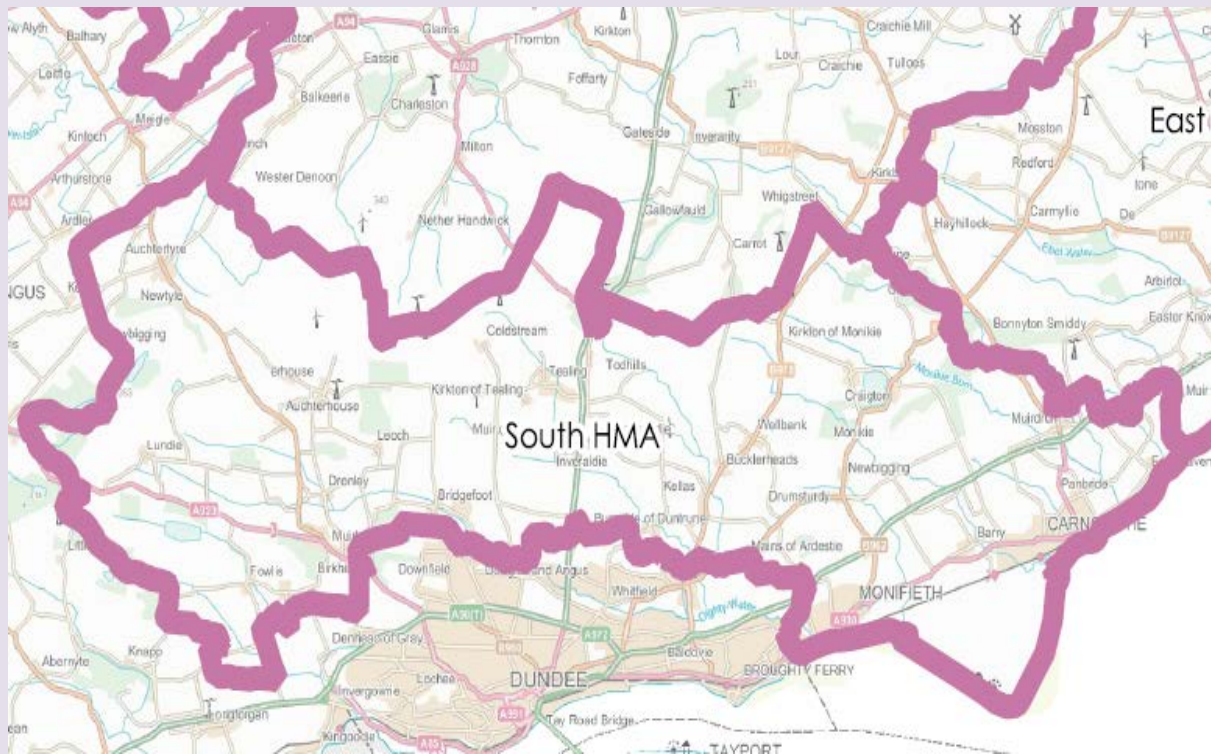


Housing Market Area Profile

South Housing Market Area



Population	30,234 (2017)
Households	12,581
Dwellings	12,840
Housing Tenure	
Owner-occupied	10,489 (82%)
Social Rented	1036 (8%)
Private Rented	1056 (8%)
Vacant	259 (2%)
Median House Price	£153,800 (2016, CHMA)
Median PRS Rent (2 bed)	£540 per month (BRMA Rent, 2017) £611 per month (Sector Analysis, 2017)
Median Household Income Estimate	£32,112 (2018)
Housing Supply Target	70 units per annum
Market Housing	42
Affordable Housing	28
Social Rent	21
Intermediate Tenures	7

Population

The 'Angus Profile' highlights the differing projections between the latest sub-national population projections (2016) and the previous release (2012) which included sub-council area projections.

The latest projections indicate overall population increase (+2.3%) and this will therefore likely be conveyed to South HMA population.

Around 66% (20,000) of the South HMA population reside in the principle towns of Carnoustie (11,500) and Monifieth (8500), with the remainder residing in rural areas and the surrounding villages such as Birkhill, Newtyle & Muirehead.

The shift will mean a population swing in South HMA of around 850, from 150 depopulation to a growth of 700, likely impacting across all age groups.

2016 Sub-national Population Projections 2017 to 2037

Area	2017	2037	% change
Angus	116,520	119,229	+2.3%

2012 Sub-council Area Population Projection

Area	2017	2037	% change
Angus	116,441	115,327	-1%
South HMA	30,234 (26%)	30,100	-0.5%

2016 Baseline Population Projections (2012 Baseline Population %age per HMA)

	2017 estimate	2037 estimate
Angus	116,520	119,229
South HMA	30,295 (26%)	30,999 (26%)

2012 Sub-council Population Projections 2017 - 2037

Area	2017	2037	% change
South HMA	30,234	30,100	-0.5%
Carnoustie & District	13,795	15,138	+10%
Monifieth & Sidlaw	16,439	14,962	-9%
Angus	116,441	115,327	-1%
Age Group	South HMA	Carnoustie & District	Monifieth & Sidlaw
Children (0-15yrs)	-7%	-1%	-13%
16 to 25	-16%	+8%	-34%
26 to 35	-2%	-1%	-3%
36 to 45	-6%	-4%	-8%
46 to 55	-32%	-14%	-45%
56 to 64	-20%	-8%	-29%
65 to 74	+6%	+8%	+5%
Over 75s	+86%	+116%	+65%
All	-0.5%	+10%	-9%

2012 projections indicated a **0.5% reduction in South HMA population**, with

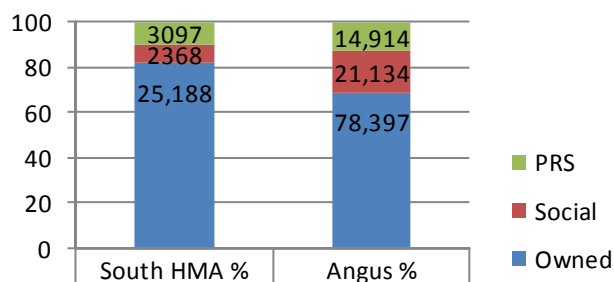
Monifieth & Sidlaw experiencing large reductions (-9% overall) across most age groups, whilst Carnoustie & District would see large increases (+10%).

The 2016 projections will impact local level estimates and it is likely that depopulation will not be as severe resulting in the overall shift from depopulation to growth.

Both areas will see large increases in those aged over 65, particularly Carnoustie & District

By 2037 there is projected to be around 3216 more people aged over 65 – by 2026 there will be around 1600 more, meaning the provision of housing suitable for older people is an immediate issue.

Population by Tenure, South HMA Vs Angus



	South HMA %	Angus %
PRS	10	13
Social	8	18
Owned	82	69

2011 Census data highlights that a far greater number of the South HMA population reside in owner-occupied properties (82%) in comparison to the whole of Angus (69%).

Around 60% of South HMA owner-occupiers have an outstanding mortgage which is a similar rate to the whole of Angus.

The social rented sector accommodates the smallest proportion of the South HMA population, significantly less in comparison to the other HMAs.

Whilst the PRS sector is also the smallest per HMA.

Households

<p>Estimated 12,581 households in South HMA representing (24%) of Angus total (53,045). Projected to increase 4% (500) in South HMA by 2038, with similar increases across the whole of Angus</p>		<p>Angus Household Composition Projections</p> <p>+14% (2600) in single adult households</p> <p>+16% (500) in 1 adult & 1 or more children</p> <p>-25% (1000) in 3 or more adult</p> <p>-16% (1600) in 2 or more adults with 1 or more children</p>						
<p>Household size projections (2014) indicate an increase in demand for smaller sized properties.</p> <p>Angus Household Size (Change) 2014 to 2039</p> <table border="0"> <tr> <td>1 person</td> <td>23% increase</td> </tr> <tr> <td>2 person</td> <td>11% increase</td> </tr> <tr> <td>3 person</td> <td>8% decrease</td> </tr> </table>	1 person	23% increase	2 person	11% increase	3 person	8% decrease	<p>Household size and composition projections are only available Angus-wide, but with an increasing population and number of households at local level, it is a likely assumption that projected changes in household characteristics will be proportionately experienced in South HMA.</p>	
1 person	23% increase							
2 person	11% increase							
3 person	8% decrease							
<p>The considerable increase in population of those aged over 65 plays a significant role in the increase in smaller sized households, as older people seek more manageable properties suited to their needs. The projections for South HMA show significantly larger increases in these age bands.</p> <p>Household composition will also see changes with reductions in household size and more single adult households.</p> <p>Both the ageing population and changing dynamics of family structures will reshape housing demand toward smaller household sizes.</p>								

<p>Carnoustie Locality (2011 Census) 65% of all households require 1 or 2 bedrooms, but 1 and 2 bedroom properties only account for 36% of occupied housing stock.</p> <p>Monifieth Locality (2011 Census) 68% of all households require 1 or 2 bedrooms, but 1 and 2 bedroom properties only account for 33% of occupied housing stock.</p> <p>The projected increase in 1 and 2 person households will put further pressure on smaller housing stock across all tenures, particularly the households where housing choices are restricted due to financial constraints.</p>
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Deprivation

<p>Based on the top 10 most deprived data zones in Angus, one South HMA zone features in deprivation domains.</p>	Deprivation Domain	South HMA Data Zone
	Housing	Carnoustie West
<p>Unlike other HMAs, there are no South HMA zones featuring in the top 10 Income or Employment deprivation domains – the key drivers in housing choice.</p> <p>There are two datazones in South HMA (Monifieth East & West) where Child Poverty levels are rising and considered geographies of concern.</p> <p>Only one community in the South HMA (Monifieth East) has rising levels of Out of Work Benefits considered a cause for concern.</p>		

Income Estimates

Income Estimates, 2018	South	North	East	West	Angus
Lower	£18,654	£14,206	£14,223	£15,505	£15,672
Median	£33,409	£25,198	£24,670	£28,519	£28,739
Upper	£49,101	£44,996	£44,834	£46,961	£48,846

The HMA income estimates have been calculated using the Heriot-Watt University local level household income mode (SAIE 2014), applying the same annual interest.

Angus income estimates have been calculated using CACI (2013) as baseline, applying a modest 2% annual increase, resulting in current estimates.

The South HMA has the highest median household income across the region, 16% (£4670) greater than the Angus median, and 35% (£8739) greater than the East HMA.

The income estimates appear to highlight favourable circumstances for South HMA residents, however low to median earners still face restricted housing choice due to higher than average house prices and lack of affordable rented accommodation.

Stock Profile

There are approximately 12,840 dwellings within South HMA, around 23% of Angus stock.

Private sector stock accounts for around 90% (11,780) of dwellings, the largest proportion across each of the HMAs and Angus (79%).

Social sector stock represents just 9% of the total South HMA stock, the smallest proportion across each of the HMAs.

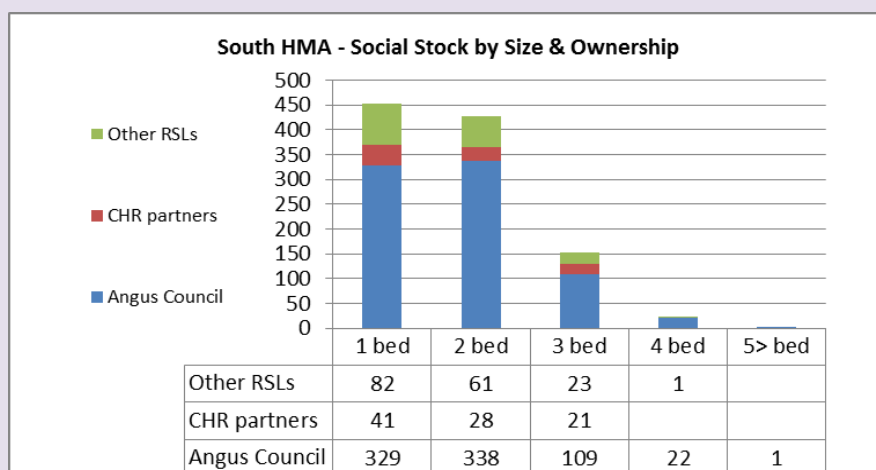
Angus Tenure	Owner-occupied	Private Rented	Social	Vacant Private Sector	Total
South HMA	10,489 (82%)	1036 (8%)	1056 (8%)	259 (2%)	12,840
Total	34,719 (64%)	7185 (13%)	11,133 (20%)	1802 (3%)	54,839

Social Stock

10% (799) of Angus Council stock and 10% (1056) of all social stock is located in South HMA.

42% (452) are 1 bedroom
40% (427) are 2 bedroom

The Council provide around 43% of South HMA social stock, the lowest proportion per HMA.



717 (9%) of all Council stock is specialist housing, with 623 retirement/sheltered units and 94 supported accommodation.

South HMA is home to 77 (11%) of these units, representing around 9% of the Council's South HMA stock.
RSL partners provide 40 specialist units in South HMA.

A high demand for social housing and ageing population will put further strain on existing South HMA specialist stock.

Council Tenant Profiling

Around 297 (38%) of South HMA Council tenants are aged over 65, the highest proportion per HMA and around 10% above the Angus average.

With 15% aged 55 to 64yrs, **this means over half of tenants are aged over 55.**

If population projections materialise and are proportionately conveyed to current tenant profiles, the number of older people will further increase, **emerging from approximately mid-2020s** as more older people make the natural transition through the age groups.

This will increase demand for smaller accessible properties more suited to older peoples' needs.

Age Group	South HMA	Angus
0-15	0	<u>1</u>
16-24	17	428
25-34	84	1156
35-44	101	1170
45-54	145	1273
55-64	112	1088
65-74	141	901
75+	156	1177
Unknown	16	117
Total	772	7311

Common Housing Register (CHR)

	1 bed	2bed	3 bed	4 or more bed	South HMA	Angus
Waiting List Numbers	543	108	76	31	758	2907
Turnover (2017)	32	12	2	0	46	732
Pressure Status	17:1	9:1	38:1	31:1	16:1	3:1

28% (758) of CHR applicants seek accommodation in South HMA. **71% seek a 1 bedroom property 14% seek a 2 bedroom property**

Turnover in the South HMA (46) represents just 6% of the Angus total (732)

Turnover of 2 beds is least pressured with around 9 applicants for every property - significantly lower than the pressure status for other South HMA property sizes, outlining that demand is high in an area where stock levels are below average.

South HMA pressure status is significantly higher than the Angus average (3:1)

Supply will be further strained, particularly for smaller households, should projected household changes materialise

CHR Applicant Profiling

In 2017/18 around 12% (203) of all active applications (1713) sought accommodation in South HMA, and around **60% (121) of these were working age.**

2016/17 to 2017/18:

Working age applications increased 33%, whilst applications from Over 55s increased 49%

	Working Age		Over 55s	
Year	2016/17	2017/18	2016/17	2017/18
South HMA	<u>91</u>	<u>121</u>	<u>55</u>	<u>82</u>
Angus	1170	1279	351	434

Under 55s, 121 applications in 2017/18

- 9% (11) had medical needs with 2 residing in the private sector
- 31% (38) resided in private sector, with 71% (27) private rented sector
- 15% (18) resided in inadequate accommodation, with 7 of these living in the private sector

Over 55s, 82 applications in 2017/18

- 20% (17) had medical needs with 41% (7) residing in the private sector
- 48% (40) resided in private sector, with 75% (30) owner-occupiers
- 28% (23) resided in inadequate accommodation, with 16 of these owner-occupiers

The volume and reason for application outlines the need for additional properties in South HMA, specifically particular needs housing for older people.

Around 28% of over 55 applicants resided in the private sector and were required to move due to medical or inadequate accommodation needs.

Anticipated Need for Supported Housing

Anticipated Need for Supported Tenancies to 2021 (South HMA)	As %age of anticipated need across Angus	Number of supported accommodation units (East HMA)	As %age of all supported accommodation stock across Angus
9	17%	28	27%

Anticipated need in the South is the lowest across the HMAs, whilst stock levels are high due to the provision in Carnoustie.

The anticipated need-to-supply ratio does not take account of current usage and therefore suggests that there could still be supply issues over the coming years.

Particular Housing Need

202 (26%) of South HMA CHR applicants require a specialist housing solution to cater for their age, medical, disability or support needs.

Almost two-thirds of these require housing solely for age-related reasons.

South HMA				
Over 65s	Medical Needs	Disability Needs	Support Needs	Total Specialist Need
126	42	29	5	<u>202</u>

If population age group projections materialise (South HMA over 65s increase 42% by 2037) there will likely be additional specialist housing need, further straining supply and pressure status for smaller households. A proportion of the need will be met from existing stock turnover or redevelopment, and the need will also be used to inform investment decisions in the SHIP.

Through the LHS, the Council has committed to deliver 20% of new affordable housing to meet particular needs, with an anticipated 14 units for delivery in South HMA over the period to 2022/23.

Private Rented Sector

There are around 7200 PRS properties in Angus (2017), increasing 50% since 2010. South HMA experienced a 24% increase over the period 2010 to 2015.

From 2015 to 2017 there has been a steady 4% annual increase in the total number of Angus PRS properties.

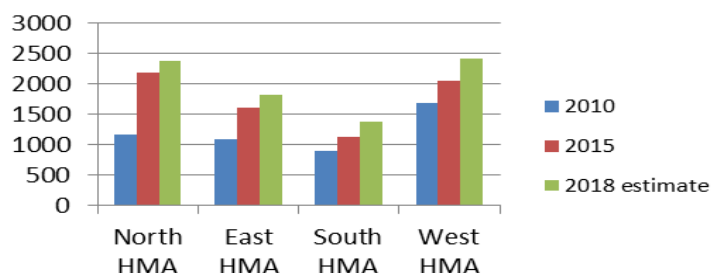
Conveyed to HMA level, in 2018 there would be an estimated 1258 South HMA PRS properties.

The South has the largest private sector housing stock but the lowest number of PRS properties.

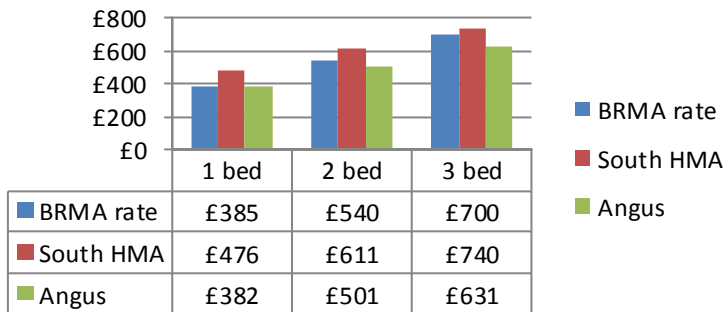
South HMA – Number of Registered PRS Properties

2010	2015	2018 estimate
899	1119	1258
24% increase 2010 to 2015		

Registered PRS Properties, per HMA



South HMA - BRMA Rents Vs Advertised Properties



Analysis of local PRS properties shows that **properties in South HMA are commanding more rent than BRMA profiling and Angus-wide rents.**

1 beds command 23% more than the BRMA, and 2 beds 13% more. (Zoopla, 2017)

BRMA data highlights that between 2010 & 2017, rent for median 2 beds has increased 12.5% (approx. 1.8% per annum)

Rent, per month (2 bed property)	Income Requirement (based on 4 x annual rent charge)	Median Income Level	
£540 (BRMA rate)	£25,920 (£540 x 12 x 4)	<u>South</u>	£33,409
		North	£25,198
		East	£24,670
		West	£28,519
£611 (Market Analysis – advertised properties)	£29,328 (£611 x 12 x 4)		

Affordability calculated as 25% spend of gross annual income.

South HMA median earners affordable rent:
 $£33,409 \div 4 \div 12 =$
£696 per month

For South HMA Lower Quartile Income Households the PRS is largely unaffordable when comparing to market analysis rents; with a **monthly shortfall of £88 on a 1 bed property when spending 25% of income on rent.**

This means that for many low income households, the social sector is the only viable housing tenure.

Lower Quartile Income	Affordable Rent (25% of annual income)	Median Rent	Shortfall (per month)
£18,654	£388	2 bed £611	<u>£223</u>
		1 bed £476	<u>£88</u>

For median income households, the South HMA private rented sector is a realistic and affordable housing option.

The estimated increase in single adult households will place further demand on smaller (1 & 2 bed) PRS properties. These households may be financially constrained by a single source of income, raising concerns of affordability in an area where rents are above average.

Owner-occupied

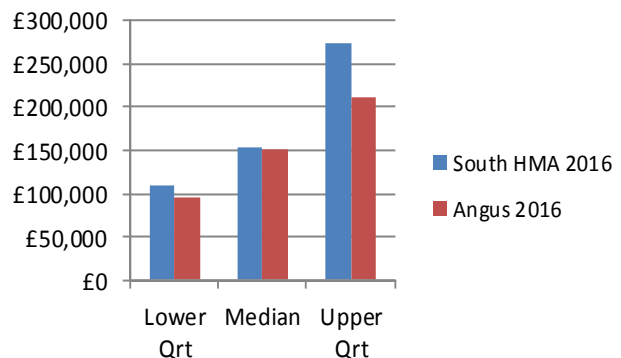
The sector accounts for around 80% of all South HMA stock.

In 2016, the median house price sale value was **£153,800** (CHMA 2016), around 2.5% above the Angus median.

The South HMA lower quartile house price was around 14% higher, and the upper quartile around 29% higher in comparison to Angus prices.

Low instances of income and employment deprivation and close links with Dundee have strong influence over South HMA house prices.

House Price Quartiles, South HMA Vs Angus



<p>To afford a mid-priced home in South HMA, buyers would require an income of £38,450</p> <p>The median income for South HMA is £33,409 meaning a mid-priced home would be unaffordable for the average South HMA household</p>		Median House Price	Income Requirement
	Angus	£150,000	£37,500
	South HMA	£153,800	£38,450
(required income equivalence of: 4 x income spend / 3.2 x income plus 20% deposit – CHMA, 2014)			

For those with home ownership aspirations, the South HMA offers least opportunity in terms of affordability in comparison to the rest of Angus.

For low earners in South HMA, the situation is stark with home ownership and the private rented sector generally unaffordable meaning the only financially viable housing option is the social rented sector, where demand is high and the pressure status is higher than the Angus average.

Median earners in the South HMA are better placed, where home ownership is a realistic opportunity particularly for low-to-median priced properties.

The projected increase in smaller household sizes (single adults and single adults with children) may impact mortgage capabilities and, for low income households, home ownership will become even more unachievable.

Alternative housing models, such as intermediate tenures (mid-market rent and shared equity), may prove popular for low-to-median earners in the South; where income levels are above average but private sector housing options can be costly.

Intermediate Tenures

Survey results for Mid-Market Rent/Shared Equity. We found that for respondents in South HMA:

- Around 82% would consider MMR, whilst 62% would consider Shared Equity
- 93% said they would consider the products in developments containing social housing
- Safe and secure areas were most important to them in terms of location, along with proximity to schools, family/friends, and transport links.
- The most important features are the number of bedrooms for current need; a private garden, and car parking space
- 89% would pay MMR for refurbished social housing properties, and said it should be of better quality than social housing
- Almost 62% said they would be willing to move to another town to access the products, and 93% said they would move to another area in their current town
- 50% of respondents currently live in the private rented sector, and half of these have income over £25,000
- Around a third of South HMA respondents had a household income of over £25,000, whilst a third had a household income of over £35,000; suggesting that they could afford intermediate tenures

Feedback for both products was positive however and affordability, particularly for mid-market rent, is less of an issue in the South HMA.

Estimated Housing Need & Demand

<p>Housing Supply Target (HST) TayPlan SDP (2016) sets a HST of 3720 new homes in Angus for the period 2016 to 2028, equating to 310 new homes per annum. The LHS provides a consistent HST and examines potential delivery in greater detail, presenting types of affordable housing.</p>		
	South HMA	Angus
Housing Supply Target		
Market	42	186
Affordable	28	124
(Social Rent)	(21)	(92)
(Intermediate Tenures)	(7)	(32)
<u>Total</u>	<u>70</u>	<u>310</u>

The South HMA HST has been set at an average of 70 new homes per annum, of which 28 will be affordable tenure.

Affordable tenure is further broken down to guide delivery, outlining requirements for **social rent** and **intermediate tenures** (mid-market rent, low cost home ownership). In line with HNDA findings, **25% of the affordable HST will be intermediate tenures.**

Affordable Housing Delivery and Investment

The Council's Affordable Housing Policy (AHP) seeks a 25% contribution from new developments of 10 or more residential units or where the site area is equal to or exceeds 0.5ha.

The Housing Land Audit (2018) provides factual statement of land supply and potential output in South HMA, informing the land requirement to deliver the Housing Supply Target (HST):

Yr	2018/19	2019/20	2020/21	2021/22	2022/23	2018 to 2023	Later Years
South HMA Potential Output (Units)	169	99	68	70	70	488	282

Not all of these sites will contain 10 or more units or exceed 0.5ha however as an indication of output, applying the AHP, this equates to the potential delivery of 122 affordable units (24 per annum) in South HMA over the period to 2023.

The current Strategic Housing Investment Plan (2018/19 to 22/23) specifies the delivery of 119 affordable units in South HMA over a 5 year period:

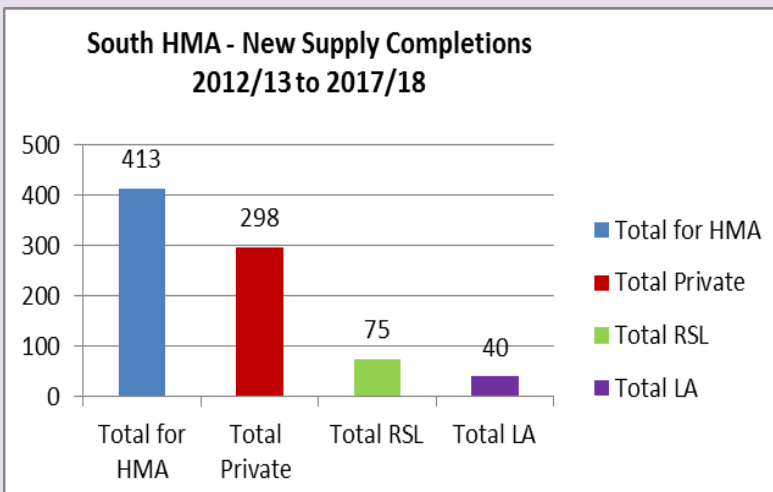
South HMA Site	Ownership	Delivery	Affordable Units
The Maltings, Carnoustie	Private	Angus HA	6
Invertay House, Monifieth	Council	Angus Council	35
Newtyle	Council	Angus Council	12
Panbride, Carnoustie	Private	Angus HA	3
Grange, Monifieth	Private	Angus HA	35
Various Shared Equity	Council	Angus Council	9
Grange, Phase 2, Monifieth	Private	Angus HA	19
		<u>Total</u>	<u>119</u>

56 units (47%) in the delivery programme will be delivered out-with the Affordable Housing Policy, provided directly by Angus Council on sites they own. The remaining 63 units are to be provided by RSLs on privately owned sites in partnership with private developers. Equating to 24 units per annum, Council and RSL development will make a significant contribution to the delivery of affordable housing and the affordable HST

The Councils' own delivery programme equates to the provision of 11 units per annum. 14 units (12%) within the Council/RSL programme are to be provided for particular needs. 28 units will be intermediate tenure (shared equity), a marginal shortfall against the 5yr target (32).

New Supply 2012/13 to 2017/18

There have been 115 affordable units delivered in South HMA over the past 5 years, equating to 40% of all new affordable supply.



	South HMA	Angus	As %age of Total
Private Sector	298	1131	26%
RSL	75	173	43%
Angus Council	40	113	35%
<i>(Affordable Units)</i>	<i>(115)</i>	<i>(286)</i>	<i>(40%)</i>
<u>Total</u>	<u>413</u>	<u>1417</u>	<u>29%</u>

Increased funding has enabled a more ambitious delivery programme, building on the generous supply of affordable units over the past 5 years.

Projected delivery (24 per annum) falls marginally below the average annual affordable HST (28), further highlighting the need for the delivery of more affordable homes via the housing market.

Land Valuation & Commuted Sums

<p>Land valuations are undertaken by an independent valuer and provided for the period July to June (exclusive of VAT)</p> <p><i>Date of publication June 2018</i></p>	Housing Market Area (HMA)	Value for Private Sale (£)			Value for Social Rent (£)	Commuted Payment (£)
		Range <	Range >	Typical		
	North	£23,000	£29,000	<u>£26,000</u>	£1,000	£25,000
	East	£23,000	£29,000	<u>£26,000</u>	£1,000	£25,000
	South	£26,000	£32,000	<u>£29,000</u>	£1,000	£28,000
	West	£23,000	£29,000	<u>£26,000</u>	£1,000	£25,000

The **valuation for private sale** (unrestricted plots for private sale) is informed from analysis of land sales in Angus over the 6 month period prior to publication.

The **valuation for social rent accommodation** is formed from a residual assessment where the costs of the development are deducted from the value of the completed scheme (*calculated rental income over 30 years plus housing grant*).

Commuted sums are the additional amount a housing association or local authority would have to pay over and above the affordable housing land value (social rent valuation) to obtain an alternative (private) site.

For more information visit -

https://www.angus.gov.uk/housing/information_for_developers/commuted_sums