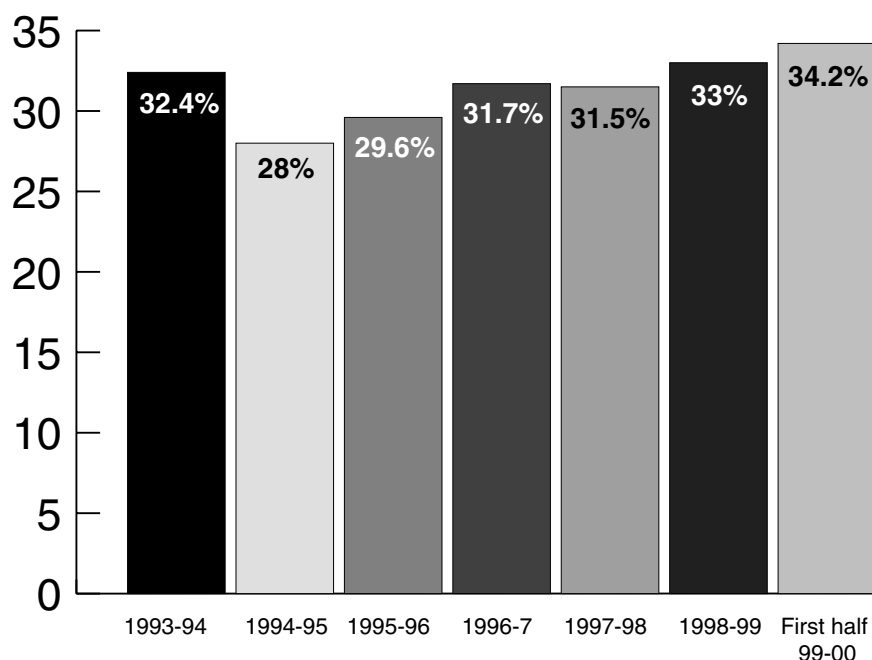


Holding on to affordability - just !

Recent years have seen no major rise in the affordability failure rate for lets made by housing associations in Scotland, despite "blips" upward or downward in some years.

Rents failing SFHA's affordability tests



Whilst a slight upward trend is in evidence, the increase can be seen in context when compared with the failure rate for housing association rents in England, which the latest figures show to be at 65%.

The Scottish failure rate of 34.2% increases to 37.5% if one includes the 3.3% of working households who, despite passing both affordability tests, were estimated to be in receipt of Housing Benefit.



Scottish Federation of
Housing Associations

Main findings for April-September 1999

Rents :

The median weekly rent figure for the half-year was £36.74, up 3.4% on the £35.54 figure for the year 1998-99.

Incomes:

The median weekly income figure was £109.94, ie practically the same as the £110 figure for the year 1998-99.

Affordability :

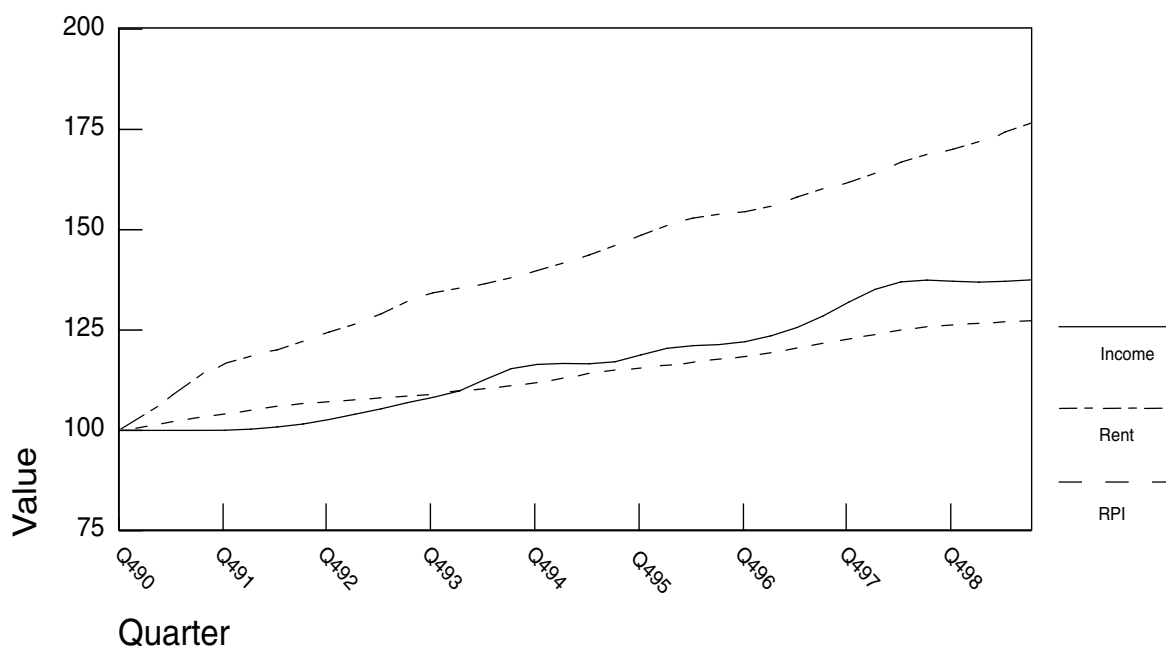
34.2% of rents for working households failed one or both of the SFHA's affordability tests, as against 33% in the year 1998-99. The figure for the year to the end of September 1999 was 33%.

In this issue

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Index of rent and income

(indexed to 4th quarter 1990)



Affordability test (all working households)

(April - September 1999)

Rent as a proportion of income	Income remaining after paying the rent		TOTAL (percentage and number of tenants)
	less than 140% of Income Support	more than 140% of Income Support	
25% or less	10.6%	65.8%	76.3% 945
more than 25%	10.7%	12.9%	23.3% 312
TOTAL (percentage and number of tenants)	21.3% 264	78.7% 974	100.0% 1238

- The above matrix shows that 34.2% (100% minus 65.8%) of rents for working households in the first half of the year 1999-2000 failed one or both of the SFHA's affordability tests, up from 33% in the year 1998-99.
- A further 3.3% of rents for working households passed the affordability tests despite being estimated to be eligible for Housing Benefit. If such rents were automatically deemed unaffordable, because of the reliance on benefit, the overall affordability failure rate would be 37.5%.

Affordability test (working households not on Housing Benefit)

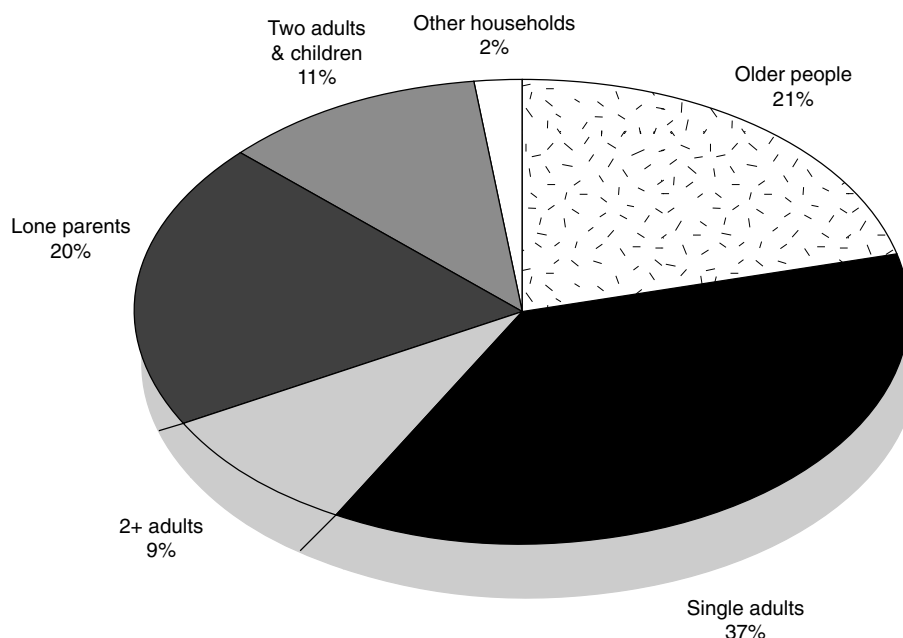
(April - September 1999)

Rent as a proportion of income	Income remaining after paying the rent		TOTAL (percentage and number of tenants)
	less than 140% of Income Support	more than 140% of Income Support	
25% or less	4.3%	82.7%	87.0% 813
more than 25%	.1%	12.9%	13.0% 122
TOTAL (percentage and number of tenants)	4.4% 49	95.6% 894	100.0% 935

- This shows that 17.3% (100% minus 82.7%) of rents for working households not on Housing Benefit failed one or both of the SFHA's affordability tests, ie almost the same as the figure for the year 1998-99 (17.1%).

Household type

(April - September 1999)



- This shows that, for the time being at least, the dramatic fall in recent years in the proportion of older people being housed has arrested; the 21% figure for older people housed between April and September 1999 compares with 20% in the year 1998-99.

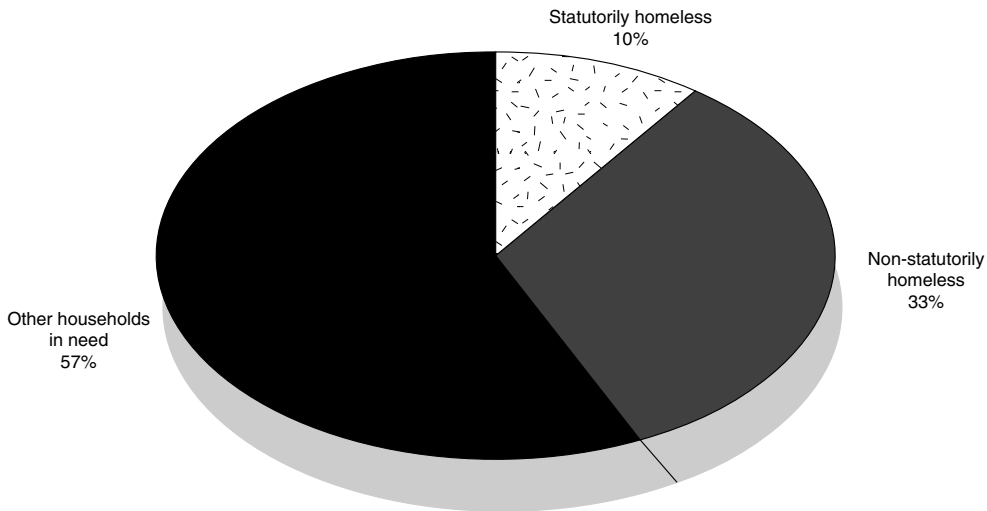
Lets to ethnic minority households

(April - September 1999)

- 1.9% of lets, as opposed to 1.8% in the year 1998-99, went to ethnic minority households between April and September 1999. These figures represent a slight increase on the 1.5% figure for April-September 1998.

Homelessness

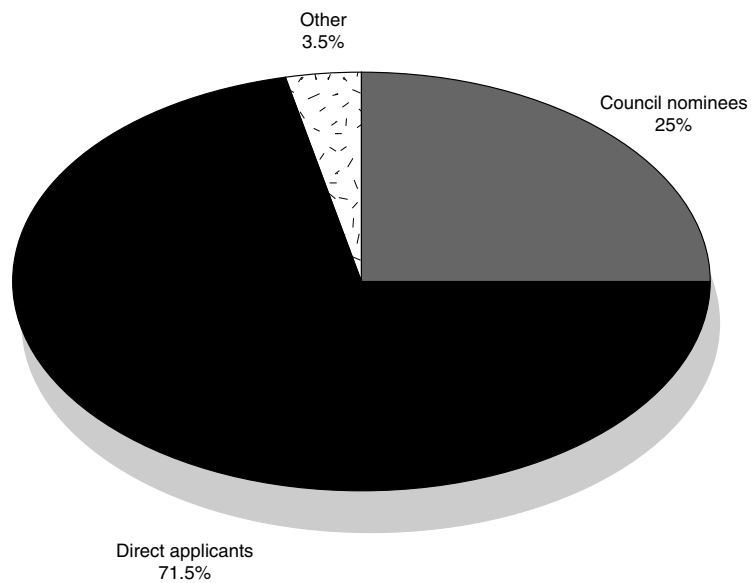
(April - September 1999)



- The 43% of new households who previously had no home of their own is the same figure as in the year 1998-99, and compares with figures of around 35%-36% in the mid-1990s. See page 5 for further information on lets to homeless people.

Nominations

(April - September 1999)



- The 25% figure for lets to council nominees compares with 26% for the year 1998-99, and confirms the sharp fall from around the 40% level in the mid-1990s. Figures (for the year to the end of September 1999) for individual local authority areas are shown on page 6.

Homelessness by previous tenure

(April - September 1999)

	Statutorily homeless	Non-statutorily homeless	Other households in need	TOTAL
Council	4.8%		34.0%	19.8%
Tenant of this HA	1.7%		30.7%	1200
Tenant of other HA	1.3%		6.1%	1067
Renting privately	7.5%		17.1%	220
Renting from Scottish Homes	.2%		.9%	636
Renting with job	1.0%	2.5%		.5%
Owning/ buying	5.1%		8.1%	33
Immediate family	18.9%	55.0%		.9%
Friends/ Relatives	22.2%	35.0%		57
Bed & Breakfast	22.5%	4.6%		312
Institution	2.0%	1.7%		20.2%
Hostel/ Supported Accommodation	4.8%		1.7%	1225
Caravan	.5%		.6%	840
Roofless/NFA	5.5%	1.2%		3.8%
Other	2.2%		.7%	229
				.8%
				46
				1.4%
				87
				.4%
				24
				.9%
				57
				.6%
				38
Total Households	100.0%	100.0%	100.0%	100.0%
	604	2019	3448	6071

- This table shows in detail the previous tenure of homeless households. In particular, it shows how the SFHA defines "non-statutorily homeless". Households which are not indicated as being statutorily homeless but which nonetheless were previously living in tied housing, bed and breakfast, institutional settings, or with family, friends or relatives, along with those described as roofless or of no fixed abode, are included in the non-statutory category.

Nominations by council area

(Year to end September 1999)

	Council Nominees	Direct Applicants	Other	TOTAL
City of Aberdeen	22.3%	76.9%	.9%	100.0%
				350
Aberdeenshire	25.2%	74.8%		100.0%
				163
Angus	23.4%	75.2%	1.4%	100.0%
				218
Argyll & Bute	17.8%	58.9%	23.2%	100.0%
				241
The Borders	13.3%	84.2%	2.4%	100.0%
				457
Clackmannan	20.6%	76.7%	2.8%	100.0%
				180
West Dunbartonshire	16.8%	81.7%	1.4%	100.0%
				416
Dumfries & Galloway	27.5%	71.6%	.9%	100.0%
				109
City of Dundee	8.6%	87.9%	3.4%	100.0%
				580
East Ayrshire	22.7%	75.8%	1.6%	100.0%
				128
East Dunbartonshire	25.0%	75.0%		100.0%
				20
East Lothian	39.0%	61.0%		100.0%
				123
East Renfrewshire	20.0%	76.3%	3.8%	100.0%
				80
City of Edinburgh	39.8%	56.1%	4.0%	100.0%
				989
Falkirk	12.4%	87.6%		100.0%
				299
Fife	24.1%	73.3%	2.6%	100.0%
				651
City of Glasgow	16.2%	74.8%	9.0%	100.0%
				2034
Highland	29.7%	66.6%	3.8%	100.0%
				293
Inverclyde	36.7%	61.9%	1.5%	100.0%
				270
Midlothian	36.6%	59.1%	4.3%	100.0%
				186
Moray	17.3%	82.2%	.5%	100.0%
				197
North Ayrshire	29.3%	67.8%	2.9%	100.0%
				276
North Lanarkshire	37.8%	60.9%	1.4%	100.0%
				368
Orkney Islands	30.0%	65.0%	5.0%	100.0%
				60
Perth & Kinross	33.6%	64.0%	2.3%	100.0%
				342
Renfrewshire	25.6%	73.6%	.8%	100.0%
				492
Shetland Islands	50.9%	49.1%		100.0%
				57
South Ayrshire	56.1%	41.5%	2.4%	100.0%
				41
South Lanarkshire	36.4%	62.5%	1.1%	100.0%
				280
Stirling	25.6%	74.4%		100.0%
				39
West Lothian	43.1%	55.9%	1.1%	100.0%
				376
Western Isles	42.9%	57.1%		100.0%
				7
Total Households	24.9%	71.1%	4.0%	100.0%
	2572	7340	410	10322

Median weekly rent (£) by household type and area

(Year to end September 1999)

	Ayrshire Dumfries Galloway	Borders	Edin- burgh & Lothians	Fife	Forth Valley	Glasgow City	Grampian	Highland & Island	Lanark- shire	North Clyde	South Clyde	Tayside	Total
Single older person	34.15	33.51	36.04	35.01	34.15	33.71	32.46	36.12	36.03	34.44	35.06	34.71	34.95 2093
Older couple	37.65	34.71	38.92	38.85	36.26	35.90	36.46	34.37	37.54	36.03	37.85	36.14	37.34 544
Single adult	34.39	31.72	37.10	35.38	31.52	30.52	33.71	33.73	35.04	33.94	36.25	32.66	33.91 4743
2 adults	37.02	34.89	41.78	37.03	36.28	34.63	33.61	40.07	37.15	36.49	39.46	35.69	36.72 1002
3 or more adults	40.65	39.00	41.81	38.54	38.17	43.05	39.39	45.52	40.42	39.78	41.71	39.96	40.66 166
1 adult & child/ren	40.65	37.42	44.33	38.42	39.42	35.42	39.23	43.73	40.80	37.88	42.12	37.84	39.54 2485
2 adults & child/ren	41.00	36.63	45.82	40.40	39.59	39.80	40.62	43.57	42.24	39.78	43.57	41.43	41.50 1265
3 or more adults & child/ren	44.31	36.04	45.34	43.20	39.69	47.57	42.23	44.30	47.31	40.42	47.46	47.84	44.93 143
Mixed adult & older person/s	41.55	34.41	43.46	41.04	42.41	37.29	38.77	39.63	38.24	37.41	40.70	38.21	39.52 214
Other households	.	49.38	48.12	42.25	41.50	39.86	40.32	42.71	40.62	39.08	50.17	48.18	44.31 44
Total Households	36.75 676	34.36 518	39.32 2230	37.02 800	34.99 583	33.71 2691	34.38 829	38.85 480	37.73 799	36.37 805	38.62 958	35.60 1330	36.07 12699

Median weekly rent (£) by tenancy type

(Year to end September 1999)

	Ayrshire Dumfries Galloway	Borders	Edin- burgh & Lothians	Fife	Forth Valley	Glasgow City	Grampian	Highland & Island	Lanark- shire	North Clyde	South Clyde	Tayside	Total
Fair Rent	43.29 3	30.20 36	36.13 57	33.16 4	29.26 2	33.84 135	31.61 4	30.39 5	32.66 9	35.43 13	40.80 14	38.74 10	34.12 292
Assured	36.69 671	34.56 474	39.40 2117	36.96 800	35.04 566	33.52 2344	34.63 687	38.86 467	37.73 779	35.88 716	38.55 908	35.76 1256	36.25 11785
Co-op	.	.	40.64 41	.	.	35.60 93	34.52 81	34.88 215
Short Assured	36.93 4	34.41 9	36.57 33	37.42 7	30.46 17	33.73 134	34.30 143	21.33 11	40.70 18	37.88 107	39.80 42	33.76 13	35.17 538
Total Households	36.71 678	34.36 519	39.32 2248	36.96 811	34.99 585	33.71 2706	34.36 834	38.85 483	37.73 806	36.49 836	38.61 964	35.64 1360	36.12 12830

Median weekly rent (£) by number of bedrooms

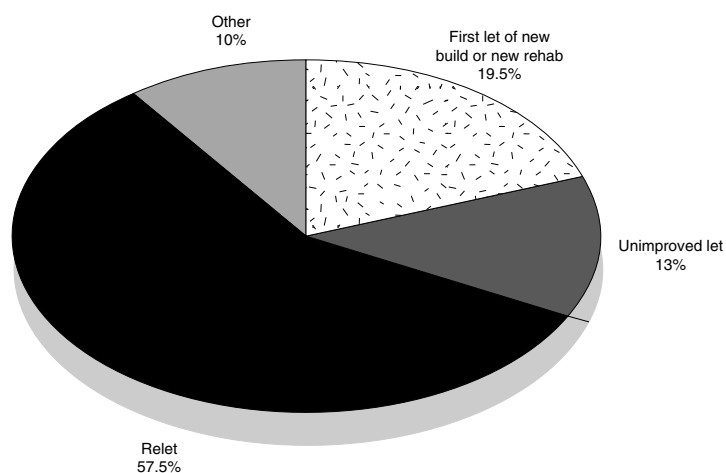
(April - September 1999)

	Number of Bedrooms				Total Lets: 3 or less bedrooms
	bedsits	1	2	3	
Ayrshire Dumfries & Galloway	30.82 9	35.22 139	39.20 122	40.29 60	37.04 330
Borders	32.31 13	34.36 135	35.92 66	36.67 22	34.89 236
Edinburgh & Lothians	32.56 64	38.54 570	43.46 320	47.77 140	39.97 1094
Fife	31.70 7	36.27 123	38.24 126	43.78 71	38.24 327
Forth Valley	32.03 14	33.57 133	37.67 86	40.90 50	35.91 283
Glasgow City	28.20 57	32.55 617	35.47 437	43.33 157	34.35 1268
Grampian	26.81 23	33.90 241	39.23 71	46.15 16	34.85 351
Highlands & Islands	26.31 14	37.21 83	42.78 85	45.80 42	39.85 224
Lanarkshire	31.45 13	34.89 163	38.72 186	43.82 70	37.39 432
North Clyde	28.59 15	33.75 146	35.72 136	40.01 62	35.77 359
South Clyde	28.69 28	36.78 174	41.71 145	45.35 67	39.23 414
Tayside	27.61 58	34.79 348	37.46 209	41.77 87	35.90 702
Total Households	29.15 315	35.06 2872	38.42 1989	42.66 844	36.67 6020

- Although caution needs to be exercised in comparing rent levels in different areas (for example because of differences in the proportion of lets in unimproved property), the above table shows that in all house size categories rents in Edinburgh & Lothians were the highest in Scotland. Overall, Glasgow rents were the lowest, but not in all house size categories.

Building/letting type

(Year to end September 1999)



- Across Scotland, 19.5% of lets in the year to September 1999 were the first let of newly built or rehabilitated property, the same figure as in 1998-99 but in sharp contrast to the 30% + figures in the early and mid-1990s.

Median weekly income (£) by household type and area

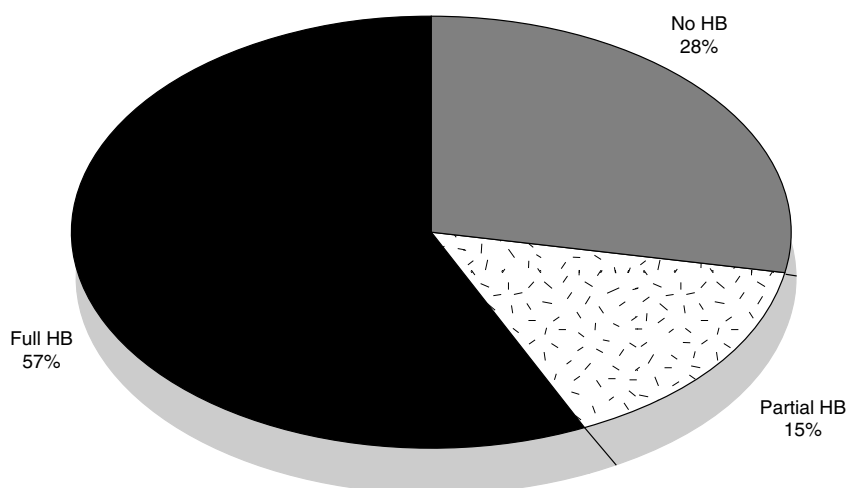
(April - September 1999)

	Ayrshire Dumfries Galloway	Borders	Edin- burgh & Lothians	Fife	Forth Valley	Glasgow City	Grampian	Highland & Island	Lanark- shire	North Clyde	South Clyde	Tayside	Total
Single older person	92.98	82.25	89.82	95.03	91.61	84.09	79.84	87.41	83.02	86.25	101.37	86.66	87.82 530
Older couple	160.00	160.00	159.93	139.00	185.33	142.79	157.38	174.30	150.00	139.62	150.75	160.12	152.35 160
Single adult	54.70	113.00	74.40	85.00	98.27	73.30	150.00	150.00	80.00	73.30	74.50	99.00	80.80 1643
2 adults	172.07	165.00	175.00	190.00	176.02	115.00	250.00	291.00	175.00	266.00	165.00	160.00	170.77 305
3 or more adults	205.00	178.00	153.00	238.39	260.00	137.25	273.35	394.40	298.00	371.69	186.00	200.00	189.95 55
1 adult & child/ren	102.92	99.70	96.75	105.00	101.60	97.98	109.00	113.50	99.67	106.85	105.00	96.00	101.00 816
2 adults & child/ren	201.83	180.20	234.40	220.00	223.50	160.20	209.20	229.70	190.00	264.37	168.47	153.40	200.10 397
3 or more adults & child/ren	202.02	243.20	131.35	.	286.70	151.70	307.46	337.00	200.00	202.50	179.70	122.00	172.73 44
Mixed adult & older person/s	114.65	156.53	144.66	162.13	170.00	125.71	305.02	125.32	142.00	175.59	63.18	139.65	140.63 66
Other households	.	106.00	90.00	103.96	69.31	141.97	.	524.00	.	.	.	155.20	131.93 16
Total Households	106.58 247	122.00 171	104.52 751	120.00 224	111.00 225	98.00 971	132.72 246	145.00 143	111.56 267	108.30 204	109.00 245	120.00 338	109.97 4032

- Examination of this table reveals many interesting regional variations. For example, in Grampian and in Highlands & Islands, the median weekly income for single adults was, at £150, well above the figures for other areas.
- Overall, the lowest incomes were to be found in Edinburgh and Glasgow, and the highest in Grampian and Highlands & Islands.

Housing Benefit eligibility (all households)

(April - September 1999)



- The half-year shows a greater proportion of households estimated to be eligible for full Housing Benefit – 57% as against 53% in 1998-99, but it is far too early to assess whether any general upward trend is in evidence.

Housing Benefit eligibility by Scottish Homes area

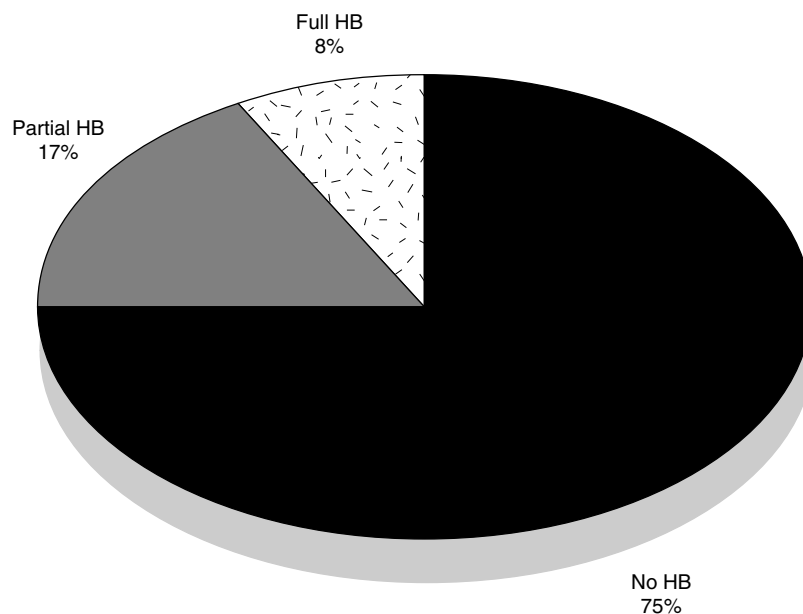
(Year to end September 1999)

	No HB	Partial HB	Full HB	TOTAL
Ayrshire Dumfries & Galloway	19.5%	17.0%	63.5%	100.0%
Borders	42.3%	17.7%	40.0%	100.0%
Edinburgh & Lothians	25.1%	17.6%	57.3%	100.0%
Fife	30.1%	16.6%	53.4%	100.0%
Forth Valley	40.9%	16.1%	43.0%	100.0%
Glasgow City	22.9%	14.8%	62.3%	100.0%
Grampian	52.4%	13.7%	33.9%	100.0%
Highlands & Islands	45.5%	15.3%	39.2%	100.0%
Lanarkshire	26.5%	17.5%	56.0%	100.0%
North Clyde	30.1%	17.6%	52.3%	100.0%
South Clyde	28.9%	17.5%	53.6%	100.0%
Tayside	34.2%	16.5%	49.3%	100.0%
Total Households	30.0%	16.3%	53.6%	100.0%
	2630	1428	4696	8754

- Combining the households on either full or partial Housing Benefit, there are significant regional variations from the Scotland-wide figure of 70%; the lowest proportions of households estimated to be eligible for benefit were in Grampian (48%) and Highlands & Islands (45%) with the highest proportions being in Ayrshire Dumfries & Galloway (81%), Glasgow (77%), Edinburgh & Lothians (75%) and Lanarkshire (74%).

Housing Benefit eligibility (Working households)

(April - September 1999)

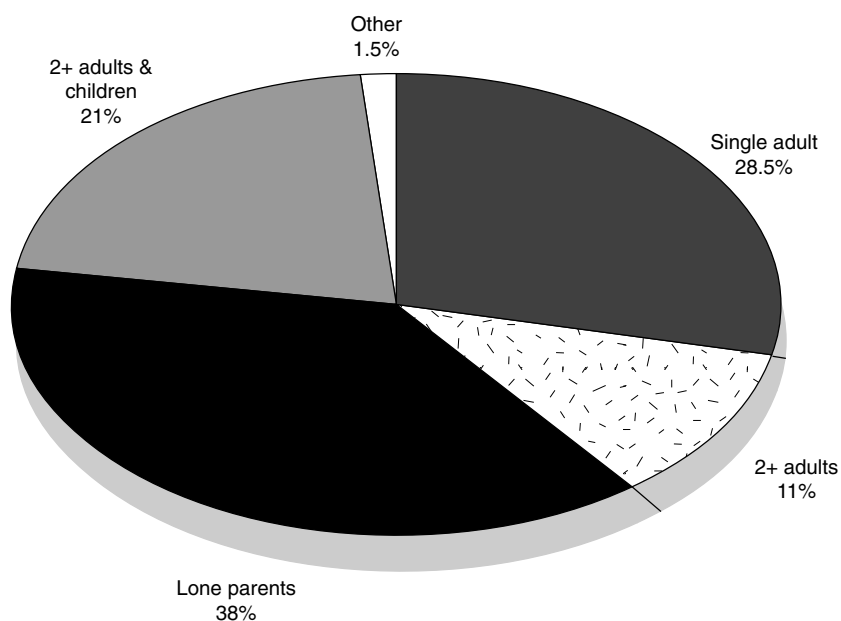


- 25% of working households were estimated to be eligible for some Housing Benefit, as against 27% for the year 1998-99.

Working households on Housing Benefit

(Year to end September 1999)

The 25% of working households estimated to be eligible for Housing Benefit were made up of the following household types:



- This shows that lone parents, who account for 15% of lets to working households, make up 38% of working households receiving Housing Benefit, most commonly as a result of part-time and poorly paid work.

SCORE

What is Score?

SCORE (Scottish Continuous REcording) is a system, run by SFHA, which monitors new tenancies granted by a registered housing association or co-operative in Scotland. It applies to all main areas of housing association activity except: supported accommodation and hostels where occupancy agreements rather than tenancy agreements are given. Shared ownership sales have been monitored since April 1996.

Each year SFHA members and SCORE subscribers receive an Annual Digest, a mid-year report (for lets from April - September) and a special feature report sent out around May.

The SCORE Log is a double-sided A4 document which records information under 17 separate headings. A full manual giving complete instructions is available (free to SFHA members, £5 to others).

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