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Local Market Studies: Glasgow North Final Report

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INTRODUCTION AND BACKGROUND

1. This report presents the findings of a research study of the local housing market in the North of the city of Glasgow. The research was jointly funded by Glasgow City Council, Communities Scotland and the Glasgow Housing Association (GHA and conducted by Tribal Consulting. The study findings are set out in the main body of the report with recommendations on data collection and stock projections appended.

2. The research was managed by the a working group with members drawn from the funders, the Scottish Federation of Housing Associations (SFHA), the Glasgow and West of Scotland Forum of Housing Associations (GWOSF), Glasgow Homelessness Partnership and the Glasgow and Clyde Valley Structure Plan Team.

3. The research study was commissioned in February 2006. The methodological approach consisted of a literature review, data collection/analysis, interviews with key players and consultation with local stakeholders (including community representatives) and officers using the Local Housing Forum structures to facilitate local consultation events.

RESEARCH OBJECTIVES AND REQUIREMENTS

4. The Glasgow Citywide Demand Review completed by Tribal at the beginning of 2005 had provided robust projections at citywide level of future demand in the social rented sector to 2016. However, it was recognised that the methodological approach adopted for that Review could not provide analysis at neighbourhood level or quantify any link between housing quality and demand in the social rented sector.

5. As a result it was agreed to commission Local Housing Market Studies in two parts of the city (Easterhouse and the North of the city), encompassing all tenures. This report deals with the study of the North area. The following main objectives for both studies were identified: -

   - To provide a better understanding of the dynamics of local housing markets and to identify the key drivers for sustainable neighbourhoods.

   - To test that plans for social rented (and other) housing provision to 2018 reflect the vision and demographic and other projections for these areas as set out in the key planning and housing documents and that planned housing is located appropriately.

   - To inform investment decisions of agencies and partners in the formation of sustainable mixed tenure neighbourhoods by identifying needs (including particular housing needs), demand and potential across tenures together with the characteristics required for sustainability.

   - To establish an analytic approach which can be applied to other local areas in the city.

6. The research required a number of key questions to be addressed in order to reach a full understanding of how local housing markets across all tenures work and how these markets might be developed in future.

7. Key research questions included the following:

   - What are the size and characteristics of demand within a locality or neighbourhood, e.g. length of waiting lists, household types?

   - What is the geographical pattern of movement by households – particularly those moving in and out of the area?

- What are the trends in demand over time and are these trends likely to continue into the future?
- How is the social sector stock performing in terms of turnover and voids broken down by house type, size and location?
- What is the quality of the stock, how does it perform in demand terms and what is the likely impact on demand of investment in existing stock?
- How is the private housing sector (including private renting) performing in terms of house price increases, location, market conditions and characteristics of the sector locally?
- What is the potential for development for owner occupation and what form should development take?
- What are the factors affecting the size and nature of demand and can these factors be influenced by local interventions (e.g. housing quality) or are the factors structural (e.g. changing consumer preference to own rather than rent).

KEY FINDINGS: NORTH

Social Rented Sector

8. The study clearly shows that in Glasgow North, as in the city as a whole, the greater part of the demand for social rented housing is from single adult households with single person and lone parent households being by far the dominant group.

9. Analysis of GHA waiting list data shows that Glasgow North has more existing tenants wanting to move out from than to move into social housing in the area. However, Glasgow North is relatively popular with people joining the GHA waiting list and at least one third of non-transfer demand (as measured by lettings) for social housing in Glasgow North is from outside the area. However, most demand for social housing is "local" in character. There is some variation in the prevalence of "local demand" across Glasgow North with areas near to the city centre such as Cowlairs, Sighthill and Springburn having about half their demand from outside Glasgow North.

10. There is a lack of compelling evidence that investment in existing housing has a significant impact on demand. However, there is very clear evidence on the importance of house type as a factor in determining demand. MSFs are generally unpopular, with high void rates whereas traditional houses let easily and have few voids. The evidence on area preferences suggests that many social rented tenants want to live in houses (and sometimes tenement flats) in areas which are not dominated by social housing and where levels of deprivation are not extreme. It is less clear that *total* social housing demand can be increased by changing the product so that more of it resembles the most popular stock.

11. The overall conclusion on social housing demand is that local demand plus a modest level of in-movement will provide a requirement for in excess of 500 lets per annum. Planned demolitions in Glasgow North will bring the area's social stock to a level which will generate this number of lets so that demand and supply in the social sector should in the near future come into balance. An increase (beyond planned levels) in the supply of social housing would not be needed to meet local demand but further development could be warranted in order to could attract further additional movement from other parts of the city (with, of course, effects on demand for social housing in other parts of the city).

12. The demolition of unpopular stock will create some pressure for additional development for "re-provisioning". Replacing demolished stock is, however, a risk to the process of bringing the system into balance. While some further re-provisioning is, for practical reasons, inescapable, re-provisioning will be required only for a *proportion* of those households still housed in the

properties at the time of final closure of the properties given the ability of the wider social stock to accommodate households displaced form the demolished stock.

Private Sector

13. The level of private house building in Glasgow North has declined in recent years as the rest of the city has moved ahead. Demand for owner occupied housing in the study area is composed of both local and external demand. Currently about 18% of house sales are to people from outside Glasgow. The study has concluded that appropriate development could attract more buyers into the area – the area has in the past sustained development for sale of almost 400 houses per annum and has the potential to provide for a range of development including centrally located properties attractive to younger and smaller households and family type housing. This scale of development would, as well as attracting in-movers, serve local demand.

14. Every year many people sell their homes and "trade up" to larger properties. At present this requires that most of these household leave Glasgow North - the only part of the area that offers much scope for trading up is East Balornock. Just over one third of sales there are to people from within Glasgow North. The study concluded that increased development could facilitate trading up and thus help retain locally originating demand.

15. The study found some scope for development of low cost home ownership housing which would attract people who would otherwise not be able to buy. About 29% of households who obtain social housing in Glasgow North have a member in full time employment and thus may be potential low cost home buyers. The new Homestake initiative could attract up to 80 households a year who might otherwise rent from a social landlord.

16. It is concluded that Glasgow North could support a higher level of private development than at present. The study concludes that development of over 400 occupied houses per year – with a wide range of types and sizes – could be supported by demand.

17. At present the private rented sector is small by the standards of the wider city though it is about equivalent to the city average in the areas near to the city centre.

18. In terms of a vision of the area in 10 -15 years, the study concludes that Glasgow North can and should aim to be an attractive and popular part of inner Glasgow e.g. where neighbourhoods are mixed; tenure is invisible; local services are valued and work accessibility is good. It will continue to house many social tenants but proximity to the city centre gives it an important potential role in the private market too. There are three main areas (Red Road, Sighthill and Springburn/Cowlairs) where plans need to be particularly ambitious. The first two areas call for large scale clearance and re-development while the challenge I Springburn is to stitch together the existing assets (new and old) and fill in the gaps with coherently-planned development.

1 Introduction

1.1.1 This report sets out the findings of the Glasgow North[1] local housing market study commissioned by the Social Housing Demand Technical Working Group. The research is one of two studies commissioned by the Working Group (the other study considered Easterhouse[2]), and it is hoped that the approach can be rolled out to the other areas of the city in due course.

1.2 Rationale

1.2.1 The Glasgow housing system has undergone marked change over recent years – the owner occupied sector is now the largest tenure in the city; the private rented sector is growing strongly, with particular expansion in the student and executive markets. At the same time, the number of households in the social rented sector has continued to decline. However, the transfer of GCC stock to GHA will release significant investment resources, continued growth in the other RSLs improves choice, investment that is being made in the stock by all landlords to achieve the SHQS improves overall stock quality, while the work underpinning the area development framework (ADF), should enable social landlords to reach the point where their stock better matches local households' needs.

1.2.2 As well as the pressure to re-size and invest in the social rented sector stock to better fit with the changing needs of the city, the sector is facing a different set of pressures as Glasgow, along with all other authorities in Scotland, works to respond to the demands of the Homelessness, etc. (Scotland) Act 2003. The Act requires authorities to provide secure accommodation for all homeless households by 2012. Glasgow currently assesses a very high proportion of homeless households as in priority need, but then secures housing for a small proportion of these people. Achieving the 2012 target will not be particularly onerous for the city; improving performance on housing outcomes will be.

1.2.3 It is critical to maintain an unbiased and accurate understanding of the level of demand for the social housing demand in the city, and of the drivers of that demand, so that landlords are well-placed to continue to plan and structure the housing stock appropriately. It is appreciated that demand can be influenced by the nature, location and quality of the available housing. It has also been appreciated for some time now that the social rented sector interacts with the lower end of the private rented sector and may, to some degree, interact with the cheaper end of the owner occupied sector. Regeneration and social initiatives that improve housing opportunities within these sectors will affect the level of demand for the social rented sector. It is therefore crucial that area-based demand studies, and in particular studies that seek to differentiate demand within the local area, are given the opportunity to explore the outcomes achieved and the dynamics between **all** sectors within the whole housing market.

1.2.4 The recent study of social housing demand (2005)[3] suggests that the social rented sector will continue to decline, to around 103,000 by 2012, and to 99,000 by 2016. The decline in demand would also result in a changed tenant profile, as the inflow tenant profile was somewhat different from (and possibly more volatile than) the outflow profile. In line with experience elsewhere in Scotland, the bulk of new tenants are more likely to be single-person headed households – either single person households or lone parent households.

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[1] As defined in terms of GHA letting areas: 180-184, 283-284, and 290-291

[2] As defined in terms of GHA letting areas 150 -158, 233, and 310- 313

[3] Tribal HCH Glasgow Social Housing Demand Review 2005

A high proportion of lone parents in particular are likely to remain reliant on social renting, whereas other household types are increasingly moving into the other tenure options.

1.2.5 The 2005 study provides findings that are broadly consistent with the city's strategy to restructure the social rented stock. However, city-wide projections and figures can mask local-level variations. Thus it has been suggested that although the city-wide trend is towards a declining social rented sector, there may be variation at the local level: localised pockets of increasing demand, for example, where stock quality/investment draws social renters to a local area (in-migration) or retains/attracts households to the social rented sector from other tenures.

1.3 Study objectives

1.3.1 The Local Market Studies objectives were to provide a robust assessment of neighbourhood sustainability, which includes analysis of current and future levels of social housing demand. The brief identified a number of research questions and topics as follows:

Area profile

- Population and households: profile and trends.
- Stock and land supply:
  - profile in terms of property type, size, tenure and housing providers
  - trends in terms of change in stock levels (demolitions, remodelling, new build), and tenure change (right to buy, stock transfer, other acquisitions, mortgage to rent, owner occupation to private rent)

Social housing

- Demand: the scale and nature of current demand; past trends in demand indicators.
- Performance measures: such as voids and turnover.
- Housing quality – profile of quality and impact of investment on demand.
- The implications for the sector of trends and outcomes of this analysis and inter-tenure dynamics.

Private sector

- Profile of the sectors – no. of dwellings, size and type of properties, and so on.
- Price levels – averages, price distribution, rent levels, levels of subsidy.
- Potential for middle market housing.

Demand and need issues

- Factors affecting demand – related to the profile of stock, structural (including issues relating to changing household aspirations).
- Influence of non-housing factors (push/pull factors) – such as schools and transport.

- Need assessment – general needs, particular needs[4].

Impacts of policy

- Housing policy – such as allocations policies.
- Role for new policy instruments, such as Homestake – the barriers to effectiveness of such policies, once the potential has been identified should also be scoped.
- Homelessness – the potential contribution to addressing homelessness that can be made in each of the areas. This has to take account of other objectives that have also been set for these areas, such as regeneration and sustainability.

1.4 Methodology

1.4.1 The project methodology comprised five stages:

- **Project initiation** – This stage comprised a literature review, to ensure the study took account of the research that has already been undertaken on the housing market in Glasgow, and an audit of the data sources that would/might be available to the research.
- **Data collection** – The data collection stage was a critical stage in the project. The intention was that the study should draw primarily on secondary data, either published data or operational data (data that have already been collected for another purpose, but generally have not been collated and prepared for use as a research resource.) With the support of the steering group[5] and the landlords operating in the study areas, a considerable amount of data was eventually collected. The key data sets included:
  - The APSR data provided information both for Glasgow as a whole and to plug some gaps in the information available from landlords.
  - SCORE data, although not complete for Glasgow, and not broken down by landlord, provide useful information on lettings.
  - Land Registry Data – provided information on house prices, turnover, and on migration.
  - GRO(S) data, as analysed by GCC, provided information on population and households – characteristics and trends - at the data zone level (these data were subject to further analysis by Tribal).
  - Data on housing stock by tenure over the period 2001- 2005 from the Glasgow City Council stock database.
  - SIMD04 data provided information on deprivation in the study areas.
  - Landlord data (from GHA and the RSLs) provided information on stock, housing lists, and lettings.

[4] Information on particular needs housing is to be included in the final draft

[5] Much of the published secondary data was provided by the DRS in GCC; Communities Scotland and the Structure Plan Team also provided invaluable data sets. Each of the RSLs worked with the researchers to access the information required for the study.

- Data on housing stock by tenure over the period 2001 – 2004 from the Glasgow City Council stock database.
- HL1 and HL2 data on homelessness.
- Qualitative data: a series of interviews with key stakeholders with an interest in the study area, including council officers (housing, planning, homelessness) RSLs, local members, developers.

- **Analysis, modelling and interpretation** The data have been collated, summarised and analysed. A series of key indicators extracted and explored, and the relationships between the key variables examined.
- **Feedback and revision** A critical stage in the study was to review emerging findings with local RSLs (to check the integrity of the data) and with key local stakeholders to consider the data, the early interpretation that was being placed on the data, and to consider additional issues/data that should be taken into account.
- **Reporting** Following the review workshops additional data were collected, further analysis and interpretation undertaken, and the draft report produced. The draft report was subject to a further round of consultation with stakeholders in the area prior to the production of the final report.

1.5 Structure of this report

1.5.1 The rest of this report will be structured as follows:

- Chapter 2 discusses the overall city policy context.
- Chapter 3 sets out an analysis of the study area's demography and the key features of and trends in the housing system.
- Chapter 4 discusses the determinants of demand for each main housing type in the area.
- Chapter 5 sets out an assessment of forecast demand and conclusions.

1.5.2 A separate report covers findings relating to Easterhouse.

2 City Context

2.1 Introduction

2.1.1 An overview of the strategic context for the city is provided in the City Plan, which provides the planning framework for the city. This is a critical document, which draws together information on demographic change, land supply, infrastructure, economic activity, and so on. It determines (based on the Joint Structure Plan) the estimated demand for new housing in the city, and how that demand will be allocated across the city. Further, the Plan is concerned with issues around choice and range of private housing available in the city. The recent update to the City Plan (City Plan 2) takes account of the updated population forecasts (contained in Joint Structure Plan Alteration 2006), progress on meeting the City Plan targets and development in strategic thinking.

Demographic change

2.1.2 The level of population of the city of Glasgow has been in decline since the 1920s - over the 1990s, the population of the city was falling at 3,500 per annum. However, the most recent projections present a more optimistic outlook. The General Register Office for Scotland (GROS) is now forecasting that Glasgow's population will decline fairly slowly over the period 2004 to 2014 (by about 1300 per annum). Glasgow City Council is forecasting an even more favourable outlook with population almost stable at the 2004 level. A feature of both forecasts is that they reflect the reversal of the pattern of deaths exceeding births in the population such that there will be some growth through natural increase. However, the GROS projections envisage a resumption of fairly large scale annual net out-migration while the council expects migration to fluctuate from year to year with an overall effect which is negligible over ten years.

2.1.3 These more optimistic population forecasts impact on the household projections. Both the GROS and the council expect a substantial growth in household numbers over the next decade – with the council forecasts obviously somewhat higher. Currently growth is around 1,000 households pa (twice that seen in the 1990s), with this growth principally in single person households. The GROS expects household growth to rise to about 1800 per annum while the council expects growth to reach 2700 per annum.

2.1.4 Both sets of forecasts predict similar growth in the number of single person households (about 20,000 over ten years) However, while the GROS expects a loss of just under 8,000 larger households (e.g. two adult households and two adult with children), the council is forecasting a slight increase in the number of larger households. The key to these differences lies in the different views taken by the two bodies on the prospective level of net out-migration from the city. The City Council projections are notably affected by the renewal of the city's contract to 2011 to house asylum seekers.

Tenure change

2.1.5 As noted above, tenure re-structuring has continued over recent years. The social rented sector has decline substantially, from 61% of stock in 1991 to just 41% in 2005. Despite the decline a significant proportion of the stock remains empty (6% - 2005 figures), indicative of continuing over-supply.

2.1.6 The private sector has been increasing through a mix of Right to Buy sales and new build (c. 2,000 pa). Most recent development has been of flats, with the rate of non-flatted development in decline. Indeed, the number of semi-detached and terraced completions has fallen from 700 pa to 270 pa over the period 1997 to 2003, while the number of detached completions remained broadly stable at about 270 pa since 2000. City Plan 2 therefore identifies a clear need to bring on more sites suited to family accommodation: the New Neighbourhoods, and the greenfield sites in the community growth areas.

2.1.7 The private rented sector has grown substantially, from 5% of stock in 1991, to 10% by 2005. Net growth has been c.1,800 units pa, over the last few years, mainly one and two bed flats in the traditional tenement areas, with a significant proportion of new build on the waterfront and city centre.

Implications and response

2.1.8 The more optimistic outlook for the conurbation population has implications for the development land requirement. In total, the 2006 Alteration to the City Plan identifies a shortfall of sites for 19,000 private sector units in the conurbation, of which around 4,200 have been identified in Glasgow (see Table 2.1).

2.1.9 Four New Neighbourhoods (including Ruchill/Keppoch on the edge of the Glasgow North study area) had been identified in City Plan 1 as locations for development which would help address the net loss of families from the city by providing land for middle-market family housing. A number of factors have delayed this development, which has had a marked impact on the overall target to deliver family accommodation in the city.

2.1.10 City Plan 2 shifts the focus of development – specifically, it is now assumed that these peripheral areas will support a wider range of housing. Thus development proposals for Ruchill/Keppoch will involve a range of property types rather than solely mid-market family housing for sale. Further, the re-provisioning following the GHA demolition programme will provide an opportunity to develop new housing sites – not all of which are expected to remain in the social rented sector. Clearly this has significant implications for Glasgow North.

2.1.11 City Plan 1 also identified a series of greenfield sites within Community Growth areas including the Glasgow East Sub Market area, which comprises Broomhouse and Easterhouse, (c. 1,700 units), as well as a series of additional sites for further review, Three of these are included in City Plan 2 as having scope for potential development, and are currently/will be subject to master planning exercises. The indicative capacity of these sites is 4,200.

Table 2.1: Structure Plan additional land requirements

		Land requirement		Indicative capacity
Planning area	**Study area**	**2004-11**	**2011-18**	
Glasgow East		400	2,400	
Broomhouse/Baillieston/Carmyle	Just outside the Easterhouse study area			1,500
Gartcosh/Easterhouse	Includes the Easterhouse study area			1,300
Strathkelvin & Springburn		400	1,000	
	Includes part of the Glasgow North study area			1,400
Total				**4,200**

Source: City Plan 2

2.1.12 The draft 2005 housing land supply identifies sites with a capacity for around 4,500 social rented sector dwellings. The social rented sector re-provisioning programme has a land

requirement for c.13,500 units (of which 6,000 are to re-provision GHA housing) which means there is currently an apparent shortfall, not all of which could be achieved from the demolition sites themselves. Work is therefore underway to identify potential sites, including land release under the schools re-provisioning programme. Seven priority areas for stock restructuring have been identified, including Sighthill and Red Road. As would be expected, the vast majority of demolitions will be flatted – predominantly multi-story – whereas the new build provide a wider range of house types, and none will be high rise.

2.1.13 A new-build re-provisioning programme was agreed as part of the stock transfer process, to enable regeneration of the GHA stock. At stock transfer it was anticipated that around 14,000 properties would need to be demolished to realign stock/supply with demand, with 6,000 replacement properties (split between GHA and Community Based Housing Associations (CBHAs)). The 2005/06 GHA business plan adjusted the level of demolition to 19,000. Given the higher rate of demolition, work is currently underway to accelerate the early action re-provisioning programme, with responsibility for this part of the programme now resting with the CBHAs.

2.1.14 The CBHA provisional programme identifies sites for 905 units, and covers the period to 2008/08. Some 30 of these are in "Springburn and part of Glasgow NE", which includes the Glasgow North study area. It is stressed that these figures are indicative, and that further sites will be identified for later years.

2.2 Key regeneration areas

2.2.1 City Plan 2 focuses closely on key regeneration areas:

- The Metropolitan Growth Corridor (City Centre, Clyde Waterfront and Clyde Gateway), which is crucial to delivering the city plan – development here is generally high profile and considered critically important to the success of the city and beyond.

- The Strategic Growth Corridors: M8 East Corridor, M80 Corridor (which covers part of the Glasgow North study area, including Royston and Red Road) and Glasgow North (which covers part of Glasgow North study area, including Springburn). These areas have been prioritised as they still require planning action to realise their development potential.

- Elsewhere, regeneration will be guided by local development frameworks, town centre action plans and masterplans.

3 Glasgow North – Area Context

3.1 Introduction

3.1.1 This section provides an overview of the demographic circumstances, key neighbourhoods and the housing system in the Glasgow North study area. The topics covered are:

- Population levels, structure and change.
- Key neighbourhood profiles.
- The housing stock (by tenure):
  - Stock level and change
  - Occupancy
  - Market indicators

3.2 Population

3.2.1 The Glasgow North area had (at 2004) a population of 39,413 people and has been divided for analysis into 10 sub-areas as shown in Table 3.1. Over the period 2001 to 2004, the area has experienced population growth of 6% (the city population as a whole remained static) with growth experienced across almost all sub areas.

Table 3.1: Population levels and change (inc. asylum seekers)

Area	2001	2004	Change	% change
Balgrayhill	2,988	3,202	214	7%
Balornock	5,048	5,293	245	5%
Barmulloch	3,877	3,654	-223	-6%
Cowlairs/Peterhill	3,426	3,763	337	10%
East Balornock	6,896	7,058	162	2%
Germiston	1,078	1,177	99	9%
Red Road	2,659	3,083	424	16%
Royston	5,118	5,744	626	12%
Sighthill	4,586	4,935	349	8%
Springburn	1,446	1,504	58	4%
Glasgow North	**37,122**	**39,413**	2,291	**6%**
All Glasgow	**578, 170**	**577,670**	**500**	**0%**

Source: GROS

3.2.2 The key driver of population change at the area and sub-area level is migration. Data on migration are limited – the 2001 Census of population providing the most recent reliable

information. Table 3.2 shows that Glasgow North's population growth has been largely fuelled by a net gain of population from outside the city but there has also been a small gain from the rest of Glasgow.

Table 3.2: Migration to and from Glasgow North 2000-2001

Area	In - migrants	Out - migrants	Net Change
Glasgow North	1173	1173	-
Rest of Glasgow	837	744	93
Outside Glasgow (UK)	1361	741	620
International	227	n/a	n/a
Total (domestic only)	**3598**	**2658**	**713**

Source: Census 2001

3.2.3 The one year gain from migration shown in Table 3.2 may be compared with population growth of 2,294 over the three year period 2001-2004.

3.2.4 In-migration to the city has been an important element of demand for housing in all tenures. Thus the 2001 Census data show that 44% of people moving into Glasgow North in 2001 moved from outside Glasgow. This was also true for 44% of people moving to owner-occupied property and 41% of people moving into social housing. Movers from outside Glasgow were even more important to the Private rented sector – 60% of people moving into private rented accommodation had moved from outside the city. The importance of migration to demand for each type of housing will be considered further below.

3.2.5 Although in-migration affects demand for all types of housing, it remains the case that most in-migrants to Glasgow move within the private sector. As Table 3.3 shows, however, most people who move into Glasgow North move into social housing. There has been a particularly high inflow to the social sector by non UK migrants (asylum seekers) but even "domestic" migration is mainly into social renting. It is also known that these Census tables sometime classify people living in social renting but paying no rent (i.e. by being in receipt of full Housing Benefit) as private rented – the importance of the social rented sector may thus even be understated.

Table 3.3: In-Migration to Glasgow 2001

	Tenure of destination			
Destination	**Owners**	**Social rented**	**Private rented**	**All**
Glasgow North – from UK	495	692	174	1,361
(Row %)	(36)	(51)	(13)	
Glasgow North – from overseas	24	181	22	227
	(11)	(80)	(9)	
Glasgow	8641	5343	8335	22319
(Row %)	(39)	(24)	(37)	

Source: Census 2001

3.2.6 Glasgow North's private rented sector is about as dependent on in-movers to the city than is that of the city as a whole.

3.2.7 Insights to the determinants of population change can be gained by examining data on housing stock changes. The stock dynamics will be considered in more detail below but the following points are important in understanding the pattern of change. Data gathered by Glasgow City Council indicate that in Glasgow North over the period 2001 to 2005:

- The owner occupied stock expanded by about 200 (growth of 3%) due to new building.
- The private rented stock expanded slightly (18 extra units).
- The social rented stock level was practically stable (growth of 0.7% with a shift of houses from Scottish Homes to Housing Association ownership).

3.2.8 It follows that the population growth must be partly due to expansion of owner occupied housing – that might be expected to account for 400-500 new persons. A second factor has been the expansion in the number of asylum seekers housed in the area. Glasgow City Council data show that the number of asylum seekers housed in the area rose from 1,500 in 2001 to 2,055 in 2004, an increase of 555. The remaining population growth of about 1,100 over three years must be due to migration into houses in the existing stock. An increase of this scale does not appear to be possible through natural increase within the indigenous population given that, according to GRO estimates, the number of persons aged under 15 *fell* between 2001 and 2004. These figures can be taken to imply an increase in average households size in the area – which would run counter to established trends. It is possible that double counting of asylum seekers has led to an overestimate of population change[6].

3.2.9 An important factor underpinning the net growth of population in the area has been the *relative* stability of the social rented stock. Overall RSL stock numbers fell by only around 80 between 2001 and 2004. The area has not experienced the net loss of population associated with social housing stock reductions.

3.2.10 Finally, we may note that population of Glasgow North is forecast, by Glasgow City Council, to decline over the next ten years. The projections are shown in Table 3.4.

Table 3.4: Population Projections (% change) 2004 - 2014

	Age			
Area Committee Area	**0 – 15**	**16 – retirement**	**Pensionable Age**	
Glasgow North	-36%	-7%	-25%	-16%
All Glasgow	**-6%**	**3%**	**-7%**	**0%**
Source: GCC				

3.2.11 It is important to emphasis that, so far as Glasgow North is concerned, these are projections based on predicted housing stock. They show the expected consequences of,

[6] We are continuing to investigate this with the council – for example, considering whether a growth in all-adult households may be, at least a partial, explanatory factor.

particularly, reductions in the size of the social housing stock in the area and are not an independent estimate of demand.

3.3 Key Neighbourhood Profiles

3.3.1 Glasgow North, like much of inner Glasgow, remains a relatively poor area but one which is a patchwork: a complex mixture of good and bad, of battered and recovering, of the rejected and the increasingly popular. The quality of place is very variable, and over quite short distances: so that at the south west corner, right next to the city centre, Dennistoun and Alexandra Parade attract young professionals, and offer new 2-bed flats in the £120-125,000 range), whereas an estate like Red Road, unpopular and stigmatised since the time it was built, is both deeply problematic and stuck in its problems.

3.3.2 Despite its problems and image, the Glasgow North area as a whole is not, it should be noted, being deserted or in decline - the population is rising; housing development has taken place, and did sell, when opportunities arose; and there is an established housing market within which values are understood and traded.

3.3.3 The variability of the study area, and the proximity of very different residential settings is apparent as soon as one moves north across the M8 from Townhead and the city centre. Sighthill is a vast tribute to Le Corbusier, seven or eight 120-flat high-rise blocks, plus a few walk-ups, in a would-be landscaped "ville radieuse" setting. At ground level it is depressing and exhausting, with one dismal little centre to its northern edge, plus a few scattered battered shops, three primary schools, an enormous amount of "Space Left Over After Planning", incidental and underused green space, and open parking areas, all in a shapeless sprawl. Its main road, Fountainwell Road, has no pavements, over-engineered underpasses, and yet next to no traffic even in the morning "rush". A high asylum-seeker/in-migrant content means that it is livelier and younger than would otherwise be the case, but combined with the proportion of empty flats this tells a story of basic unpopularity. Yet the site is excellent, on rising ground above the city centre and with good quality parkland nearby.

3.3.4 Just to the north, and very different in scale, is Keppochhill, a little island just beyond the cemetery, with some West of Scotland HA property, a development site, some recent building, and some reasonable sandstone terraces. It is slightly isolated – a product of the city's shrinkage around it – but potentially a reasonably attractive and convenient mixed housing neighbourhood. Northward stretches Carlisle Road, where the impression of wide open spaces is compounded by the very low density employment uses mixed in with vacant sites and, opposite, featureless recreational space of several hectares extent. The whole area from the M8 northwards lacks coherence and structure, but suggests considerable potential.

3.3.5 There is rather more coherence, though still much to be improved on, in the next major group of neighbourhoods to north and east, basically Springburn and Cowlairs. West Springburn, in the Hawthorn Street area has, although some tenements are obviously problematic and apparently headed for demolition, some good quality popular streets with cottages and 4-in-blocks that appear to work well, around a recognisable main street "place" and decent sandstone terraces.

3.3.6 In Springburn proper, the old heart from Hawthorn Street southwards to the Station is badly battered, by well-meaning intervention and by the impact of highway schemes. But some bits of quality and interest remain, and the potential to stitch it back together to recreate more of a recognisable and useable place is still probably there.

3.3.7 Cowlairs, once a key component of the "workshop of the world", is still in many parts a post-industrial mess. But the big asset is the major Tesco investment in the angle of Petershill Road and Springburn Road; it may not be the world's greatest urban design, but

it does appear to function reasonably well, and to act as evidence that the inner North can be modern and liveable.

3.3.8 To the north, Balgrayhill and the areas around Springburn Park appear reasonably stable, some having benefited from GCC/GHA/RSL upgrading and selective demolition, and now with few major changes in prospect or needed.

3.3.9 To the south, and right back down on the city centre / M8 edge, Roystonhill has a somewhat featureless and mono-cultural social housing feel (and so is possibly vulnerable to longer-term trends and choices in a softer market). But the RSLs have no problem letting; and the area seems to be stable and meeting a distinct need well in a very strong location.

3.3.10 Eastwards, the central part of the Glasgow North study area is another but very different mixed bag. Balornock has seen some successful, though rather cut-off, recent development; Germiston seems potentially fragile but not in need of much short-term intervention; whilst Red Road, one of the grimmest housing environments in the UK, is at last and deservedly being emptied for clearance. In no part of this area is there anything resembling any sense of place or neighbourhood focus, and whatever goes back on the Red Road site might usefully try in a low-key way to provide that.

3.3.11 The outer areas – Barmulloch, Balornock and especially East Balornock – are very different in character and issues; essentially suburban locations, including estates seen as some of the better social housing areas, they have a varying suburban "feel" from area to area, but they can mostly attract private housing interest when opportunities arise, and in the case of East Balornock function as part of a quite high-priced outer / fringe (Bishopbriggs) market.

3.4 The Housing Stock

3.4.1 The housing stock in Glasgow North comprises (as at 2005) just over 18,000 properties. The Social rented sector is the dominant tenure in Glasgow North – accounting for 63.9% of dwellings in 2005 according to Glasgow City Council data.

3.4.2 Table 3.5 provides a breakdown of the stock by area and tenure. Owner occupation is the majority tenure in only two areas, East Balornock and Barmulloch, and those two areas account for almost half the owner occupied housing in the study area.

Table 3.5: Housing Stock – Glasgow North					
Area	**Other RSL**	**GHA**	**Owner Occupied**	**Private Rented**	**No.**
Balgrayhill	6.6%	52.7%	34.1%	6.5%	1,459
East Balornock	8.6%	14.7%	73.7%	3.0%	2,702
Cowlairs	45.2%	5.9%	41.7%	7.2%	1,534
Balornock	13.7%	38.1%	45.5%	2.7%	2,705
Red Road	0.0%	99.3%	0.1%	0.6%	1,070
Barmulloch	7.3%	29.5%	60.9%	2.2%	1,703
Tenements	0.0%	96.2%	3.0%	0.8%	599
Springburn	46.0%	20.1%	28.6%	5.3%	1,038
Royston	43.2%	48.9%	7.1%	0.8%	2560
Germiston	0.0%	66.2%	33.1%	0.7%	866
North	17.2%	45.6%	34.4%	2.8%	18254
Source GCC data					

3.5 Social renting

3.5.1 The 11,500 dwellings in the social rented sector are, presently, divided between the GHA and other RSLs in the ratio 8:3.

3.5.2 The dominant stock type in the RSL sector is flatted properties – indeed half the stock is accounted for by multi-storey flats. Only in East Balornock are houses rather than flats the dominant type.

3.5.3 Table 3.6 provides information on the stock type structure of the social housing stock in the area.

Table 3.6: Social Housing Stock, 2005 Estimates – Glasgow North					
Area	**Multi Storey**	**Tenements**	**Other Flats**	**Houses**	**N0.**
Balgrayhill	64.5%	13.1%	11.3%	11.0%	871
Balornock	16.5%	41.8%	2.8%	37.7%	1206
Barmulloch	0.0%	51.5%	6.0%	38.3%	802
Barmulloch Tenements	0.0%	100.0%	0.0%	0.0%	242
Cowlairs/Petershill	0.0%	75.6%	1.6%	7.5%	863
East Balornock	0.0%	0.0%	23.0%	77.0%	626
Germiston	36.0%	45.6%	0.0%	18.4%	566
Red Road	88.8%	3.2%	4.2%	3.8%	1485
Royston	53.7%	10.6%	34.9%	0.8%	1859
Sighthill	92.0%	2.1%	5.9%	0.0%	2471
Springburn	43.9%	54.7%	0.8%	0.1%	720
North	51.1%	25.0%	10.4%	11.9%	**11,502**

Note – The data for this table (and all similarly sourced tables) was provided from the operational systems of GHA and the RSLs. The information was extracted in March 2006, and where the data was not extracted at the end of the month, a calculation was made to proxy a full month, so that the data could be estimated for the financial year 2005/06. As a consequence, there may be some differences between the stock information held in this table and social rented stock totals sourced from GCC records contained in Table 3.5. Further, there may be slight differences in the geographies used to define the sub-areas. The overall totals are however very similar.

Source: GHA and RSLs operational data

3.5.4 The last four years have seen a slight reduction in the last five years with a net loss of about 380 dwellings since 2001 and a fall in the share of all dwellings accounted for by the sector of 3%. The GHA stock has fallen by 425 while the RSL stock has risen by 1100 – mainly through the transfer of about 1000 properties from Scottish Homes. The "non Scottish Homes" RSL stock has risen by about 100 through the net excess of new build over demolition.

3.5.5 The net loss of stock in the social rented sector is accounted for by the effects of about 400 Right to Buy sales – over the period 2001 to 2005 the level of demolitions was close to the level of new build.

3.5.6 The above figures refer only the level of stock. More insight into the balance of supply and demand can be obtained by comparing lets with terminations of tenancy over a period of years.

Table 3.7: Social Housing in Glasgow North 2001- 2006				
Area	**A Lets**	**B Terminations**	**C New build**	**A- (B+C) Net balance**
Balgrayhill	375	456		-81
Balornock	341	426		-85
Barmulloch	249	335		-86
Barmulloch Tens	262	200		62
Cowlairs/Petershill	235	305	58	-128
East Balornock	46	94		-48
Germiston	293	369		-76
Red Road	759	1094		-335
Royston	1349	972	249	128
Sighthill	1321	1606		-285
Springburn	329	324	16	-11
North Total	**5559**	**6180**	**265**	-886
Note – see note on Table 3.6 Source: GHA and RSLs operational data				

3.5.7 The data in Table 3.7 cover both GHA and other RSL stock and cover lets other than transfers and other than lets to asylum seekers. The data show that supply, in terms of properties becoming available to let through terminations and new build has exceeded lets. The "surplus" properties have largely been removed from the stock by demolitions and stock has also been lost through right to buy – though this latter factor does not involve "surplus" stock.

3.5.8 The fact that terminations of tenancy have exceeded new lets in itself indicates a declining relative demand for social housing and is consistent with the city-wide pattern of change.

3.5.9 There is a sharp difference between the GHA stock and other RSL stock within these figures. In general, the RSLs have experienced growth in numbers of tenants and thus an excess of lettings over terminations. In contrast, the GHA stock has been very substantially reduced with terminations exceeding lettings by about 1200 over five years. This difference between the other RSL and the GHA stock applies across all sub-areas. Table 3.8 presents the "net balance" measure used in Table 3.7 to compare change in the GHA and RSL stock over five years.

Table 3.8: Social Housing in Glasgow North 2001- 2005			
Area	**Net Balance GHA**	**Net Balance Other RSL**	**Net Balance Total**
Balgrayhill	-96	15	-81
Balornock	-106	21	-85
Barmulloch	-89	3	-86
Barmulloch Tens	62	-	62
Cowlairs/Petershill	-10	-60	-70
East Balornock	-51	3	-48
Germiston	-76	-	-76
Red Road	-335	-	-335
Royston	-138	266	128
Sighthill	-297	12	-285
Springburn	-38	27	-11
North Total	-1174	287	-886
Source: GCC data			

3.5.10 A number of key points emerge from Table 3.8. All sub areas except for Royston (and the Barmulloch tenements, which are not an area) have experienced a decline in the number of social sector houses. In all areas except Cowlairs, the Other RSL stock has increased but only in Royston has this effect exceeded the decline in GHA stock. Royston has been the focus of most of the new construction by other RSLs in the study area over the last five years – more than two thirds of new build by RSLs other than GHA in the Glasgow North area has been in Royston.

3.5.11 In contrast, Red Road and Germiston have experienced no new build and a loss of social stock. Table 3.9 shows the resulting change in social stock by sub-area.

Table 3.9: Social Housing Stock in Glasgow North 2001- 2005			
Area	**2005 Stock**	**Net Change from 2001**	**Change as % of 2001 stock**
Balgrayhill	866	-19	-2.1
Balornock	1402	-106	-7.0
Barmulloch	628	-69	-9.9
Cowlairs/Petershill	784	-80	-9.3
East Balornock	629	-115	-15.5
Germiston	573	-20	-3.4
Red Road	1063	2	0.2
Royston	2357	60	+2.6
Sighthill	2478	-29	-1.2
Springburn	689	1	0.1
North Total	11466	-375	-3.2
Note – see note on Table 3.6 Source: GHA and RSLs operational data			

3.5.12 The overall pattern of change is fairly clear. Royston was the growth area and Balornock/East Balornock, Cowlairs and Barmulloch the areas of most rapid contraction in social stock. In the other sub areas there was modest change.

3.5.13 Further data on the performance of the social rented stock is provided in Table 3.10 which sets out figures for voids. The data show that, with the exception of Barmulloch, the voids are concentrated in the GHA stock. The Barmulloch tenements and the Red Road flats also have high (and long duration) vacancies – most of these properties are already scheduled for demolition.

3.5.14 The level of vacancies – as evidence of lack of demand – is more strongly related to house type and to landlord than to location.

Table 3.10: Social Housing Voids in Glasgow North 2006					
Area	**GHA**	**Other RSL**	**Long Term Voids %**	**% of Voids in Demolition Programme**	**Stock**
Balgrayhill	1%	0%	0%	-	871
Balornock	1%	0%	0%	-	1206
Barmulloch	5%	15%	4%	58%	802
Barmulloch Tens	23%	-	19%	84%	242
Cowlairs/Petershill	0%	0%	0%	-	865
East Balornock	0%	0%	0%	100%	628
Germiston	9%	-	4%	100%	566
Red Road	30%	-	24%	86%	1485
Royston	2%	0%	0%	100%	2283
Sighthill	25%	0%	17%	100%	2471
Springburn	33%	0%	9%	100%	741
Glasgow North	**15%**	**1%**	**8%**	**93%**	**12160**

Note – see note on Table 3.6
Source: GHA and RSLs operational data

3.5.15 Tables 3.11 and 3.12 set out data on voids by house type for the GHA and other social landlords. It is clear that voids are most prevalent in multi storey flats and flats in GHA ownership. Voids in the RSL stock are confined to a few houses and flats in Barmulloch.

3.5.16 Within the GHA stock voids are high across all stock types except houses – of which there are very few.

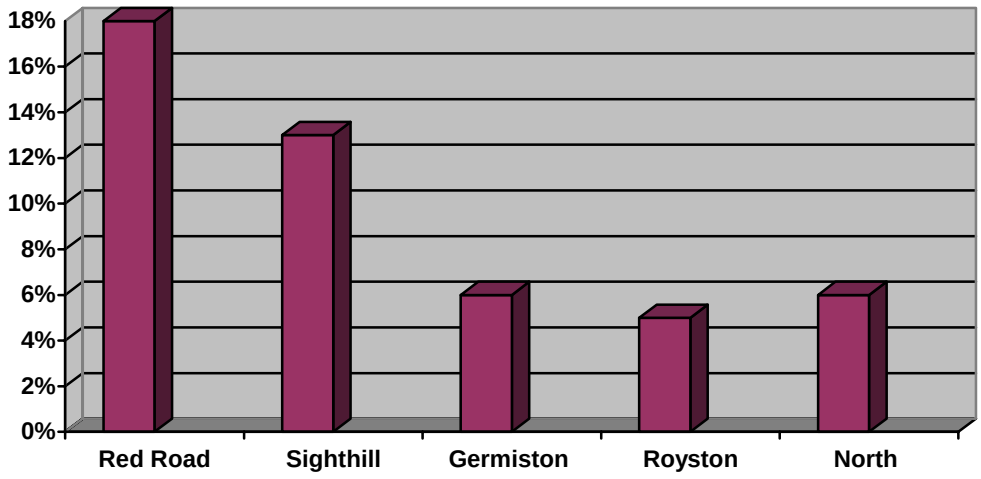
3.5.17 We may conclude from the above analysis that the demand for social rented housing in the study area has fallen over the last five years and that the impact of this reduction has fallen mainly on the GHA stock. There are 1300 void properties in the social sector in Glasgow North and all but 250 of these are in the Red Road flats or in GHA properties in Sighthill.

Table 3.11: Social Housing Voids by Type – GHA (%)				
Area	**Flat**	**House**	**MSF**	**Tenement**
Balgrayhill	1%	0%	1%	0%
Balornock		0%	2%	1%
Barmulloch	0%	1%		8%
Barmulloch Tens				23%
Cowlairs/Petershill		0%		0%
East Balornock		0%		
Germiston		2%	22%	2%
Red Road	68%	0%	30%	13%
Royston	0%	0%	3%	0%
Sighthill	24%		25%	0%
Springburn				33%
Glasgow North	**24%**	**1%**	**19%**	**11%**
Note – see note on Table 3.6 Source: GHA and RSLs operational data				

Table 3.12: Social Housing Voids by Type – RSLs (%)					
Area	**Flat**	**House**	**MSF**	**Semi**	**Tenement**
Balgrayhill	0%				0%
Balornock	0%				0%
Barmulloch	21%	0%		15%	
Cowlairs/Petershill	0%			0%	0%
East Balornock	0%	0%		0%	
Royston	0%				0%
Sighthill	0%				
Springburn	0%	0%	0%	0%	0%
North Glasgow	**1%**	**0%**	**0%**	**6%**	**0%**
Note – see note on Table 3.6 Source: GHA and RSLs operational data					

3.5.18 Adverse as this demand pattern for GHA housing appears, it is actually mitigated by the housing of asylum seekers. As Figure 3.1 shows, asylum seekers account for 6% of social tenancies in Glasgow North and are particularly important to the lowest demand stock. Without asylum seekers void rates in Red Road would rise from 30% to nearly 50%.

Figure 3.1: Asylum Seekers as a % of Social Tenants 2004



3.5.19 The data suggest that the demand for the houses of the "non GHA" RSLs is relatively strong and that demand appears particularly weak for certain types of GHA property (i.e. flats). However, this leaves open the question of how far one can separate the elements of demand for social renting or assume that an increase in the supply of "popular" social housing would leave unaffected the demand for the remaining stock.

Housing for Special Needs

3.5.20 The social housing stock for special needs in Glasgow North comprises 445 properties. These are classified as follows:

- 98 flats for Aged Persons
- 170 sheltered flats (two very sheltered)
- 146 medium dependency properties
- 27 houses for wheelchair users
- 2 houses for ambulant disabled persons
- 4 other adapted properties

3.5.21 The GHA has 159 of these properties comprising sheltered housing and houses for Aged Persons. It is notable that two thirds of the GHA's properties for Aged Persons are in Red Road. Among the other RSLs most of the particular needs stock is in the hands of Home in Scotland, West of Scotland Housing Association and North Glasgow Housing Association. Most of this stock is sheltered housing. The most specialised stock – for wheelchair users and ambulant disabled people – is owned by Home in Scotland and Loretto Housing Association,

3.5.22 There is very little information available on demand or on lets. The GHA data suggest that the ratio of stock to waiting list is about 2.4 to 1 which suggest neither heavy demand pressure nor a lack of demand. However, the GHA data point to intra-area imbalances. Thus Red Road has 63 particular need properties but only one person on a waiting list while areas such as Balornock/East Balornock and Springburn have waiting lists but no stock. It is, however, difficult to draw any firm conclusions on this point since we do not have parallel information for the RSLs.

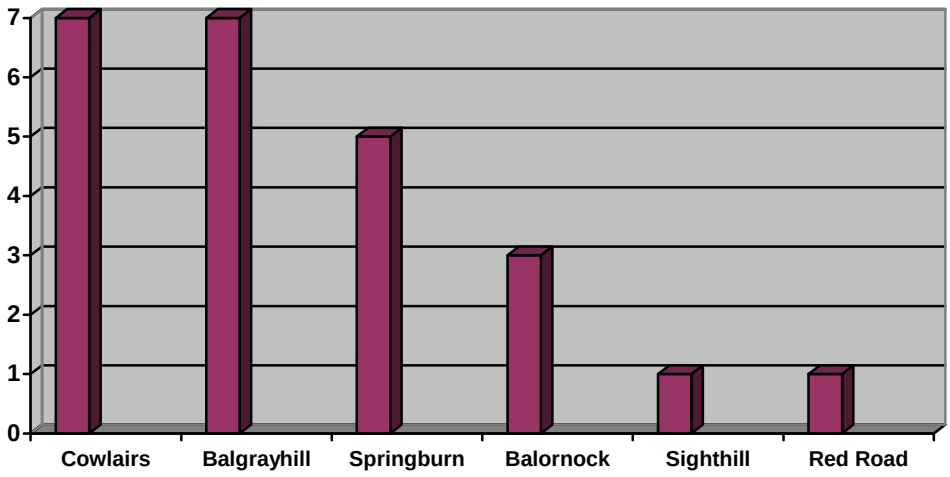
3.6 Private renting

3.6.1 The private rented sector in Glasgow North comprises about 575 properties – about 3% of the total stock. This is about half the Scottish average and well below the Glasgow figure of 10%.

3.6.2 However, there are, as Figure 3.2 shows, wide differences in the importance of the tenure within the study area with private renting at levels equal to the city average in Cowlairs, Balgrayhill and Springburn but much lower in the social housing dominated areas of Red Road and Sighthill (where social housing still accounts for over 90% of the stock).

3.6.3 As we have seen above, while the private rented sector in the study area is not large, it does play an important role as a "tenure of entry" for people moving to Glasgow with more than half of new lets being to people from outside the city.

Figure 3.2: Private Renting as a % of Stock 2005 (Selected Areas)



3.6.4 The sector has grown by about 35% since 2001 – a net expansion of 130 units. Almost all of this expansion has been in Cowlairs, Balornock, Balgrayhill and Springburn which were already the main areas for private renting. Construction of houses of rent is relatively rare – only 16 houses have been built for renting in the area since 2001. Most rented houses transfer from ownership, either through buy to let or owners deciding to let out houses which they do not wish to sell or cannot sell.

3.6.5 It follows that major expansion of the rented sector is only possible where a substantial element of stock is privately owned. A substantial growth of the private rented sector can occur of various reasons but a rapid expansion suggests either a sharp increase in interest in "buy to rent" or that owners are renting out houses which they are having difficulty in selling.

3.6.6 It is difficult to assess the relative importance of these factors in the case of Glasgow North. The condition of the owner occupied sector will be discussed below but we may here that conditions vary across Glasgow North. The fastest growth in the size of the private rented sector has been in Balgrayhill which has experienced a growth of over 80% in the number of private rented properties over five years. It has also experienced, over the last 15 years, house price growth for second hand properties far below the Glasgow North or city wide average. This is consistent with the argument that a rapid growth of private renting is evidence of weak demand.

3.6.7 The other area of rapid growth in private renting is Balornock but price increases there have been above the average for Glasgow North though below the city-wide average.

3.6.8 The private rented sector in the area is a mix of older tenement properties and more modern properties which have been transferred from owner occupation – in some cases possibly because of weak demand.

3.7 Owner occupation

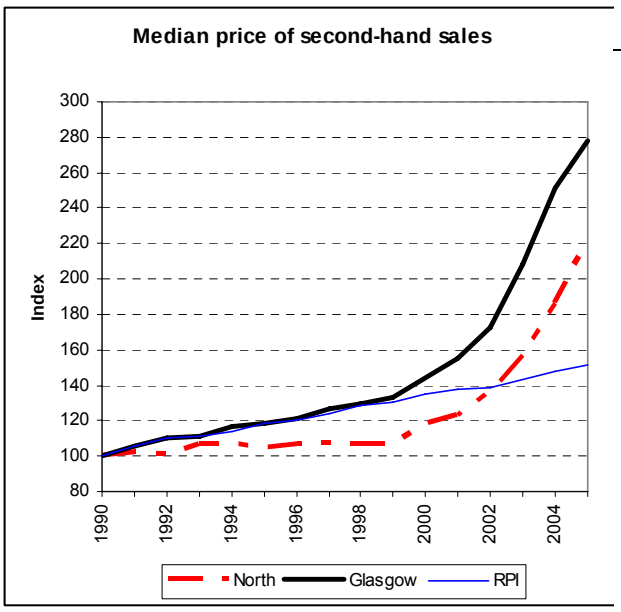
3.7.1 The owner occupied sector in Glasgow North represents 34% of the total housing stock – well below the city wide figure of 50%. The sector has grown in net terms by only 5% (437 units) over the last five years with most of the growth in Balornock and Barmulloch.

3.7.2 About half of the growth in the sector has been due to the effects of Right to Buy with just over 200 units completed for sale in the last five years.

3.7.3 Over the long term, however, the owner occupied sector in Glasgow North has grown in relative importance. The share of all city house transactions (excluding new build) accounted for by Glasgow North has risen from about 2% to 4% over the last 15 years, though below the area's share of city population and reflects the continued dominance of social renting.

3.7.4 Figure 3.3 sets out the pattern of growth in house prices over the last 15 years.

Figure 3.3: House Price Trends (median price)



£	North	Glasgow	Ratio
1990	35,762	36,000	0.99
1991	36,500	38,000	0.96
1992	36,000	39,527	0.91
1993	38,000	40,000	0.95
1994	38,000	42,000	0.90
1995	37,500	42,500	0.88
1996	37,998	43,750	0.87
1997	38,500	45,500	0.85
1998	38,000	46,500	0.82
1999	38,000	48,000	0.79
2000	42,000	52,000	0.81
2001	44,000	56,000	0.79
2002	49,000	62,000	0.79
2003	56,000	75,000	0.75
2004	66,638	90,642	0.74
2005	79,153	100,000	0.79

Source: Register of Sasines Data 1990 to 2005

3.7.5 Although in 1990 there were very few house sales in Glasgow North, prices were at about the city average. However, throughout the 1990s the mean house price in Glasgow North grew very slowly, falling well behind that in the rest of Glasgow and failing to keep up with inflation.

3.7.6 Since 2001 there has been a recovery of sorts with Glasgow North prices at least rising in line with the city average though the price gap has barely narrowed.

3.7.7 As with aspects of the private rented market, there is some degree of variation in price trends across Glasgow North.

3.7.8 Table 3.13 sets out information on house price trends by sub area. Because the number of sales in some of the sub areas in particular years is very few and because this can produce misleading results, we have excluded all cases where there were fewer than five sales in a given year.

Table 3.13: Median price of second-hand sales by sub area

Area	1990	1995	2000	2005	% Change	n 90 -05
Balgrayhill	31,750	38,250	48,000	60,030	89%	497
Balornock	30,000	34,125	39,000	70,000	133%	774
Barmulloch	43,750	40,000	38,000	78,000	78%	363
Cowlairs/Petershill	26,508	33,875	39,500	68,000	157%	854
East Balornock	42,000	45,373	60,000	125,250	198%	1395
Germiston	-	32,000	-	-	n/a	67
Royston	-	-	46,500	68,500	n/a	161
Sighthill	-	37,875	36,375	62,000	n/a	102
Springburn	25,000	32,500	35,000	61,750	147%	341
North Glasgow	**35,762**	**37,500**	**42,000**	**79,153**	**121%**	**4560**
Glasgow	**36,000**	**42,500**	**52,000**	**100,000**	**178%**	**154,000**

Source: Register of Sasines

3.7.9 The area of fastest price growth has, by far, been East Balornock. This has also been the main area of private new build development in the Glasgow North area in the last five years and is the only part of the study area with prices above the city average.

3.7.10 Price growth has also been notably strong by local standards in Springburn, Cowlairs, and Balornock but these remain by city standards areas with low prices and fairly weak price growth. East Balornock has always been distinct in markets terms with prices a little above the city average. However, it has, increased its price differential in recent years.

3.7.11 The example of East Balornock, and its distinctive price trends, emphasises the importance of very localised factors and the nature of the housing "offer" in the private market. While much of Glasgow North remains a low price area with moderate to weak demand, one local area has continued to serve a stronger market and to enjoy fairly fast price growth. What this illustrates is that there is no intrinsic reason why Glasgow North should not benefit from private housing demand to a greater degree than in the past – provided that the housing offer meets market requirements.

3.7.12 An important factor in the housing offer is the level of new development. Table 3.14 shows the comparative levels of new private house building in the city and in Glasgow North over the last 15 years. The level of activity by house builders tends to be driven by the availability of marketable and economically serviceable sites.

Table 3.14: New Private House Completions			
Year	**Glasgow North**	**Glasgow**	**North as % of Glasgow**
90/91	211	1,482	14.2%
91/92	187	1,285	14.6%
92/93	92	929	9.9%
93/94	77	1,168	6.6%
94/95	91	984	9.2%
95/96	163	1,428	11.4%
96/97	272	1,537	17.7%
97/98	393	1,762	22.3%
98/99	269	1,630	16.5%
99/00	231	2,021	11.4%
00/01	171	1,899	9.0%
01/02	114	2,390	4.8%
02/03	29	2,333	1.2%
03/04	59	2,338	2.5%
04/05	0	1,986	0.0%
05/06	29	2,688	1.1%
Source: GCC Housing land database			

3.7.13 The peak period for Glasgow North as a location for private house building was the mid 1990s yet this was also a period of relative price weakness in the area, while completions have fallen markedly in recent years as the market picks up. What this indicates is a relative independence, or potential independence, of the new build market from the second hand market. New build can be different in type and character from the existing stock. In the mid 1990s, a fairly wide spectrum of development was underway – though there was no very high price development. Analysis of new build prices from the period indicates that the highest new build prices tended to be in areas with high second hand prices but the link was not absolutely binding between the two sets of prices. Thus, houses were built for sale in Balgrayhill with an average price above the city average for new build while second hand prices in Balgrayhill remained 20% below the city average.

3.7.14 There is, however, evidence that the Glasgow North private market remains relatively dependant on “local” and “Glasgow origin” demand. Table 3.15 shows the origins of purchasers in Glasgow North in 2002 and compares this pattern with the Glasgow Pattern.

3.7.15 The sub-areas of Glasgow North most affected by demand from outside the city are Balgrayhill and Springburn which are low price areas possibly benefiting from demand from younger, lower income households moving to the city.

Table 3.15: Origin of House Purchasers 2002

Area	Local Area	Glasgow North	Other Glasgow	Outside Glasgow	n
Balgrayhill	11.8%	17.6%	41.2%	29.4%	34
Balornock	22.35%	42.35%	23.53%	11.76%	85
Barmulloch	28.6%	21.4%	42.9%	7.1%	113
Cowlairs/Petershill	3.1%	29.7%	45.3%	21.9%	64
East Balornock	10.4%	25.6%	45.1%	18.9%	164
Germiston	0.00%	60.00%	40.00%	0.00%	5
Royston	22.2%	33.3%	22.2%	22.2%	18
Sighthill	42.9%	42.9%	14.3%	0.0%	7
Springburn	0.0%	27.0%	48.6%	24.3%	37
North Glasgow		**42.5%**	**39.4%**	**18.1%**	**442**

Source: Register of Sasines

3.7.16 The East Balornock area, which is relatively successful in market terms, is the area is not heavily dependant on demand from outside Glasgow but does attract people from other parts of Glasgow. It is also the case that the areas which have had new building do not have a particularly high inflow of people from outside Glasgow – though it must be recognised that the level of new build is very low compared to the stock.

3.7.17 The data underline the complexity of private market trends and the existence of considerable variety in the study area. Broadly, Glasgow North is a low house price area which does contain one sub-area of mid-market housing. In the 1990s the local market was languishing as the city market moved ahead but there has been at least a maintenance of its relative position in more recent years.

3.7.18 The lower end of the private market does appear to attract in-movers to the city but overall the market is more dependant at present on "Glasgow" demand than is the city as a whole. In recent years the area has had a fairly low level of new housing development.

3.8 Conclusions

3.8.1 This section of the report has provided an overview of the key demographic and housing market features and trends in Glasgow North area. Glasgow North is a diverse area made up of quite distinct neighbourhoods. It includes areas near the city centre which are popular with young professional households and some of the least popular social housing in the city. Overall, the area has enjoyed a degree of population stability in recent years, partly underpinned by the in-movement of asylum seekers.

3.8.2 Although the size of the social housing stock has fallen only moderately in the last few years, the area is affected by the city-wide decline in demand. Terminations of tenancy have exceeded lets and the impact of this loss of demand has fallen almost entirely on the GHA stock. High void rates are found in the GHA's flatted stock – in contrast, voids are very low for houses and in the stock of the other RSLs.

3.8.3 The private rented sector is concentrated mainly in the neighbourhoods near to the city centre where the sector performs an important role as a "point of entry" for people moving into the city. The owner occupied sector is relatively small – about one third of the stock – and is presently growing only slowly with new completions averaging just 40 per annum over the last five years. This level of completions is far below that achieved in the mid 1990s. House prices are well below the city average and are growing more slowly than in the city as a whole. The notable exception to these trends is East Balornock – a suburban location which has relatively high house prices and high price growth.

3.8.4 In the next section we consider the determinants of the level of demand for housing in the area and the bases on which forecasts of future demand may be made.

4 Drivers of Demand

4.1 Introduction

4.1.1 The previous section of the report discussed the key trends in the three elements of the housing system in Glasgow North. In this section that evidence is considered alongside other data in order to address the issue of the determination of demand at the local level.

4.2 Social Renting

4.2.1 We consider here the pattern of letting of social housing and thus the "market" being served by the sector. Lets of social houses (excluding transfers) in Glasgow North are currently running at about 900 per annum – this is less than the peak of recent years though more than in 2000 - 2001. Lets by RSLs have doubled over the last five years but this is largely because of the transfer to RSLs of Scottish Homes stock. Table 4.1 below provides sample data from SCORE relating to lets made in the six months to March 2006.

4.2.2 When account is taken of transfers the majority of "mainstream"[7] lets in Glasgow North are made to households that are already social tenants; with just two-fifths of lets being made to new tenants. Of all lets to existing social tenants, 40% are straightforward transfers within the landlord's stock and about 20% are lets to persons who are tenants of other landlords. To express this another way, of lets made by the social sector in Glasgow North other than transfers, one third are made to people who are moving from another social landlord.

Table 4.1: Lets by Previous Tenure

Glasgow North lets: previous tenure by GHA/other RSL (no. and %)

Landlord	GHA		RSL		Total	
Tenure	**n**	**%**	**n**	**%**	**n**	**%**
Same landlord (transfer)	59	46%	40	31%	99	39%
Another social landlord	29	22%	21	16%	50	19%
Outside the social sector (Waiting list)	41	32%	67	53%	108	42%
Base	129		128		257	

Source: Score Dataset: 1 September 2004 to 31 March 2005

4.2.3 There are important differences between the GHA and the other RSLs. Analysis of the Score data confirms there is far less "churn" within the RSL stock than in the GHA stock – that is, there are far fewer lets to transfers within the stock. One explanation is that there is a tendency for RSL tenants to be more satisfied with their initial lets whereas within the former council stock it is not uncommon for people to want to improve their living conditions by attempting to transfer to perceived "better" stock.

[7] That is, lets that are recorded through Score. Score will not record lets to Asylum seekers which make a significant contribution to Glasgow North lets

4.2.4 However, the "churn" within the RSL stock is still fairly high (and certainly higher than in Easterhouse). This suggests that the "fit" between tenant aspirations/requirements and the available stock is *relatively* poor in Glasgow North even in the RSL properties so that people seek to "move around" within the stock in order to improve their housing quality or suitability.

4.2.5 In any case, the RSLs make most of their lets to people who are not presently housed in the social sector. Moreover, if we remove simple transfers from the calculation, the RSLs make 77% of their remaining lets to people on the housing waiting list while the GHA make 49% of non-transfer lets to people from the waiting list.

4.2.6 The only other tenure of any importance so far as new entrants to the social sector is concerned is private renting. About 10% of new lets in Glasgow North were to people from the private rented sector – almost all of these were housed by GHA. There was almost no movement into the sector from owner occupation - just 5 households (2% of all lets) in the 6 month period.

4.2.7 As Table 4.2 shows, half of the new social tenants entering the sector in the period studied were recorded as being homeless prior to being housed - although only half of these people had a formal homeless assessment from the council.

Table 4.2: Lets by Homeless Status		
Homeless prior to rehousing by the RSL/GHA		
	#	**%**
Not homeless	54	49%
Not statutory homeless	26	24%
Statutory homeless	29	27%
Base	*109*	*100%*
Source: Score Dataset: 1 September 2004 to 31 March 2005		

4.2.8 Most people housed by the social sector (73%) had moved within Glasgow North. However, when transfer lets are removed from the data a slightly different picture emerges. About one third of new tenants are from outside the study area – underlining the point that social housing demand is not entirely locally based.

Table 4.3: Lets by Previous Location						
Previous address of new tenants						
	New social tenants (Waiting lists)		**Other social tenants (Transfer lists)**		**Total**	
	No	%	No	%	No	%
Glasgow North	66	61%	122	82%	188	73%
Glasgow – other	31	28%	13	9%	44	17%
Outside Glasgow	4	4%	4	3%	8	3%
Missing data	8	7%	9	6%	17	7%
Base	*109*	*100%*	*148*	*100%*	*257*	*100%*
Source: Score Dataset: 1 September 2004 to 31 March 2005						

4.2.9 Similar conclusions to those drawn in relation to lets follow from an analysis of the profile of **applicants** (i.e. people on the GHA waiting list)[8]. This shows that 60% of non-transfer applicants (that is applicants who are not currently social housing tenants) come from within the Glasgow North study area. However, this percentage varies across the study area. Notably Red Road, which has a high proportion of multi-storey flats and therefore a high proportion of asylum seeker lets, as well as flats allocated to the homeless service, has a high level of self-containment (72%). The lowest self-containment appears to be associated with proximity and access to the city-centre.

[8] The only RSL operating in Glasgow North which provided data was the West of Scotland Housing Association. The profile for that landlord has more self containment than the Glasgow North average (83%), but this is only slightly ahead of the GHA level for East Balornock, the sub-area in which the Association's stock lies. Asylum seekers are not included on the waiting list.

Table 4.4: % of Non-transfer Applicants previously resident in Glasgow North Study Area		
Choice Area	**%**	**Base**
Balgrayhill	69%	91
Balornock	70%	255
Barmulloch	63%	102
Barmulloch Tens	73%	54
Cowlairs/Petershill	59%	17
East Balornock	73%	119
Germiston	55%	49
Red Road	72%	66
Royston	50%	126
Sighthill	49%	165
Springburn	51%	314
North	60%	1357
Source GHA waiting list data		

4.2.10 The very small percentage of lets to people from outside Glasgow clearly contradicts the Census data presented earlier in this report which found a high level of in in-migration to the Glasgow North social rented sector. Of course, the Census data and the Score data relate to different years. The most likely explanation for the anomaly is that a very high number of lets were made to asylum seekers in 2000 – 01; the Census indicates that at least 181 migrants from outside the UK moved into social housing in Glasgow North in 2000-01. The Score data do not include information on lets to Asylum seekers, which had, in any event, fallen to just 23 in 2005.

Characteristics of New Tenants

4.2.11 The SCORE data indicate that two thirds of lets to new tenants in Glasgow North are to households headed by a single adult below pensionable age, and another 10% were to single pensioners.

Table 4.5: Household type of new tenants (No. and %)		
	No	**%**
Single adult, below pension age	55	50%
1 adult + children	18	17%
2 adults	16	15%
Single adult, of pension age	10	9%
2 adults + children	6	6%
Older couple (pension age)	2	2%
Mixed adult +older	2	2%
Base	*109*	*100%*

Note 1: Tenants who were not social tenants in their previous accommodation

Source: Score Dataset: 1 September 2004 to 31 March 2005

4.2.12 These figures can be compared with the analysis presented in the Social Housing Demand Study undertaken by Tribal HCH in 2004/05. That study included an analysis of the pattern of lets by household type for GHA/GCC over ten years and for RSLs for 2002. That analysis found that 80% of all social lets (84% for GHA and 72% for RSLs) were to households headed by a single person – the corresponding figure in the table above is 76%. There are a few differences between the two sets of data, the significance of which is not clear. Thus the 2005 figures for Glasgow North show a lower share of lets to single parents and a higher share of lets to single person households than the data in the earlier report. The proportion of lets to two adult households with children is lower in the current data but the proportion of lets to two adult households is slightly higher. We might assume that households with two (or more) adults of working age are those most likely to be able to afford open market housing – in both the earlier study and the previous work these households account for 20% of lets.

4.2.13 Single adults and single parents are far more heavily represented in the new tenancies than in the population at large. The Scottish Household Survey (2003 -2004) indicates that 22% of Glasgow households are single persons below pension age (50% of people housed) and 7.3% are single parents (17% of those housed).

4.2.14 Analysis of the waiting list[9] shows a broadly similar pattern but with some differences. The proportion of applicants (60%) who are single people (of all ages) is below the corresponding figure for lets (76%). The waiting list contains a higher proportion of families with children than is reflected in recent lets: 25% of applicants are single parents (17% of lets) and 8% are other families with children (6% of lets). Caution must be exercised in drawing conclusions from one waiting list sample and the consistencies are probably more significant than the differences.

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4.2.15 The waiting list can also be broken down to sub-area level. The broad split between groups is broadly consistent across all areas. However, East Balornock (along with Barmulloch and Balornock) is notable for the high level of demand for family housing in the area, accounting for 49% of all applications in East Balornock (36% are from lone parents and 13% from other families with children). In contrast, Royston and Sighthill have very high levels of single adults without children on their waiting lists, accounting for over 70% of all applicants, whereas applications from households with children are well below the study area average. What this appears to indicate is that the patterns of applications, and area choices, are affected by the type of housing on offer and, possibly, the nature of the neighbourhood. It is less clear how this affects the overall level (as opposed to the distribution) of demand.

4.2.16 The vast majority of new tenants in Glasgow North are, according to the SCORE data, not in paid work: just 29% work full-time and another 2% work part-time. The remaining new tenants are classified as economically active but unemployed (40%) while 8% are retired, 11% are long term sick and 10% are otherwise economically inactive. The figures for tenants in employment are notably higher than for Easterhouse (where only 21% of new tenants are in employment) and, indeed, the profile of new tenants is somewhat closer to the city average than is the case in Easterhouse – according to the 2001 Census, 46.5% of Glasgow all adults are in employment (including self employment) as compared with 29% of new Glasgow North tenants. The proportion of tenants economically inactive due to illness or disability in Glasgow North is close to the city average for adults. The most striking economic difference between new tenants in Glasgow North and the city population concerns unemployment: 40% of new tenants are classified as economically active but unemployed as compared to just 6% of adults city-wide.

Neighbourhoods and Housing, Types and Quality

4.2.17 The analysis in Section 3 points to some clear conclusions concerning the preferences of households for the different types of housing – and different areas – within the social rented sector.

4.2.18 Voids can be taken as the primary indicator of weak demand. The analysis of voids in Section 3 shows that – with the exception of a group of properties in Barmulloch where voids are high in defective stock which needs replacement/renewal – significant voids are confined to flats (of various types) –in the GHA stock.

4.2.19 In contrast, void levels are negligible in non-flatted properties (i.e. houses) – **irrespective of where they are located**. That said, houses constitute just 12% of the social stock and are, from a demand viewpoint, the "cream" of this stock. This proposition is strongly supported by evidence from transfer requests which will be considered below.

4.2.20 Turing to the other house types and locations, we find that multi-storey flats (MSFs) are generally unpopular with high void rates. Voids are particularly high in areas which are dominated by flats – e.g. Red Road and Springburn. There is some evidence that MSFs can be more popular in area which have a mix of house types (Balgrayhill and Balornock) but this does not always hold (Germiston is a mixed area with high voids in its MSFs).

4.2.21 Tenements have, overall, the second lowest void levels. They appear to be unpopular in the North only in areas where flats are dominant – especially where there are many MSFs. Other flats are unpopular only in areas where they are mixed with multi-storey flats and jointly dominate the stock.

4.2.22 Further evidence is provided by an analysis of housing applications from transfer and new applicants undertaken by GHA.[10] This analysis examined the area and type (for transfer applicants) preferences expressed by people applying for GHA housing in 11 market areas. These preferences were cross-analysed against the location of the applicant. In this way it was possible to assess the popularity of areas in terms of a balance between applicants from that area seeking housing outside the area and applicants from elsewhere seeking housing **in** the area. For transfer applicants the same analysis was done for house types.

4.2.23 Considering first transfer applicants, the analysis shows that Glasgow North is a relatively unpopular area – more people want to leave than want to move in. Its ratio of aspirant out-movers to in -movers is exceeded only by Easterhouse and Drumchapel.

4.2.24 The analysis of house type preferences produces striking results confirming the importance of house types as a factor in preferences. In every area – even the most popular – more people wished to move out of the MSFs than wish to move in while the exact reverse applies in relation to houses. Interestingly, the North is one of five market areas in which the balance of transfer demand is positive in relation to tenements and (non MSF) flats – more people want to transfer in than out.

4.2.25 Area preferences do also interact with house type effects. Thus while the ratio of desired in-moves to out-moves is strongly positive for houses in Glasgow North (at about 1.0), it is still far lower than the ratio for the West End (1.5). Broadly one can say that the "popular" areas such as the West End, the Inner South and (to a degree) the East End have the "least undesirable" MSFs and the "most desirable houses".

4.2.26 The analysis of new applicants produces a slightly different picture. Glasgow North emerges as an area favoured by new applicants – the number of such people living locally seeking to move out being exceeded by people living elsewhere who have listed Glasgow North as an area of choice. At the same time, about 25% of local households applying for GHA housing indicated that the wanted housing outside the area. A notable feature of the "balance" of desired in-movers to out-movers is that it is particularly high for single persons.

4.2.27 A factor in encouraging people to apply for housing in Glasgow North may well be the availability of housing. GHA also produce what they term a "housing pressure" measure which is based on the proportion of applicants housed within a year in an area. On this measure Glasgow North is an area of notably low pressure – people are housed readily and far more quickly than in, say, Charing Cross and Maryhill. In brief, Glasgow North is relatively "popular" with people seeking housing in the GHA stock but this is partly a reflection of the availability of stock. That said, stock availability is not enough – Easterhouse and Drumchapel are areas with readily available stock but notably low levels of popularity among new applicants.

4.2.28 We have noted that there are profound differences in the "popularity" of areas at the Housing Market area level. It is possible to consider the factors which appear to be associated with variation in the level of "popularity". Useful evidence is provided by a recent NHS/GHA/University of Strathclyde Study.[11] The market analysis study suggested that the most popular areas of social housing are the West End, the South West and the High East End while the most unpopular areas are Easterhouse and Drumchapel and Castlemilk.

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[10] GHA Housing Market Analysis Report September 2006 (Draft)

[11] NHS/GHA/University of Strathclyde Impact of Socio-economic and Health Deprivation Factors on GHA Social Housing and Neighbourhood Regeneration 2006

4.2.29 Table 4.6 compares these areas in terms of a series of indicators of area characteristics.

Table 4.6: Area Characteristics

Area	% Owner Occupiers	% of pop. in manag./intermediate	% houses without CH	% of GHA stock which is MSFs	% of GHA stock which is houses	No of sub area in 50 most deprived
West End	50	15	17.5	13	16	0
South West	45	11	18.9	11	12	2
High East End	35	7	18.6	1	15	6
North	**30**	**10**	**15.8**	**28**	**11**	**5**
Castlemilk	22	7	8.5	2	1	9
Drumchapel	20	5	38.5	2	1	6
Easterhouse	21	4	31.5	0	2	5

Source NHS/GHA/University of Strathclyde *op. cit.*

4.2.30 The data suggest that popular areas have a relatively mixed tenure structure and a population with fairly strong representation of higher income occupational groups (though the High East End data suggest that this is not so critical). Despite the unpopularity of the house type, the presence of MSFs is not important at an HMA level but the presence (or absence) of houses is a powerful influence.

4.2.31 There are undoubtedly factors which affect the popularity of areas at a very local level but the pattern of demand for GHA housing across the city suggests that people favour areas which are not dominated by social housing, which have a mix of house types including "traditional" houses and which are do not have high deprivation.

4.2.32 The issue of house "quality" is hard to assess. The prevalence of central heating, as recorded in the data used by the NHS/GHA/University of Strathclyde study, can be regarded as an "indicator" of past levels of modernisation – though is only of historic interest as the GHA will soon complete a programme of central heating provision across its stock..

4.2.33 Within those data limitations, the case of the High East End is interesting. This is an area with some degree of local deprivation and relatively few higher income households. The proportion of houses with central heating was, at the time of the research, lower than in Castlemilk. However, the data shows that the areas was popular with transfer applicants in particular – almost certainly because it has a high proportion of houses in its stock and, possibly, because it is not dominated completely by social housing.

The Impact of Policy

4.2.34 The foregoing discussion has highlighted the very evident differences in the popularity of different types of housing and, indeed, neighbourhoods. It is arguable that over a long period of time the relative attractiveness of the social housing stock has been diminished by changes in the composition of the stock driven by the right to buy process and, to a degree, by policies which have fostered the development of alternatives including mainstream home ownership and low cost home ownership.

4.2.35 This analysis further contends that at the same time as the supply of the most attractive social stock has fallen so allocation policies which have, for good reasons, prioritised housing need have made the most attractive stock inaccessible to households which would readily chose good quality social housing over alternatives. In effect, it is argued that while practically any applicant for social housing in Glasgow will be offered a house fairly readily, the quality of what is offered is often regarded as unacceptable to those households who can access alternatives. Thus households which have alternatives simply do not seek social housing because they know that what is on offer is likely to be so poor.

4.2.36 In many respects this analysis is a critique of national policy and whether the analysis is right or wrong, the policy context is one in which the Glasgow housing system must operate and is not amenable to much alteration at that level. The implied practical implication is that if the "average" quality of housing on offer from the social sector was improved then demand would be higher than what is observed.

4.2.37 It is difficult to assess the strength of this argument. While logic would suggest that an improvement in quality will tend to increase demand, the critical issue concerns the scale and significance of any such impact and whether the **total** demand for social housing overall (as opposed to its distribution) can be substantially increased by changing the product so that more of its resembles the most popular stock – i.e. more houses and fewer areas dominated by single house types and social renting. There is evidence from English cities that quality of housing has little impact on demand when other socio-economic factors are dominant. IN 1999 Professors Power and Mumford of the London School of Economics reported in a study for the Joseph Rowntree Foundation[12] that "good quality modernised homes" were being abandoned in some areas due to lack of demand – particularly in areas dominated by social housing. The subsequent Market Renewal Pathfinder programme in England has encompassed areas in which investment in the social stock has failed to attract demand (West Newcastle is a notable example).

4.2.38 We consider this point further below.

Conclusions on Determinants of Social Housing Demand

4.2.39 The previous study conducted by Tribal HCH on social housing demand in Glasgow concluded that the demand for social housing in Glasgow will be driven mainly by growth in particular household types (single persons and single parents) who account for the great majority of lets. The analysis of Glasgow North suggest no real departure from that conclusion – the households being housed in Glasgow North share the same essential characteristics as those being housed in the city as a whole. Nevertheless, it is important to summarise the key features of social housing demand in Glasgow North and which will be reflected in demand forecasts. These key characteristics concern household type, economic circumstances and ability to pay and geographical origin.

4.2.40 **Household types:** The position with regard to household types has already been discussed. At least 75% and as much as 85% of demand is from single adult households with single persons being by far the largest group. Social housing is, however, of particular importance to Glasgow's children – just 17% of Glasgow households include children but 33% of applications for housing in Glasgow North and 23% of lets are to households with children (mainly single parent households). Two adult households with children account for over 16% of Glasgow households[13] but for only 6% of lets and 8% of applications involve such households.

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[12] K Mumford and A. Power The Problem of Low Housing Demand in Inner City Areas Joseph Rowntree Foundation 1999

[13] Scottish Household Survey 2003/04

4.2.41 **Economic circumstances:** Although households applying for social housing in Glasgow North are more likely to include employed persons than is the case in Easterhouse, most new tenants/applicants are not in employment. It was noted above that 31% of new tenants were in employment. However, if we apply to the household structure of new tenants the corresponding employment levels by household type for Glasgow as given in the Scottish Household Survey, we would have expected to find that nearly 50% of new households would have been in employment. This clearly implies that Glasgow North tenants are disadvantaged by the standards of their economic groups.

4.2.42 Only 29% of households who obtain social housing in Glasgow North could be, even in principle, regarded as potential home buyers since only that proportion are in employment. In the earlier Tribal HCH study it was estimated that the cost of servicing a typical lower market mortgage was £5,000 per annum and that this was about twice the mean social rent. Data presented above indicate that the price of a house in the cheapest area of Glasgow North is about £62,000. This would imply a mortgage of £5,000 pa – in line with the previous figure. The gap between renting and buying in terms of affordability is wide with a minimum mortgage being about twice a typical social rent.

4.2.43 We may draw some conclusions on affordability among low paid employed households using Scottish Household Survey data and Glen Bramley's study of housing affordability[14]. According to the SHS, some 57% of persons aged under 35 in Glasgow are in employment. Professor Bramley concludes in his analysis that 62% of households headed by a person that age in Glasgow could not afford to buy. If we assume that persons not employed can be rules out as buyers, the implication is that about one third of employed persons in that age group cannot afford to buy. This leads to the conclusion that there is a substantial body of low income employed households who will require social housing.

4.2.44 There is, then, a margin of the population whose circumstances place then on a balance of affordability so far as buying is concerned and it may be that some of these people could be attracted by a "quality" social housing product. The Bramley work does, however, assume that most of these people need affordable housing (i.e. rented). Bramley's analysis indicates that about 16% of new households in Glasgow are in circumstances that make full home ownership "sub-marginal." – though these households are included in his estimated 62% of households who need social housing. Members of this group are possible candidates for low cost home ownership. The Homestake initiative represents a very substantial reduction in the "upfront" cost of home ownership and is likely to be attractive to some of those employed households who presently seek social housing.

4.2.45 **In-movement:** Although most demand for social housing is "local" in character, it is evident that a substantial element of demand is, at least to a degree, mobile. At least one third of non-transfer demand (as measured by lettings) for social housing in Glasgow North is from outside the area. We also know from waiting list data that 25% of more of locally originating applicants for social housing would be willing or even prefer to move out of the area. There is some variation in the prevalence of "local demand" across Glasgow North with areas near to the city centre such as Cowlairs, Sighthill and Springburn having about half their demand from outside Glasgow North.

4.2.46 This pattern of demand calls into question the relevance of a local demand approach. It is clear that there is, however, a strong local demand element/preference but this cannot be the sole focus of analysis and the existence of porous market boundaries must be recognised.

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[14] Glen Bramley Local Housing Need and Affordability Model for Scotland – Update Communities Scotland 2004

4.2.47 There is growing interest in the possible impact on housing demand of increased in-migration from the so called EU accession countries. Plentiful anecdotal evidence exists that migrants from Poland and other countries are applying for, and obtaining, social housing. However, it is not evident that the numbers involved are great enough to impact on overall demand forecasts to any great degree. The future is uncertain – it may be that the in-migration flow is already past its peak and the long term intentions of many migrants with regard to residence are unknown. At present we see no grounds for altering demand forecasts on account of accession country migration.

4.2.48 **Quality and neighbourhoods:** There is lack of compelling evidence on the effects of investment in housing in contrast to the clear evidence on the importance of house type. In short, we cannot say that people will prefer a modernised MSF to an un-modernised house though they may prefer the modernised MSF to the un-modernised equivalent. We can be clear that MSFs are generally unpopular, houses are popular and the popularity of flats and tenements varies. The popularity of tenements and flats appears higher in "desirable areas" – those with a mix of house types, tenure and socio-economic conditions.

4.2.49 The evidence on area preferences suggests that social rented tenants want to live in houses (and sometimes flats) in areas which are not dominated by social housing and where levels of deprivation (and, one may assume the associated social problems) are not extreme.

4.2.50 What is less clear is whether the total demand for social housing overall (as opposed to its distribution) can be increased by changing the product so that more of its resembles the most popular stock. We have argued above that overall demand is driven mainly by socio-economic factors but we also note that there is a "margin" of households who will struggle to buy and who might be attracted either to social renting or to low cost home ownership products – especially Homestake. We consider this further in Section 5.

4.2.51 **Summary:** In summary, we consider that the forecasting of demand at the local level in Glasgow North must recognise that:

- The localisation of demand is a matter of preference and choice rather than absolute self containment.
- Demand at the local level can be strongly affected by the characteristics of the housing "offer" but it is not clear that replicating the features of the areas where demand is relatively strong will raise overall demand.
- The main market for social housing will be single adult households, homeless persons and low income families.
- The most recent annual gross inflow of households to the social sector in Glasgow North (net of all transfers from social renting) is about 650 households of whom about 400 are "local" (see Table 4.4).

4.3 Private Sector Demand

4.3.1 Demand for owner occupied housing in the study area is composed of both local and external demand and local demand can, of course, "leak out" of the areas.

4.3.2 At present, about 450 private house sales take place in Glasgow North in a year. About 175 of these sales are made to "local" persons, about 175 are made to persons from elsewhere in Glasgow and about 100 to in-movers to the city.

4.3.3 In the year 2005 there were no new private houses built for sale in the area so all houses sold were second hand. It follows that 450 households sold houses in the area and no more than 180 of these (probably fewer) bought locally. The outflow of owner occupiers must have been at least 270. This suggests that the owner occupied market is even more "porous" than the social rented sector.

4.3.4 The current level of house sales can be regarded as a minimum since it is not underpinned by any new build. The level of new build in Glasgow North has been substantial in some past years. Table 3.15 above compared new build level in Glasgow North with those for Glasgow over a fifteen year period. Peak construction was in 1997 with 286 properties – 18% of the Glasgow total that year.

4.3.5 The composition of demand in the years of relatively high construction is not known but it is reasonable to assume that *additional* housing was partly taken up by in-movers and partly taken up by people who would otherwise have moved away. With about 270 owners per annum moving out of the area after selling, there is evidence of possibly frustrated local demand.

4.3.6 Most people who are selling will wish to "trade up". The only part of Glasgow North which offers much scope for trading up is East Balornock and just over one third of sales there are to people from within Glasgow North. However, East Balornock has also a high level of sales to people form other parts of Glasgow.

4.3.7 The evidence exists that Glasgow North could support a higher level of house sales than at present. It is not the case that there is evidence of a general position of supply shortage but the high rate of price appreciation in East Balornock and the popularity of this area strongly suggests an unmet demand for mid-upper market housing. At the same time, demand, as evidenced by price movement, is also fairly strong in lower price areas accessible to the city centre and scope for starter homes would exist there.

4.3.8 The North area Development Framework strategy is consistent with the above analysis. Development sites are identified for some 2600 owner occupied units – though it is not known if all of the sites are marketable and some will not be available in the near future.

4.3.9 If we assume that a proportion of the sellers who presently move out would remain in the area given suitable opportunities and if we recognise that the current in-movement to the sector in the North is limited by lack of development then we could argue that experience shows that the market has in the past absorbed up to 400-500 units per annum and could, depending on the scale of development elsewhere, do so in future.

4.3.10 The Glasgow and Clyde Valley Structure Plan considers that the area is part of the Strathkelvin and Springburn housing market area. Glasgow North accounts for about 20% of the total private stock.

4.3.11 The plan considers that by 2018 there will be a total demand for 36,000 private houses in that area and that the stock will have expanded to 37,000 (by about 8,000 over the period 2002 -2018). The plan envisages that a significant part of the expansion of the private sector in the Springburn part of the housing market area will come through Right to Buy (about 43%).

4.3.12 As noted in Section 2, the Structure Plan identified shortfalls in the conurbation-wide land supply – and so has identified sub-market areas in which additional land is required, including the Strathkelvin and Springburn sub-market area (some 1,400 in Robroyston as shown on table 2.1). This gives an average development of around 200 pa over the Structure Plan period in the Springburn part of the sub-market area.

4.3.13 It is more difficult to draw conclusions concerning private renting as data on the sector are limited. At present the sector is small by the standards of the wider city though it is about equivalent to the city average in the areas near to the city centre. There are some students in the sector according to data provided by the Higher Education institutions but their numbers are of limited significance.

4.3.14 For many people the private rented sector is a transitional stage on the way to ownership or meets needs for short term, flexible housing. However, there is also a stratum of low income households reliant on housing benefit and often poorly housed.

4.4 Conclusions

4.4.1 The demand for social housing in Glasgow will be driven mainly by growth in particular household types (single persons and single parents) who account for the great majority of lets. Single adult households account for about 80% of new social housing lets. Although most of the demand for social housing in Glasgow North is "local" in origin, there is a substantial element of demand from households moving in from other parts of Glasgow. At least one third of non-transfer demand (as measured by lettings) for social housing in Glasgow North is from outside the area and in areas near to the city centre such as Cowlairs, Sighthill and Springburn about half the lettings are to households from outside Glasgow North.

4.4.2 There is clear evidence that house type and mix and neighbourhood characteristics are important factors in determining the level of housing demand at a local level. The evidence suggests that social rented tenants want to live in houses (and sometimes flats) in areas which are not dominated by social housing and where levels of deprivation (and, one may assume the associated social problems) are not extreme.

4.4.3 Demand for owner occupied housing in the study area is composed of both local and external demand. The current annual level of house sales – about 450 - can be regarded as a minimum since it is not underpinned by any new build. The level of new build in Glasgow North has been substantial in the past –peak construction was in 1997 with 286 properties – 18% of the Glasgow total that year.

4.4.4 The composition of demand in the years of relatively high construction is not known but it is reasonable to assume that *additional* housing was partly taken up by in-movers and partly taken up by people who would otherwise have moved away. It is concluded that the market could sustain again levels of development equivalent to or higher than those experienced in the 1980s.

5 Demand Assessment and Projections

5.1 Introduction

5.1.1 This section sets out our assessment of annual demand for social and private (owner occupied) housing in the study area. It has become clear from the analysis that the housing system – even at a Glasgow North level far less the sub-areas – is not a self-contained system and the degree to which need/demand is met locally is subject to the effects of policy decisions. We have sought to distinguish "local" and "mobile" demand need but would emphasise the rather general and imprecise nature of these terms. These points apply with even more force at the level of sub-areas.

5.1.2 The local level of demand can be affected by various policy decisions. In the social sector it can be affected by decisions over where to improve (or not improve) stock and by the provision of new stock. Demand will and does flow towards "better" stock – e.g. to houses in preference to flats. There is evidence of this effect in waiting lists and in void rates. However, increased demand in one locale will diminish potential demand elsewhere – either by directly transferring tenants or by affecting the choices new applicants make.

5.1.3 We will return to this point but the key principle is that city wide (or even major sub-area) demand/need **cannot** be calculated by aggregating up local assessments since these local assessments are prone to assume increases in or even maintenance of "market share" which will be inconsistent with assumptions made elsewhere. There is not alternative to a strategic "top down" analysis as the reference against which local assessments must ultimately be made and policy decisions settled.

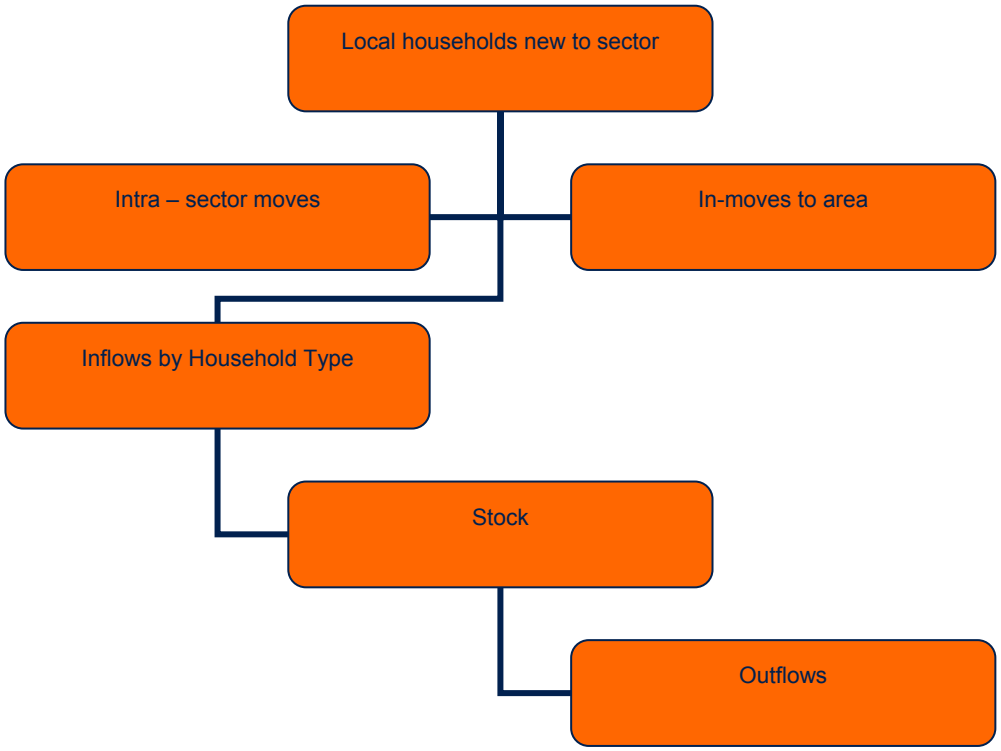
5.2 Social Renting

5.2.1 The net requirement for social housing depends on the balance between the flow of new (and backlog) demand and the flow of supply (largely determined by terminations and relets of properties. We begin by considering the gross flow of new need/demand.

5.2.2 The annual addition to the stock of need is driven by new household formation and the choices made by those households. As a general rule, households base their decisions on their preferences and financial constraints. At present the evidence is clear that almost all households who can afford to do so opt for private (and ultimately owner occupied) housing. There is no evidence in the data which we have reviewed that significant numbers of households who can afford to buy are choosing to rent socially. At the margin, households probably chose between private and social renting on the basis of quality of the stock or neighbourhood.

5.2.3 Figure 5.1 details the key inflows and outflows in the social sector which generate the balance between supply and demand. We consider the magnitudes of those elements below.

Figure 5.1: Supply Demand Balance in Social Sector



5.2.4 **New Households:** The increase in the number of "indigenous" households was calculated for the Bramley affordability study by applying figures for the propensity to head a household (derived from the Census) to the 2003 age composition of the population. Looking ahead, the calculation needs to be adjusted for population change and increasing headship rates. The 2003 calculation implies that Glasgow North area will, from its existing population, generate about 470 – 500 new households per annum.

5.2.5 The city council projects a decline in the population of Glasgow North of 16% over the next decade. This would reduce the number of households by about 2800. However, the July 2006 projections issued by the city council imply that in Glasgow North the number of households per person will rise from about 0.45 to 0.51. With a stable base population this implies about 2,400 "extra" households over and above that produced by "current" headship rates.

5.2.6 Taking together the projected decline in population and the increase in the headship rate, we consider that the number of new households will remain broadly stable at about 500 per annum .

5.2.7 **Affordability and Tenure:** The Bramley affordability study suggests that about 60% of new households in Glasgow cannot afford to buy. This, as Bramley recognises, may well be an overestimate since it does not allow for low cost home ownership options but it would imply that the number of new households requiring social housing each year in

Glasgow North would rise to about 420 – though the "current" level is nearer 300. In section 4 we estimated that about 400 lets were made to "new to the system local" households in Glasgow North – the remaining 600 or so non-transfer lets being made to in-movers and people previously located in other social sector houses. These figures are broadly consistent. Quite aside from errors and fluctuations, some lets will be to a backlog of need and some will be to households whose circumstances have changed (as implied in the diagram above).

5.2.8 We discussed above the possibility that there are marginal buyers/renters might consider that they have a choice between home ownership (probably through a low cost initiative – i.e. Homestake) and social renting. The assumption of 60% new households renting socially assumes that these people (i.e. everyone who cannot afford mainstream owner occupation) will choose social renting. The importance of low cost home ownership options is not that they add to the total number of persons seeking affordable housing but rather that they will absorb some of the demand which might otherwise be available to the social rented sector. The Homestake initiative introduced by the Scottish Executive represents a substantial reduction in the access cost of owner occupation. For example, Homestake would enable a household is able to buy a 60% stake (and pay no rent on the balance) – this could reduce the monthly payments on, say, a "typical" entry level property costing £80,000 by £200 per month. We do not have reliable income data on households in housing need in Glasgow North but, as a benchmark, recent work by Tribal on a housing market study in Edinburgh and the Lothians indicated that around 20% of households classified as being in housing need could afford low cost home ownership via Homestake.

5.2.9 In a sense, Homestake represents a "risk" to the forecasts of demand for social housing in that many potential social tenants might choose low cost home ownership – the very broad figures quoted here indicate that this form of LCHO could reduce the annual demand from new households by 60 - 80 per annum.

5.2.10 **Homelessness:** At present about 17% of GHA lets and 26% of other RSLs lets in Glasgow North are made to people classified as homeless. The abolition of the priority need definition brought about by the Homelessness etc. (Scotland) Act 2003 is expected to increase the requirement for social housing over the period to 2012 as councils will have an obligation to secure permanent accommodation for a greater number of people.

5.2.11 However, there are a number of reasons why the above developments may not impact on the expressed demand for social housing to any significant degree. First, and most critically, Glasgow already assesses most homeless presentations as priority need. In 2005/06, Glasgow had applications from 11,220 homeless households of whom only 20% were not classified as priority need[15].

5.2.12 Assuming the level of homelessness remains constant, this would suggest that the increase in households for whom the council would have a duty to secure permanent housing would increase by around 2,000 households per annum. However, this need not translate into an equivalent increase in demand. At present only 30% of persons assessed as being in priority need in Glasgow move into social housing. Of the others, contact is lost with 37%, 10% go into hostels and 17% find other solutions.

5.2.13 Assuming a similar pattern for those currently assessed as non-priority, the impact of the new legislation would be an increase on demand for housing from around 600 homeless households per annum city wide. In fact, it is likely that the effect will be even less since there is evidence that people who are not in what is now termed priority need would be even less likely to move into social housing. As noted above, Glasgow assesses a high

[15] Glasgow Homelessness Partnership 2005/06 Report on Glasgow City Council's HL1 Data

proportion of its homeless applicants as priority need – far higher than elsewhere in Scotland. In contrast, a far higher proportion of homeless households in other areas move into a social tenancy (50% across Scotland). Glasgow's assessments of priority need lead, we would argue, to the inclusion in that category of a large number of people who are, for whatever reason, disinclined to accept the social tenancies available. The abolition of priority need is likely, especially in Glasgow, to draw into the "net" many people who will not move into social housing.

5.2.14 Finally, the changes in homelessness legislation do not change the fundamental demographic trends on which the foregoing forecasts are based: legislative changes will have no effect on population nor will they alter the basis of the affordability assessment. It is possible that they might have an effect on the rate of household formation but this does not appear likely. Any effect could only be at the margin In terms of the proportion of the population obtaining or choosing social housing. For the reasons set out above we do not consider that specific additional provision should be made in the forecasts for the effects of homelessness legislation. Glasgow North's social stock will continue to provide a resource for housing homeless people with lets to households classified as homeless running at under 200 per annum.

5.2.15 **Out – movement and In-movement:** The demand for social housing will also be affected by out-movement of households and in-movement. We have seen that a significant proportion of lets are made to in-movers (perhaps 30%) and it logical to assume that some local demand will "leak out" of the area. We have, however, no way of knowing with any precision what this balance is or will be. The approach taken here will be to consider the implications of a range of possible outcomes.

5.2.16 **Outflows:** The outflows from the system are terminations of tenancy. We have established the level of "real" terminations of tenancy in Glasgow North over the last five years (i.e. excluding RTB, demolitions) and conclude that this has averaged over 1000 per annum.

5.2.17 The overall level of demand for social housing at the local level (excluding internal transfers) has, we consider, three main components:

- Indigenous demand from newly formed households as discussed above.
- Demand from in-movers.
- Demand from people moving from other tenures (including backlog homelessness).

5.2.18 In addition, demand for the housing of any particular provider can include demand from people wishing to move from other social landlords. This is new demand for that landlord but not for the local system as a whole.

5.2.19 The proportion of each of the above elements which can only be met locally is **not** fixed but the degree to which each element can be varied is not known with certainty. In table 5.1 below we consider a range of forecasts for each demand element and so produce a range for overall annual new demand. The range of values considered by element is as follows:

- We estimated above that about 300 "new" households emerging from the local population would seek social/affordable housing each year. The proportion of this demand to be met locally is assumed to range from 100% to 70% locally – the lower value is in line with the existing pattern of movement while the higher figure assumes shows the effects of fully serving local demand.

- At present about 290 lets are made each year to in-movers to the area. We have projected a range around this current trend with a minimum value which is 75% of the current level and a maximum value 125% of the current level – the higher value reflects the higher proportion of potential in-movers on the waiting list as compared to lets.

- We also estimated that about 100 lets are made to people moving from other tenures – we assume a high figure equivalent to that current level and a low figure which is 70% of the current level.

5.2.20 It is important to note that variation in these assumptions implies either higher or lower levels of demand in areas outside Glasgow North.

Table 5.1: Glasgow North Annual Social Housing Demand Estimates

Element	High	Low
New Households	300	210
In - movers	360	220
Inter-tenure moves/backlog	100	70
Total	760	500

5.2.21 The table shows a range of annual demand from 760 to 500 - though levels in between can be produced by different permutations of assumptions.

5.2.22 A further adjustment – which applies to both sets of figures, concerns the effects of low cost home ownership. It was argued above that Homestake might be an attractive option to up to 20% of households who are in housing need. That is a maximum value based on hypothetical affordability and it might be more prudent to assume lower take up. Even so, a reduction in social housing demand by 10% - giving a range from 450 – 680 per annum is not implausible.

5.2.23 The maximum demand figure shown above is consistent with the observed level of non-transfer lets (around 880) if allowance is made for 100 or so moves from other social landlords. These figures suggest that the current level of lets is a little in excess of net demand because of transfers from other landlords. However, the future level of lets is likely to be much lower as a result of the withdrawal of properties for demolition.

5.2.24 The annual future level of properties available to let to new tenants has been estimated as follows:

- The number of properties vacated each year by people who do not transfer to another social property is estimated based on recent trends in turnover of stock (the stock to which the turnover rate is applied is reduced to allow for effects of RTB.

- Houses which are included in a demolition programme are **subtracted** from the above figure.

- New build properties are added in.

5.2.25 This calculation indicates that the annual flow of properties to let will average about 500 per annum over the next decade – though the annual figure will fluctuate due to new build programmes. Moreover, that calculation while allowing for 240 new units planned in re-

provisioning programmes does not allow for a further 260 units which are included in overall plans but have yet to be allocated to any area.

5.2.26 In gross terms the projected supply of social housing in Glasgow North presently appears to be sufficient to meet the lower level forecast meeting most local demand and some in-mover demand (but at a lower level than in recent years). The 260 unallocated units will provide a further element of new supply.

5.2.27 The likely distribution of new demand and of excess supply across the sub areas is very difficult to assess. We have no basis on which to assess indigenous demand at the sub area level and the mobility of demand across sub areas is fairly high.

5.2.28 One approach to the analysis of demand at the sub area is to consider the existing trend in lets and terminations. Table 5.2 shows the balance of lettings and terminations across the sub areas over the period 2001 to 2005.

5.2.29 The only location where lets have exceeded terminations is where new provision has been made. This both illustrates the point that new build housing generally lets well and underlines the potential knock on effect of new build on existing and less popular stock.

Table 5.2: Social Lets and Terminations (net of transfers) Glasgow North 2001-2005

Area	Lets	Terminations	Balance
Balgrayhill	375	456	-81
Balornock	341	426	-85
Barmulloch	249	335	-86
Barmulloch Tens	262	200	62
Cowlairs/Petershill	235	305	-70
East Balornock	46	94	-48
Germiston	293	369	-76
Red Road	759	1094	-335
Royston	1349	972	377
Sighthill	1321	1606	-285
Springburn	329	324	5
Source: GHA and RSLs			

5.2.30 To enable calculations to be made, we assume that demand is distributed across the sub areas in line with the *pattern* of lets as show above. Supply, (net of demolitions) has been estimated using historic turnover rates and known build and demolition proposals at the local level. The calculated annual supply demand balance would be as shown in Table 5.3. Figures are shown for the high and low demand estimates.

5.2.31 Under the high demand scenario the area as a whole has an excess annual demand for about 270 houses (250 after allowing for unallocated new build) and this obviously rises

as the demand estimates are lowered. However, the "excess demand" is less than the annual in-flow of tenants from other parts of the city. In the low demand case there is excess supply – indicating that the supply could more than meet the minimum level of local demand.

5.2.32 These calculations illustrate the difficulties in estimating demand at a local level since conclusions about the supply/demand balance turn on the level of "non local" demand.

5.2.33 These difficulties are even more acute at the sub-area level. At face value, Table 5.3 implies that areas such as Red Road and Sighthill have excess demand. What is, of course intended, particularly at Red Road, is that large amounts of unpopular stock will be removed so that past letting levels will be no real guide to future demand. There is, in fact, no evidence of positive demand for housing in those properties. However, the calculations do illustrate the scale of re-provisioning need.

5.2.34 The overall conclusion of this analysis is that planned demolitions will bring Glasgow North's social stock to a level at which an annual supply of 500 or so properties to let should easily be taken up by local demand plus a modest level of in-movement. An increase (beyond planned levels) in the supply of social housing would not be needed to meet local demand but could attract further in-movement (with, of course, effects on demand for social housing in other parts of the city.

Table 5.3: Projected Annual Change in Supply and Demand for Social Housing Glasgow North

	High			Low		
Area	**Demand**	**Supply**	**Net**	**Demand**	**Supply**	**Net**
Balgrayhill	51	75	-24	33	75	-42
Balornock	47	88	-41	30	88	-58
Barmulloch	34	30	4	23	30	-13
Barmulloch Tens	36	28	8	23	28	-5
Cowlairs/Petershill	32	45	-13	22	45	-13
East Balornock	6	10	-4	4	10	-6
Germiston	40	19	21	27	19	8
Red Road	104	6	98	67	6	61
Royston	184	137	47	120	137	-17
Sighthill	181	0	181	120	0	120
Springburn	45	53	-8	31	53	-22
TOTAL	**760**	**491**	269	**500**	491	-8

5.3 Implications for Re-provisioning

5.3.1 The GHA plans the demolition of 4,592 units in Glasgow North. Not all of these units are occupied. The units are distributed as follows (the number of units with secure tenants is shown in brackets):

- 204 (115) in Barmulloch
- 204 (101) in Germiston
- 1318 (527) in Red Road
- 421 (278) in Royston
- 2445 (1224) in Sighthill

5.3.2 Thus there is, in principle, a need to re-house people in 2,245 properties. The current flow of potential lets in the area, based on terminations, is 500 pa. The demand analysis set out in Table 5.1 indicates an annual *minimum* local demand of 280 – about 220 less than supply.

5.3.3 This information is relevant to the analysis of options for re-provisioning. If social housing lets (other than local transfers) were restricted to local households (i.e. no in-movers) then the 2245 tenants in housing scheduled for demolition could be rehoused over ten years at most.

5.3.4 It follows from the above that **if** the stock scheduled for demolition could all be emptied gradually, and **if** lets could be restricted to local people then there would be no need for further re-provisioning. However, there would be many problems with such a policy - demolition would be "lumpy" rather than gradual and a ten year rundown period might be unacceptable. Moreover, it may not be practical or acceptable to block in-movement to the social sector in Glasgow North.

5.3.5 A detailed analysis of the stock and a specific modelling of stock turnover and lettings could be undertaken to produce an optimal pattern of "emptying" and demolition. The need of re-provisioning would certainly be reduced by a policy of moving households from blocks scheduled for early clearance into other houses (with a longer planned "life") as these became available but it is appreciated that such a policy might prove difficult to implement.

5.3.6 The planned programme of demolitions will help to bring the demand for and supply of social housing into balance in Glasgow North. Replacing demolished stock is a risk to the process of bringing the system into balance. The study team accept that some further re-provisioning is, for practical reasons, inescapable but we suggest that the letting opportunities lost by "freezing" re-lets of stock scheduled for demolition need not be replaced. Further re-provisioning will be required only for a *proportion* of those households still housed in the properties at the time of final closure of the properties.

5.4 Private Demand, development opportunities and the future of Glasgow North

5.4.1 The potential for private demand growth was discussed fairly fully in Section 4. It was argued there that the private market might absorb 400 – 500 additional units per annum comprising a mix of starter type homes near to the city centre and middle to upper market properties providing "trading up" opportunities on locations further out from the centre.

5.4.2 We consider that the elements of "new" demand could be as follows:

- From indigenous household growth amounting to as much as 700 households per annum we assume that about half could move into owner occupation or low cost home ownership and that most of those (say 200) would seek housing locally.

- We calculate that around 200 people each year sell houses and move to other parts of Glasgow. At present these are balanced by in-movers but, in principle, many could be induced to remain in the area given a suitable housing offer – we assume about 100 could be retained.

- In-movement could be increased by up to 200 per annum, on past performance, given suitable housing provision.

5.4.3 However, these broad numbers indicate only market potential. The realisation of that potential will depend upon the formulation and implementation of a development strategy. The overall strategy for Glasgow North will need to match the complexity of the area – with a mixture of really major change in two locations, and smaller scale interventions in several others.

5.4.4 What might be the vision of the area in say 10-15 years' time? Rather than a fanciful piece of urban imagery from say Barcelona or Islington, we suggest that a relevant "model" might be an attractive and popular part of inner Glasgow. The University's June 2000 paper took a "reasonably successful area like Hillhead / Anderston" (their "control area") and analysed the factors explaining levels of demand and neighbourhood attachment:

- Neighbourhoods are mixed

- Tenure is invisible

- Local services are valued

- Work accessibility is good

5.4.5 The university team also described the area as one that people aspired to, "with important social situational aspects".

5.4.6 Much of Glasgow North could aim for this as a target. The area has the potential for such change, and though there are some neighbourhoods which have a poor image, little of it is as problematic as Red Road (or Bridgeton further south); such a change is believable.

5.4.7 Who would the area house? Inevitably, it will continue to house many social tenants, and even though there will be some 3500 units less via demolition, some of the new build will need to meet re-housing needs. But proximity to the centre gives it an important potential role in the private market too: indeed the Sasines data suggests that East Dunbartonshire first-time buyers now looking in North & East Glasgow, for example in Springburn, for both houses and flats.

5.4.8 As noted in Section 2, projections show the population as falling, with household numbers staying almost level (falling by just under 600). But this may well reflect an expected absence of supply rather than any underlying lack of demand. It seems that current market players will deliver development if the sites are available; but this does tend to be targeted on the first-time buyer market, and the authorities and the industry will need to think bigger if they are to achieve wider variety and range in the inner North as well.

5.4.9 The three main areas where the scale of change needs to be significantly greater are:

- Red Road

- Sighthill and, in a different way
- Springburn / Cowlairs

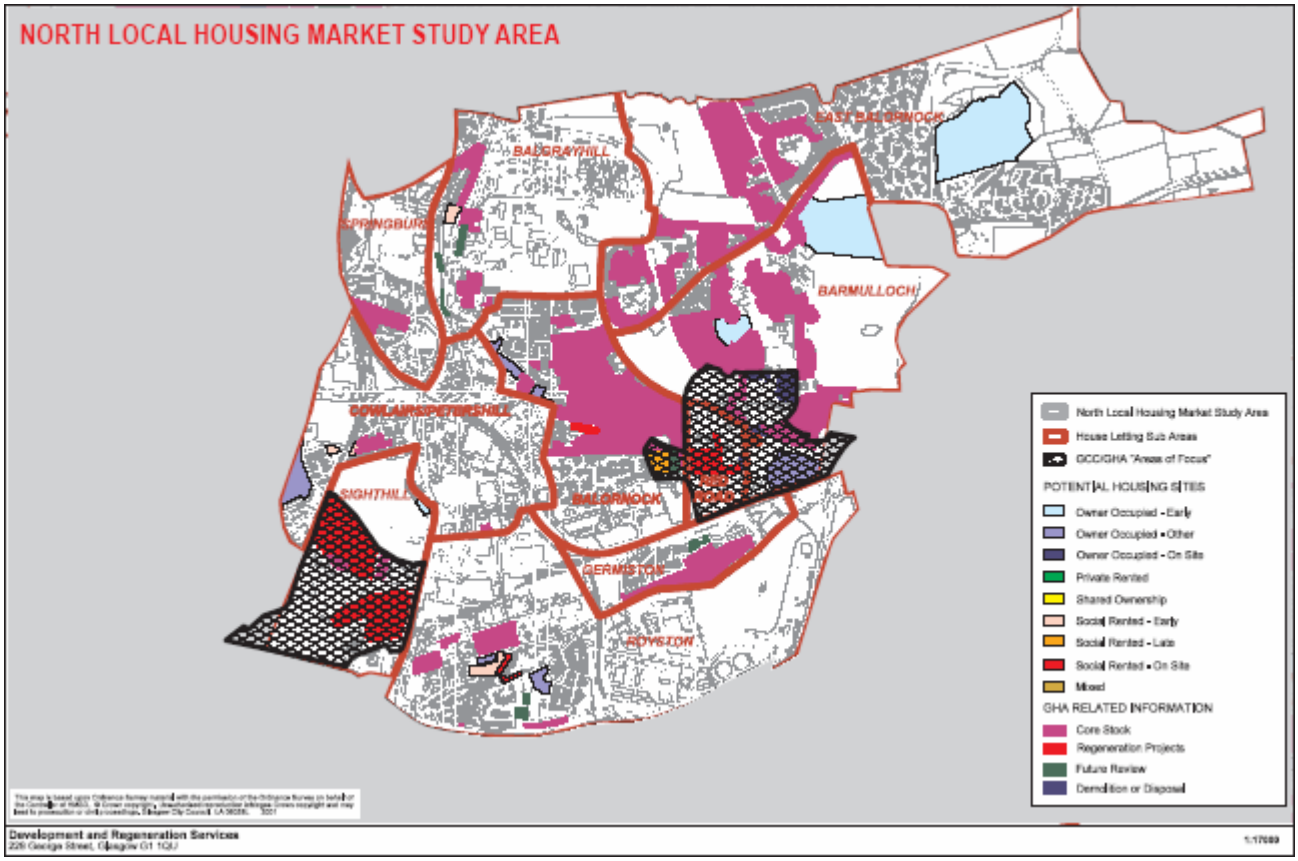
5.4.10 At Red Road, the strategy is obvious, and not controversial: complete clearance of the towers, and reconstruction as a low-to-medium rise neighbourhood around local services for it and the surrounding area. There will be a very large net loss of stock (though less so of occupied or sought-after stock): simply because the site is actually quite small with almost no elbow-room of any kind.

5.4.11 Sighthill, in contrast, offers really major "transformational" potential: at least as much opportunity-led as the problem-led approach to Red Road. Clearing the whole of this excellent site, and recasting it as a new piece of inner Glasgow (whether the model is Hillhead/Anderston, Crown Street, or a mixture), has the potential to both help Glasgow North become more of a location of choice, and allow it to provide a much wider range of options of accommodation and tenure – including new RSL provision.

5.4.12 For Springburn / Cowlairs, the strategy should also be ambitious, but should be based around stitching together the existing assets (new and old) and filling in the gaps with coherently-planned development. The need is probably for a flexible framework within which developers can respond to changing markets with confidence. Local consultations have, however, highlighted environmental problems including site conditions which could increase the cost of, if not reduce the potential for redevelopment.

5.4.13 The requirement for grant aid to support private development across Glasgow North will vary. In the north east and suburban areas of Glasgow North development has taken place without subsidy. It may be necessary, though hard evidence is lacking, to "pump prime" private development in areas such as Springburn, Sighthill and, especially, Red Road.

Appendix A – Map of Study Area


NORTH LOCAL HOUSING MARKET STUDY AREA
BARGRAYHILL
EAST BARLANNOCK
SPRINGBURN
BARMULLOCH
COWLAIRS/PATTERSHILL
SIGHTHILL
BALORNOCK
GARRIOCH
ROYSTON
North Local Housing Market Study Area
House Letting Sub Areas
GCC/GHA "Areas of Focus"
POTENTIAL HOUSING SITES
Owner Occupied - Early
Owner Occupied - Other
Owner Occupied - On Site
Private Rented
Shared Ownership
Social Rented - Early
Social Rented - Late
Social Rented - On Site
Mixed
GHA RELATED INFORMATION
Core Stock
Regeneration Projects
Future Review
Demolition or Disposal
Development and Regeneration Services
1:17000

Appendix B– Recommendations on Data Collection

Data collection

The study brief was clear that the study should draw on secondary data, and that survey data should not be required. We agree that for a project of this type a standard "housing needs survey" is not appropriate. However, there were data that could not be extracted from the landlords' information systems that could reliably be collected in a survey of tenants and waiting list applicants. In particular, it was not possible to build up an accurate profile of tenants' previous housing circumstances: where they had previously lived, and the tenure in which they had previously lived. (This information is of course found on SCORE, but cannot be linked to the RSL, so it is not possible to determine if there are patterns within an area, if there are links to housing investment, and so on.) Our approach within the study was to use SCORE to develop a broad picture, and to use waiting list information as a proxy. However, provision within future studies for a survey of tenants (possibly of recent lets) and possibly of waiting list applicants could prove of value.

Appendix C – Stock Projections

The stock projection figures set out below are derived from known development proposals and the GHA demolition programme. No information is available on development funding for RSL development in the long term and estimates of loss of stock due to RTB are based on past trends.

Glasgow North	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Stock at year start	12160	11766	11876	10691	10156	9415	9003	8570	7625	6956	6875	6796
RTB	92	90	94	92	90	88	86	84	82	80	79	77
Demolitions	352	40	1091	444	651	324	348	861	587	0	0	0
New Build (HAG)	0	0	0	0	0	0	0	0	0	0	0	0
New Build (Reprovisioning)	49	240	0	0	0	0	0	0	0	0	0	0
Stock at year end	11766	11876	10691	10156	9415	9003	8570	7625	6956	6875	6796	6719
NB: Does not include a further 260 units of reprovisioning new build which are anticipated by 2009/10												