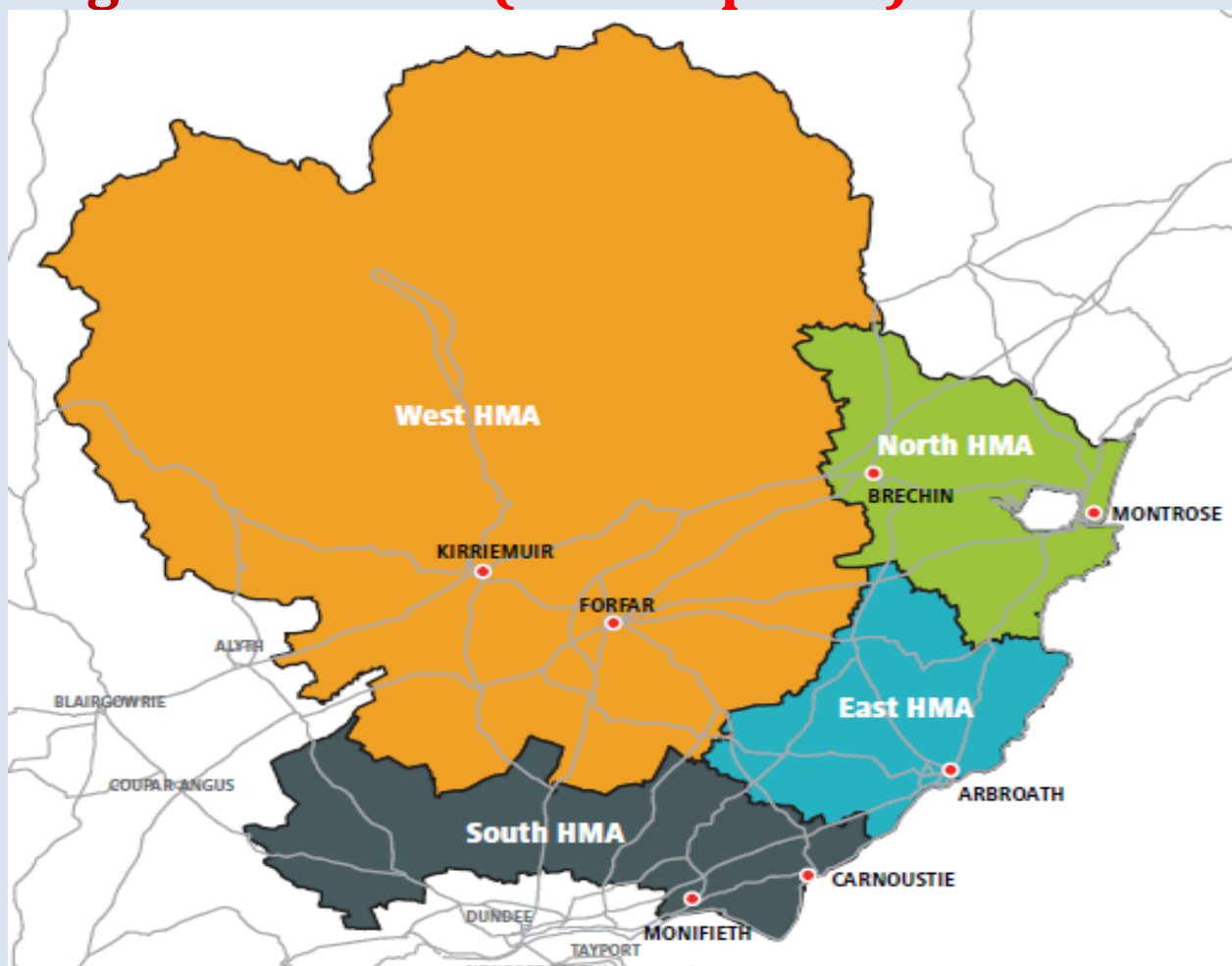


Housing Market Area Profile

Angus Overview (2019 Update)



Population Estimate	116,040 (2018)
Households Estimate	53,888 (2018)
Dwellings	55,514 (2019)
Housing Tenure	
Owner-occupied	34,719 (63%)
Social Rented	11,319 (20%)
Private Rented	7365 (13%)
Vacant	2111 (4%)
Mean (average) House Price	£163,377 (SG 2018)
Median House Price	£150,000 (SG 2018)
Median PRS Rent (2 bed)	£575 per month (2019, BRMA)
Median Household Income Estimate	£29,314 (2019)
Housing Supply Target	310 units per annum
Market Housing	186
Affordable Housing	124
Social Rent	92
Intermediate Tenures	32

Demographics

Population Projection	2016	2037	Change (%)
Angus	116,520	119,229	2709 (+2.3%)

The 2016 population projections indicate an **increase of 2.3% across Angus 2037**, increasing steadily each year. This contradicts the most recent 2018 mid-year population estimates indicating a **marginal decline in Angus, falling 0.2% from 116,280 in 2017 to 116,040 in 2018**. **This can be attributed to more deaths than births and migration.**

The table opposite highlights the (2018) estimated population decline/increase by town and settlement area, with notable differences between urban and rural areas.

With the exception of Monifieth and Forfar, each of the principal towns experiences population decline.

Whilst each of the secondary settlements experiences population increase, with the exception of Letham & Glamis, and Kirrie Landward.

These latest estimates are more consistent with the 2012 projections which indicated population decline over the period to 2037, however the ageing population and other external factors (such as the political and economic environments) also have impact.

Levels of natural change remain consistent and as anticipated, however migration has been lower than expected and therefore directly contributes to the estimated population decline.

Population Estimates		
Town / Settlement	2017	2018
Arbroath	23,745	23,472
Carnoustie	10,739	10,659
Monifieth	7561	7717
Brechin	7370	7243
Montrose	14,086	14,004
Forfar	14,032	14,047
Kirriemuir	6,031	5,979
Towns Total	83,564	83,121
Arbroath Landward	2780	2891
Lunan	2881	2883
Monikie	6250	6253
South Angus	5526	5535
Friockheim	3470	3542
Letham & Glamis	5422	5403
Kirrie Landward	2881	2852
Angus Glens	3506	3562
Settlements Total	32,716	32,921
ANGUS TOTALS	116,280	116,040

Percentage change in Angus population by age structure, 2016 to 2041					
	2021	2026	2031	2036	2041
Children (0-15)	-0.6	-1.2	-2.5	-3.1	-4.6
Working Age	3.1	1.7	1.2	-1.4	-2.3
Pensionable Age & Over	-3.3	4.0	8.3	15.6	18.2
Over 75s	11.6	33.3	45.2	59.1	75.4
ALL AGES	1.0	1.8	2.3	2.4	2.2

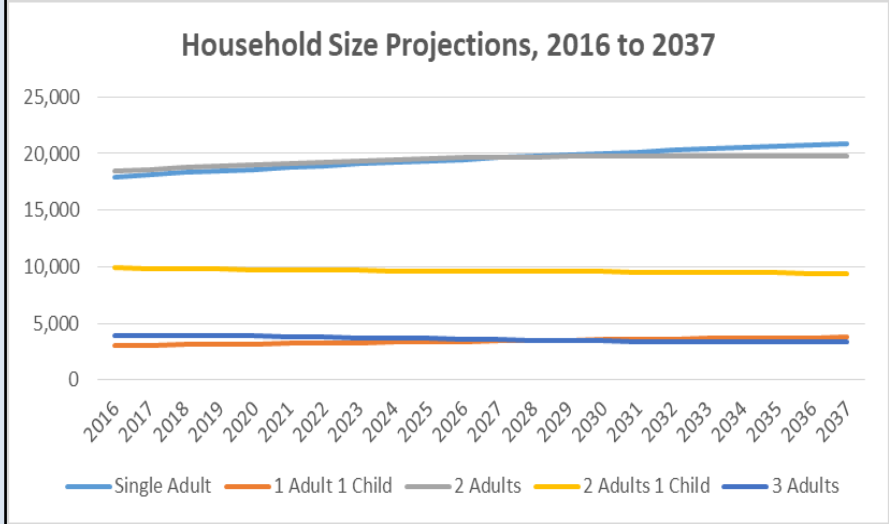
Analysis of population projections per age band shows patterns developing across each of the HMAs with **decline in Children and Working Age groups**, in stark comparison to **those aged over 65 where there is projected to be a large increase**.

The 2016 sub-national population projections estimate that over the period 2016 to 2026, **the number of people aged 75 and over will increase 33%** (Scotland will see an increase of 27%). By 2041 the number of over 75s will have increased by 75%, in stark comparison to a projected overall population increase of just 2%.

Households

Number of Households (Projection)	2016	2037	Change	% Change
Angus	53,333	57,139	+3806	+7%

Over the period to 2037 there is projected to be a **7% increase in the number of households**. There will be an **estimated 2700 more people** and around **3800 more households by 2037**, meaning a **demand for smaller households**.



The 'Households Size Projections' graph highlights the anticipated **increase in households consisting Single Adult (+2917), 1 Adult 1 Child (+733), and 2 Adults (+1321)**. And a **decrease in 2 Adults 1 Child (-537) and 3 Adults (-627) households by 2037**, further suggesting that the average household size will decrease.

The increase in smaller households will mean a subsequent increase in demand for smaller sized properties (1 & 2 bedroom), particularly properties that meet the needs of the ageing population.

Deprivation

Deprivation Domain	Data Zones			
	North	East	South	West
Housing	Montrose South; Brechin East	Arbroath Clifftown; Wardykes; Harbour	Carnoustie West	Forfar Central
Income	Brechin East	Clifftown; Wardykes; Harbour; Kirkton		Forfar Central; Forfar West
Employment	Brechin East; Montrose South	Clifftown; Wardykes; Harbour; Kirkton		Forfar West

Income and employment deprivation are key drivers in housing choice where, due to financial constraints, large proportions of the local population face restricted housing choice other than the more affordable social sector.

Arbroath ranks highest in both domains and is also home to the largest proportion of social housing per HMA

Income Estimates

Income Estimates, 2019	Angus (CACI)	North (SAIE)	East (SAIE)	South (SAIE)	West (SAIE)
Lower	£15,986	£14,490	£14,508	£19,027	£15,815
Median	£29,314	£25,702	£25,163	£34,077	£29,089
Upper	£49,823	£45,896	£45,731	£50,083	£47,901

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

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

More than one source has been utilised to calculate current income estimates, taking into consideration the most recent local level information (SAIE) to supplement existing historical area-wide data (CACI). The application of a uniform annual interest has resulted in comparable income estimates.

The North and East HMAs have the lowest median incomes, ranging 12 to 14% less than the Angus median. The West HMA median is marginally below the Angus median, whilst the South HMA enjoys a median around 16% more than Angus and 35% more than the lowest HMA, the East.

The income disparities highlight the difficulties that median and low income households face, particularly in North and East HMAs, where less disposable income directly impacts housing affordability and choice.

Both North and East HMAs have the highest proportions of local population residing in social rented properties.

Stock Profile

HMA	Owner-occupied	Private rented	Social Sector	Vacant Private Sector	Total
North	7410	2215	3056	652	13,333
East	7946	1734	3899	415	13,994
South	10,489	1207	1279	487	13,462
West	8874	2209	3085	557	14,725
Total	34,719	7365	11,319	2111	55,514

The Angus housing stock comprises **79% (44,195) private sector** and **21% (11,319) social sector**, which is consistent with 'Population by Tenure' ratio –

82% private : 18% social

The tenure split is generally proportionate throughout the 4 HMAs with the exception of the **East HMA which has 28% social housing** within its stock, and the **South HMA which has 90% private sector stock.**

The North and West HMAs have the largest private rented sectors, at around 2200 properties per HMA, suggesting buoyant local markets with properties in high demand. However both HMAs also have the highest number of vacant private sector properties.

Social Housing

Owner	Stock Total	As %
Council	7638	68%
CHR Partner	1979	17%
Other RSLs	1702	15%
TOTAL	11,319	100%

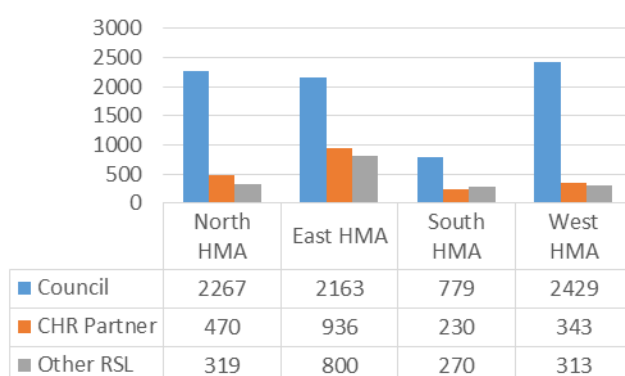
The highest proportion of social stock is located in East HMA
(34% - 3923 properties)

Around 1700 are CHR Partner and Other RSL provision.

The South HMA has the lowest provision of social stock, equating to around 10% of all Council (779) and social stock (1279) in Angus.

Provision in **North & West HMAs is similar at around 27-28% of HMA stock (just over 3000 properties)**

Social Sector Stock, by Location and Ownership



Council & CHR Partner Stock by Bedrooms	Council	CHR Partner	Total
Bedsit	119	12	131
1 bed	3206	781	3987
2 bed	3067	718	3785
3 bed	1122	441	1563
4 bed	102	23	125
5 bed or more	22	4	26
Total	7638	1979	9617

Majority of CHR social sector properties are 1 and 2 bedroom, representing 80% (7772) of stock.

1 and 2 bedroom stock is generally proportionately distributed in each HMA accounting for around 77-85% of stock

Population and household size projections will mean increased demand for these smaller properties.

A majority of **Council owned sheltered/retirement** stock is located in Forfar (166), Montrose (173), Arbroath (114) and Brechin (72). The least provision of this type are located in Kiriemuir (49), Carnoustie (29) and Monifieth (20).

Supported accommodation provision is located in Montrose (20 units), Carnoustie (28), Forfar (20), Brechin (14) and Arbroath (12).

CHR partner sheltered stock is located in Forfar (46), Monifieth (30), and Montrose (20).

Amenity provision is located in Brechin (64), Arbroath (53), Forfar (47), Montrose (36), and Monifieth (10).

Supported provision is located in Montrose (10), Brechin (10) and Arbroath (4).

Specialist Stock Type	Angus Council	CHR Partners	Total
Sheltered / Retirement	623	96	<u>719</u>
Supported	94	24	<u>118</u>
Amenity	0	210	<u>210</u>
Total	<u>717</u>	<u>330</u>	<u>1047</u>

Tenant Profile

Approximately 29% of current Council tenants are aged over 65.

Around 15% fall into the 55-64 yrs age bracket, meaning almost half of all Council tenants are aged over 55.
Higher than average over 65s in the South HMA (38%), whilst other HMAs range from 25-30%.

The projected increase in older people will mean an increase in the number of older council tenants, both from current tenants in the 55-64yrs bracket, and potentially from people who, due to age-related reasons, may have newly arising needs.

Age Group	North	East	South	West	Angus
16-24	156	149	21	138	464
25-34	379	315	75	373	1142
35-44	360	377	116	385	1238
45-54	366	392	154	387	1299
55-64	343	336	124	367	1170
65-74	285	233	126	268	912
Over 75	355	284	168	440	1247
Total	<u>2244</u>	<u>2086</u>	<u>784</u>	<u>2358</u>	<u>7472</u>

At present, around **2 in every 5 council tenants are aged 55 or over**. If population projections materialise and are conveyed to current tenant profiles, **by mid-2020s around 1 in every 2 Council tenants' will be over 55 yrs old**.

Common Housing Register (CHR)

There are approximately **2270 CHR applicants in housing need** (October 2019), with a majority of these seeking accommodation in **East (38%) and West (30%) HMAs**.

In **2018/19 stock turnover was 832**, with a majority of these occurring in West, North and East HMAs.

The Turnover and high housing need in East HMA results in a high pressure status (4 applicants per property).

There is similar pressure status in South HMA where although housing needs are lowest, Turnover is very low (8%, 65).

CHR Waiting List (October 2019)

	<u>Angus</u>	<u>North</u>	<u>East</u>	<u>South</u>	<u>West</u>
All Waiting	3352	708	1205	409	1030
Choice Applicants	1082	273	341	123	345
<u>Needs Applicants</u>	<u>2270</u>	<u>435 (19%)</u>	<u>864 (38%)</u>	<u>286 (13%)</u>	<u>685 (30%)</u>
Turnover 2018/19	832	257 (31%)	213 (25%)	65 (8%)	297 (36%)
Pressure Status	3:1	2:1	4:1	4:1	2:1

Since 2017, the volume of 'Needs Applicants' has increased in East (+4%) and West (+10%), marginally decreased in North (-1%), and significantly decreased in South (-13%).

However, increased Turnover results in a more consistent pressure status across the HMAs.

Analysis of local level demand (HMA Profile Sheets) shows that across each HMA, **at least two-thirds of CHR applicants seek 1 or 2 bedroom properties**.

Although East HMA is home to the highest proportion of social stock, turnover is low and therefore increases the pressure status, particularly for smaller properties (1 and 2 beds).

If projected population and household size changes materialise, then supply of smaller properties will be further strained.

CHR Applicant Profiling

Number of Applications received

2112

Number of Applications cancelled/closed

515

Active Applications

1607

A total of **2122 new applications were received in 2018/19**, a marginal increase from 2017/18 (2112). However, **515 (24%) of these were either cancelled or closed leaving 1607 active applications** for the year, with a majority of those (1226, 76%) from working age applicants.

Although the number of total applications increased 2017/18 to 2018/19, so did the number of cancellation/closures, thus resulting in a net decrease in 'active' applications, both for 'working age' and 'over 55s'.

It should also be noted that of the 1607 'active' applications, 364 (22%) were categorised as 'Choice' applicants meaning they had no immediate housing need.

Applications	Working Age (16-54yrs)		Over 55s	
	2017/18	2018/19	2017/18	2018/19
Total Apps	<u>1607</u>	<u>1660</u>	<u>505</u>	<u>462</u>
Active Applications				
North	279	247	89	93
East	577	554	143	118
South	121	124	82	78
West	302	301	120	92
<u>Total</u>	<u>1279</u>	<u>1226</u>	<u>434</u>	<u>381</u>

Over 55s

41% (158) of 2018/19 applicants resided in the private sector, with 87 owner-occupiers and 71 private rented.

A greater number of applications came from owner-occupiers in higher age bands (>75s), whilst there were more private renting applicants in the 55-64yrs group.

In 2018/19, 41% of applicants (158) were medical needs category and 42% (66) of these were private sector residents.

19% (72) of applicants were Inadequate Accommodation category, with around 36 (50%) residing in the private sector.

Of the 1607 active applications in 2018/19, 429 (27%) were from private sector residents:

295 (69%) were private rented sector; 134 (31%) were owner-occupiers.

However, there are notable differences per age group with 76% (224) of working age applicants living in private rented sector, in contrast to 24% (71) of over 55s.

Sheltered and Retirement Housing Applicants

In 2018/19, 27 (7%) applicants required Sheltered Housing with 9 (33%) in East HMA. In 2017/18 there were 28 (6%) applicants, with the largest proportion (13, 46%) from East HMA. So whilst the number of applications from Over 55s reduced from 2017/18 to 2018/19 (-12%) the proportion requiring Sheltered accommodation marginally increased.

In 2018/19, 93 (24%) applicants stated they would consider Retirement Housing with 34 (37%) from South HMA, and 28 (30%) from East HMA. In 2017/18 there were 100 (23%) applicants who would consider Retirement Housing with 38 (38%) from East HMA and 21 (21%) from South HMA. Once more, whilst applications from Over 55s reduced, the proportion who would consider Retirement Housing remained steady.

Homelessness

Homelessness 2018/19	North HMA	East HMA	South HMA	West HMA	Angus
Homeless Applications	131	312	41	220	694
Duty to find accommodation	93	245	32	184	550
Current backlog	24	121	23	46	214
Lets to homeless in social sector	101	119	40	100	360
%age of all lets	35%	45%	50%	33%	38%
Gap between demand & supply	-10	148	-4	70	127
%age of lets required to meet demand	32%	101%	45%	56%	52%

With around 38% of all social lets to homeless households, the newly arising need and a backlog of applications means that to eradicate homelessness, this figure needs to be increased to around 52% of all social lets.

Data analysis highlights the disparities at HMA level where allocations in the North and South HMAs can continue to meet demand and clear existing backlog, however in East and West HMAs the demand from statutory homeless households far outweighs the supply of social housing available from the Common Housing Register (CHR).

With limited levels of supply, the social sector alone struggles to meet homelessness demand and therefore consideration needs to be given as to how the private sector may offer opportunities and solutions, such as the PRS.

Supported Housing

118 CHR supported accommodation units in Angus.

The largest volume are located in North HMA (45%), followed by South (24%).

There are 75 additional supported accommodation units provided by other RSLs – the majority are located in the West HMA (64), with 11 in the East.

	North HMA	East HMA	South HMA	West HMA	Total
Angus Council	34	12	28	20	94
Hillcrest HA	20	4	0	0	24

Supported Housing	16-64 yrs			Over 65s			TOTAL
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19	
Total Apps	20	31	12	17	10	12	102
Applicants Requiring Supported Housing, by HMA							
North	6	3	3	4	3	5	24
East	4	7	2	3	2	4	22
South	5	1	1	3	1	3	14
West	5	20	6	7	4	0	42

Over the past 3 years the greatest need has been in the West HMA and for those under 65.

Demand has fallen over the past 3 years, dropping 35% (from 37 to 24 in 2018/19), however the anticipated need-to-supply ratio does not take account of current usage and therefore suggests there will be an under provision of suitable stock across most of Angus, particularly in East HMA where supply is lowest.

Residential Placements

Angus Health & Social Care Partnership Localities

North East: Montrose, Brechin & Edzell

North West: Forfar, Kirriemuir, Sidlaws, Birkhill & Muirehead

South East: Arbroath & Friockheim

South West: Monifieth & Carnoustie

There were just over 3000 residential placements in 2018/19, an 18% reduction from 2017/18.

Residential Placements	2017/18			2018/19		
	55-64yrs	>65s	All	55-64yrs	>65s	All
North East	4	705	709	4	537	541
North West	29	866	895	32	713	745
South East	27	1074	1101	35	1028	1063
South West	6	986	992	6	671	677
Total	66	3631	3697	77	2949	3026

The data highlights that 35% (1063) occurred in the South East locality, almost double the number in the North East locality. From 2017/18 to 2018/19 there was a notable decrease in placements in the South West (-44%) locality, in comparison to other localities – North East (-24%), North West (-20%), and South East (-3%).

The large number of placements in the South East could result from the absence of older people's supported housing in Arbroath, meaning people use residential placement when their needs could have been met in supported accommodation.

Particular Housing Need

<p>There are approximately 2742 live CHR applications (October 2019).</p> <p>Under 65s – 2113 (77%) Over 65s – 655 (23%)</p> <p>For Under 65s, 519 (24%) have a medical, disability or support need.</p> <p>For Over 65s, 292 (44%) have a medical, disability or support need.</p>	CHR Applications (Oct. 2019)	All Live Applications	Over 65s (With specialist need)	Medical Needs (Over 65s)	Disabled (Over 65s)	Support Needs (Over 65s)	Under 65s with Medical, Disability or Support Need	Total Particular Needs
	Angus	2742 (100%)	655 (292)	479 (181)	305 (106)	26 (5)	519	1174
	North HMA	525 (19%)	109 (49)	83 (34)	56 (14)	5 (1)	93	202
	East HMA	991 (36%)	198 (108)	184 (67)	114 (41)	6 (0)	197	395
	South HMA	377 (14%)	136 (45)	58 (24)	42 (17)	8 (4)	64	200
	West HMA	849 (31%)	212 (90)	154 (56)	93 (34)	7 (0)	165	377
<p>A total of 811 live applications with a medical, disability or support need – accounting for 29% of all current applications.</p> <p>There are 363 (13%) live applications from those aged Over 65 without additional needs.</p> <p>Meaning there are 1174 (43%) live applications with either an age, medical, disability or support need.</p>								

The East (36%) and West (31%) HMAs have the greatest number of live applications and applicants with particular needs. However the South HMA has the largest proportion of live applications where there is a Particular Housing Need (200 out of 377 live applications, 53%).

This is followed by West HMA (377 out of 849, 44%), then North (202) and East (395), both with around 39%.

Over the period to 2036, the number of those at pensionable age is projected to increase 16%, whilst over 75s will increase 59%.

Each HMA is projected to experience a large increase in the number of over 65s by 2037, ranging from 32 to 42% increase.

There are variations across each HMA, but in the South this age group is projected to increase 86% - where there is already a high pressure status for smaller properties and large proportion of applications with Particular Housing Need.

If projections materialise there will likely be additional specialist housing need, further straining demand for existing supply and the pressure status for smaller sized properties.

Housing for Older People

A recent survey (2018) was undertaken by the Council to gain a better understanding of housing related issues for people aged over 50 years. We received responses from people across Angus, with many appearing to have comparable circumstances and lifestyles, indicating similar needs and demands across the whole county. We found that:

- Around 92% were aged 50-74 with their household containing 2 adults and no children
- 70% lived in owner-occupied accommodation; 20% social housing; and 10% private rented
- Around 90% had 2 or more bedrooms; and around 66% had more than 1 floor
- Almost one third had made adaptations to their home to enable them to remain in their home
- More than half declared that their home may not continue to meet their needs as they grow older, and would be willing to move to meet their changing needs
- A majority of respondents declared they would want a property with a maximum 1 or 2 bedrooms; also citing other attributes such as all ground floor/accessible; smaller property; good amenities nearby; safe/secure area; smaller property
- In contrast to their current tenure, around 50% of respondents stated they planned to live in owner-occupation as they grow older; with almost a third stating social housing and a majority of those anticipating social supported housing as their housing option
- Many respondents would opt to move within their current 'home town' but were equally open to moving within the county to find a home that meets their changing needs

A majority of respondents were aware of the barriers that may prevent them from remaining in their current home (accessibility, declining health/mobility, running costs)

Many were aware of the alternative housing option products available (retirement, supported accommodation, shared equity) but believed that there was generally a lack of suitable and affordable homes in the area

Angus Council has committed to supply 20% of new affordable units for particular needs, equating to 123 units programmed for completion over the period to 2022/23 (around 25 per annum).

The anticipated output will be 118 units (24 per annum), meaning significant progress toward targets.

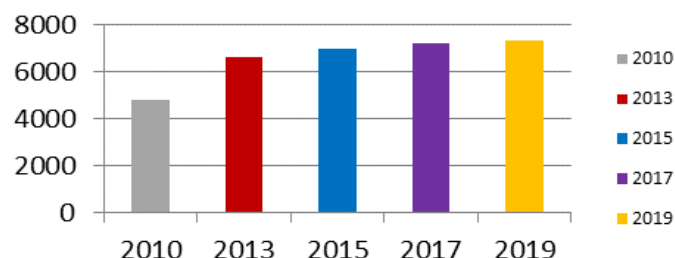
Existing supply and anticipated completions will still fall short of overall need and will be further exacerbated by the ageing population projections which will increase the demand for specialist housing solutions.

There are round **7365** registered properties in Angus (2019)

The sector has experienced a **50% increase since 2010**, predominantly between 2010 & 2013, followed by a steady increase (4%) every 2 years from 2013 to 2017.

Between 2017 and 2019 the increase dropped to 1.6%, which could be attributed to new sectorial regulation such as tax law, and legislation relating to minimum property condition and standards.

Number of Registered Private Rented Properties, 2010 to 2019

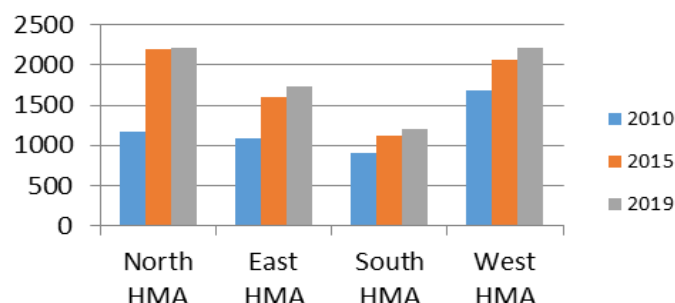


North HMA has seen the largest increase (87%) and now has the largest number of registered properties (2215).

East HMA (1734) has experienced a 48% increase, whilst the South (1207) and West HMAs (2209) have seen 24% and 22% increases respectively, although the West has the 2nd highest PRS stock.

The South HMA contains the largest %age of private sector properties per total HMA stock, but the lowest number of PRS per HMA.

Registered PRS Properties, per HMA



BRMA (Dundee & Angus) 2019

Property Size	Median Rent	% change 2010 to 2019	Average Annual % Change
1 bed	£395	+13%	1.3%
2 bed	£575	+20%	2%
3 bed	£775	+19%	1.9%
4 bed	£1200	+45%	4.5%
Consumer Price Index (CPI)		+20.8%	+2.08%

Broad Rental Market Areas (BRMA) profiling, which takes a snapshot of Dundee & Angus private rents, shows the median rents for the average properties in the area.

Although a wider geographical area is used for analysis, it does provide some indication of local rent rates as well as rent increases over the past 10 years.

BRMA data highlights that between 2010 and 2019, **rent for a median 2 and 3 bedroom properties has increased around 20% (approximately 2% per annum)**, which is comparable to the CPI rate increase over the same term.

The smallest increase occurs in 1 bedroom properties (1.3% per annum) whilst 4 bed properties rent rates have substantially increased well above inflation (2.08%), at around 4.5% per annum.

The following example gives an indication of the likely affordability of the private rented sector for the average Angus household.

Rent (2 bed BRMA rate)	Income Requirement (based on 4 x annual rent charge)	Median Income Level	
£575 pcm	£27,600 (£575 x 12 x 4)	North	£25,702
		East	£25,163
		South	£34,077
		West	£29,089
Rent (1 bed BRMA rate)	Income Requirement	Lower Quartile Income Level	
£395 pcm	£18,960 (£395 x 12 x 4)	North	£14,490
		East	£14,508
		South	£19,027
		West	£15,815

The example highlights that **for median income households in North & East HMAs, the average 2 bedroom private rented sector property is unaffordable**.

The affordability issue is further exacerbated for households requiring 2 or more bedrooms, particularly for 'single adult with children' households where there is only one earner – household **income requirements for a 3 bed would be £37,200** (£775 x 12 x 4) and for a **4 bed £57,600** (£1200 x 12 x 4).

Affordability also affects those on lower incomes who may only require a 1 bed property. The **average 1 bed property (£395) would require an annual income of £18,960**, meaning those on lower quartile incomes could not afford to live in the sector. This creates a challenging scenario for those on lower incomes with low priority for social housing, effectively priced out of the alternative housing solution.

The effect is Angus-wide with the marginal exception in the South HMA.

Other Tenures

A recent survey undertaken by the Council found that there was demand for Mid-Market Rent (MMR) / Shared Equity (SE) from CHR applicants.

- Around 77% stated they would consider MMR, whilst 60% would consider SE
- 89% said these products should be made available in mixed tenure developments
- 88% said they would pay higher MMR for refurbished social housing property
- 90% said they would pay more for a property of the right size, in the preferred location and of better quality than social housing
- 55% would move to another town to access these products, whilst 92% would move to another area within their current town of residence
- The most important features they would look for are: number of bedrooms for current need; proximity to schools and family/friends; safe & secure areas; car parking space; and private garden area.

A majority of respondents were from smaller, working-age households that would require 2 bedrooms.

A majority of the interest was shown in South and West HMAs.

There has been a steady supply and interest shown in alternative affordable homeownership solutions in Angus, with 80 [Help to Buy](#) transactions over the past 3 years.

Similarly, the appetite for [Shared Equity](#) products (both Open Market and New Supply) is also encouraging and highlights the demand from households that aspire to be homeowners but may have been unable to afford market solutions.

	Shared Equity (Open Market & New Supply)	Help To Buy
2016/17	13	30
2017/18	13	20
2018/19	14	30

Owner-occupied

In 2018 the Median Angus house price sale value was £150,000

- The lowest median price is in the North HMA at £108,750 - around 28% (£42,000) less than the Angus median
- The highest price occurs in the South HMA at £194,179 – around 29% (£54,000) more

The table below highlights that to afford a mid-priced home in Angus, buyers would require an income of £37,500

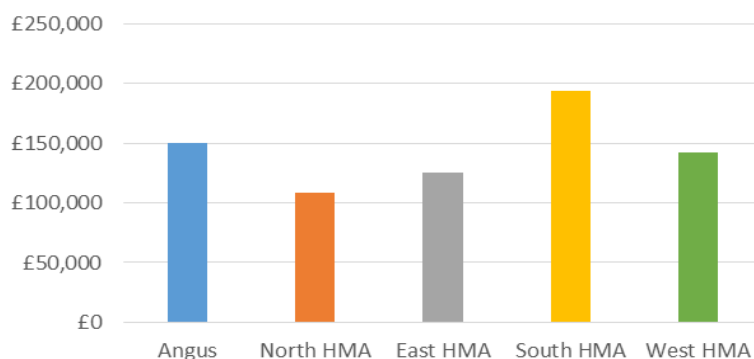
(required income equivalence of: 4 x income spend / 3.2 x income plus 20% deposit – CHMA, 2014).

For the average Angus household, a median priced home is unaffordable

The table also highlights that for perspective median income home-buyers, only those currently based in the South HMA are near to having the required income levels to obtain a mid-priced home, and they would be restricted to North & East HMAs.

The income disparities between median incomes and income requirements is particularly evident in the South, West and East where there is around a £6,000 to £12,000 shortfall between income and income requirement for housing in that area.

Median House Price by HMA, 2018



Source: Scottish Government (STATISTICS.GOV.SCOT) 2019

	Median House Price	Median Income	Income Requirement
Angus	<u>£150,000</u>	<u>£29,314</u>	<u>£37,500</u>
North HMA	£108,750	£25,702	£27,187
East HMA	£125,000	£25,163	£31,250
South HMA	£194,179	£34,077	£48,544
West HMA	£142,500	£29,089	£35,625

The South HMA market continues to be the most buoyant, underpinned by the close links to Dundee with popular commuter towns, higher than average local incomes and a private rented sector able to command higher than average rent rates. However, higher than average house prices mean median earners would be priced out of the local market, although they would find affordable solutions in other HMAs.

Consideration must also be given to the influence from the types of properties for sale.

For example, detached (£230,561 - 2017/18 average price) and semi-detached (£147,802) homes command considerably higher prices than terraced homes (£107,086) and flats (£85,917), therefore the physical composition of housing stock within the towns and surrounding areas will have strong influence on HMA house prices.

The Angus Private Sector Stock Condition Survey (2016) outlined the house type variations by HMA, reflecting higher concentrations of detached housing in South and West HMAs (around 42% in comparison to 20-25% in North & East HMAs) and higher concentrations of terraced housing and flats in North and East HMAs (around 50%).

House price data also outlines that:

- In 2017/18 First Time Buyers paid an average price of £116,098 (which would require an income of £29,024, on par with Median Incomes).
- In 2018 the Mean (average) House Price in Angus was £163,377 (requiring an income of £40,844).

Estimated Housing Need and Demand

TayPlan SDP (2016) set a HST of 3720 new homes in Angus over the period 2016 to 2028, **equating to 310 new homes per annum**. The HST comprises both **market** and **affordable new homes, split 60/40** to guide expected delivery of **186 market** and **124 affordable completions per annum**.

Housing Supply Target 2016-2028 (Annual)	North HMA	East HMA	South HMA	West HMA	Annual Average
Social Rent	22	25	21	24	92
Intermediate Tenures	8	9	7	8	32
Total Affordable Housing	<u>30</u>	<u>34</u>	<u>28</u>	<u>32</u>	<u>124</u>

Affordable tenure is further broken down to guide delivery, outlining requirements for **social rent** and **intermediate tenures** (mid-market rent, low cost home ownership).

25% of the affordable HST will be intermediate tenures (in line with HNSA 2013 which estimated that around a quarter of households in need could meet the need via some form of intermediate tenure)

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 (2019) provides factual statement of land supply and potential output across the region, informing land requirement to deliver the Housing Supply Target (HST):

Year	2019/20	2020/21	2021/22	2022/23	2023/24	2019 to 2024	Later Years
Angus Potential Output (sites of 5+ houses)	347	423	525	543	419	2248	1222

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 maximum potential delivery of 562 (112 per annum) affordable units in Angus over the period 2019 to 2024.

The current Strategic Housing Investment Plan (SHIP) 2019/20 to 2023/24 specifies the delivery of 701 affordable units across Angus. We anticipate that 30 of these units could be secured via the Open Market Acquisition programme (of which 6 will be for particular needs), resulting in a new build programme of 671 units.

SHIP Delivery	5 yearly (2019/20 to 2023/24)				Annual			
	Social Rent	Intermediate Tenure	(Particular Needs)	Total	Social Rent	Intermediate Tenures	(Particular Needs)	Total
North	215	9	(51)	224	43	2	(10)	45
East	201	0	(42)	201	40	0	(8)	40
South	91	20	(15)	111	18	4	(3)	22
West	121	14	(31)	135	24	3	(6)	27
Total	<u>628</u>	<u>43</u>	<u>(139)</u>	<u>671</u>	<u>125</u>	<u>9</u>	<u>(27)</u>	<u>134</u>

This equates to around 134 affordable units per annum and meets the annual HST, however only 7% earmarked for intermediate tenure, leaving a shortfall of around 23 units against the annual HST of 32.

Angus Council has committed to supply 20% of new affordable units for particular needs, equating to 140 units programmed for completion over the period to 2023/24 (around 28 per annum). The anticipated output will be 145 units (including OMA, equating to 29 per annum).

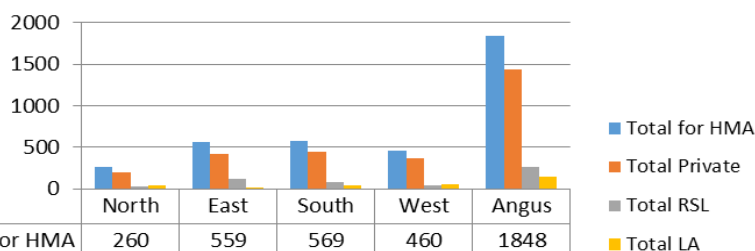
333 units (49%) in the delivery programme will be delivered out-with the Affordable Housing Policy, provided directly by Angus Council on sites they own.

The remaining 338 units are to be provided by RSLs on privately owned sites in partnership with private developers. The 30 properties earmarked for the Open Market Acquisition Scheme will be used for social rent with 6 (20%) made available for particular needs.

Council and RSL development will make a significant contribution to the delivery of affordable housing and the affordable HST. There are 34 intermediate tenure units programmed for delivery in South and West HMAs - areas from where intermediate tenure survey respondents showed the most interest in these products.

Affordability analysis suggests that low-to-median income households may struggle to afford market solutions, both private rented and owner-occupation, particularly in North and East HMAs, therefore there may be opportunities to implement intermediate tenures in these areas.

New Supply by HMA, 2012/13 to 2018/19



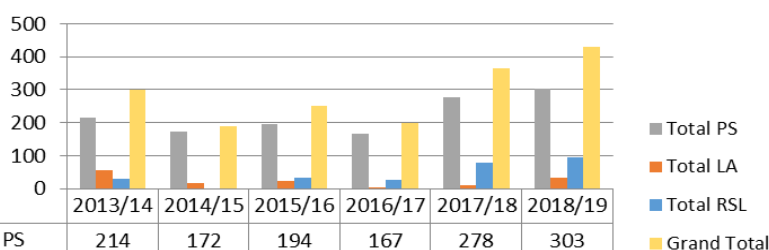
	North	East	South	West	Angus
Total for HMA	260	559	569	460	1848
Total Private	194	422	448	370	1434
Total RSL	20	124	81	43	268
Total LA	46	13	40	47	146

There have been 414 affordable units delivered in Angus over the last 6 years, equating to 22% of all new supply.

Overall supply has been weighted toward South (31%), then East (30%), then West (25%) followed by the North (14%).

Affordable supply has been weighted toward East (33%), South (30%), then West (22%), followed by North (16%).

New Supply by Year of Completion, 2013/14 to 2018/19



	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Total PS	214	172	194	167	278	303
Total LA	55	16	24	4	11	33
Total RSL	31	0	33	28	77	95
Grand Total	300	188	251	199	366	431

2018/19 delivery (431 units) surpassed the annual HST (310)

The annual affordable target (124) was also surpassed with 128 completions, predominantly by RSL partners.

Looking forward, our ambitious delivery programme shifts focus toward North (33%), East (30%), West (20%), followed by South (17%) HMA.

Land Valuation & Commuted Sums

Land valuations are undertaken by an independent valuer and provided for the period July to June (exclusive of VAT)

Date of publication September 2019

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



Angus Local Housing Strategy 2017-22

CREATING PLACES PEOPLE ARE PROUD TO CALL HOME

