

Interim

Local Housing Strategy

2010 – 2013

Annex

Moray's Housing System

Contents

| Section | Para | Contents | Page |
|---------|--------|--|----------|
| 2.1 | | Moray's Housing System | 3 |
| 2.2 | | Moray's Housing Market | 3 |
| | 2.2.1 | Housing Market Areas | 3 |
| | 2.2.4 | Key Data | 5 |
| | 2.2.5 | The Owner-Occupied Sector | 5 |
| | 2.2.17 | The Social Rented Sector | 8 |
| | 2.2.18 | The Private Rented Sector | 8 |
| 2.3 | | Moray's Economy | 9 |
| | 2.3.1 | Industry | 9 |
| | 2.3.4 | Royal Air Force | 10 |
| | 2.3.6 | Low pay | 10 |
| | 2.3.11 | Deprivation | 11 |
| 2.4 | | Demographic change | 11 |
| | 2.4.2 | Ageing population | 12 |
| | 2.4.3 | Household trends | 12 |
| 2.5 | | Homelessness | 13 |
| | 2.5.2 | Key Trends | 13 |
| | 2.5.3 | Scottish Housing Regulator | 13 |
| 2.6 | | Property Condition and Fuel Efficiency | 14 |
| | 2.6.1 | Private Sector property condition | 14 |
| | 2.6.4 | Private Rented Sector property condition | 14 |
| | 2.6.8 | Social Sector property condition | 15 |
| | 2.6.10 | Fuel Poverty | 16 |
| | 2.6.15 | Measuring Fuel Property | 16 |
| | 2.6.17 | Risk Factors | 17 |
| 2.7 | | Equalities and Special Needs Groups | 17 |
| | 2.7.2 | Age | 17 |
| | 2.7.3 | Gender and Transgender | 18 |
| | 2.7.4 | Ethnicity | 18 |
| | 2.7.8 | Disability | 18 |
| | 2.7.15 | Sexuality, Transgender and Religion/Belief | 19 |

Section 2

2.1 Moray's Housing System

- 2.1.1 This section describes Moray's housing system and includes information on the housing markets, demographics and economy of Moray.
- 2.1.2 Moray is a geographically varied region of Scotland, incorporating the Moray Firth coastline, the broad lowlands of Moray and the southern area that is now part of the Cairngorms National park. Moray covers just over 2,200 square km and has a low population density of 39 persons per square km.
- 2.1.3 The current population of Moray is just under 87,000¹ and approximately half of the population is centred on the 5 towns of Elgin (20,929), Forres (9,174), Buckie (8,172), Lossiemouth (6,873) and Keith (4,579). Approximately 1% of the population are from minority ethnic communities.
- 2.1.4 Moray has an ageing population. Population projections suggest that the population of persons of pensionable age will increase by 15% from 2006 to 2016 (by 9% for all Scotland) and that persons aged 75+ will increase by 32% over the same period (21% for all Scotland)².

2.2 Moray's Housing Market

Housing Market Areas

- 2.2.1 SPP3 states that *"a housing market area (HMA) is a geographical area where the demand for housing is relatively self-contained, i.e. where a large percentage of the people moving house or settling within the area have sought a dwelling only within that area"*.
- 2.2.2 Analysis of house sales data provided by the Scottish Government shows that 72% of purchasers buying a house in Moray over the last 5 years came from Moray. Local Housing Systems Analysis: Good Practice Guide³ states that *"there is no scientific method for determining what the appropriate cut off for containment is, but the convention places it at around 70-75%"*, and therefore the Moray Council area is viewed as a distinct housing market area. There is very little activity with neighbouring local authorities or the rest of the UK.

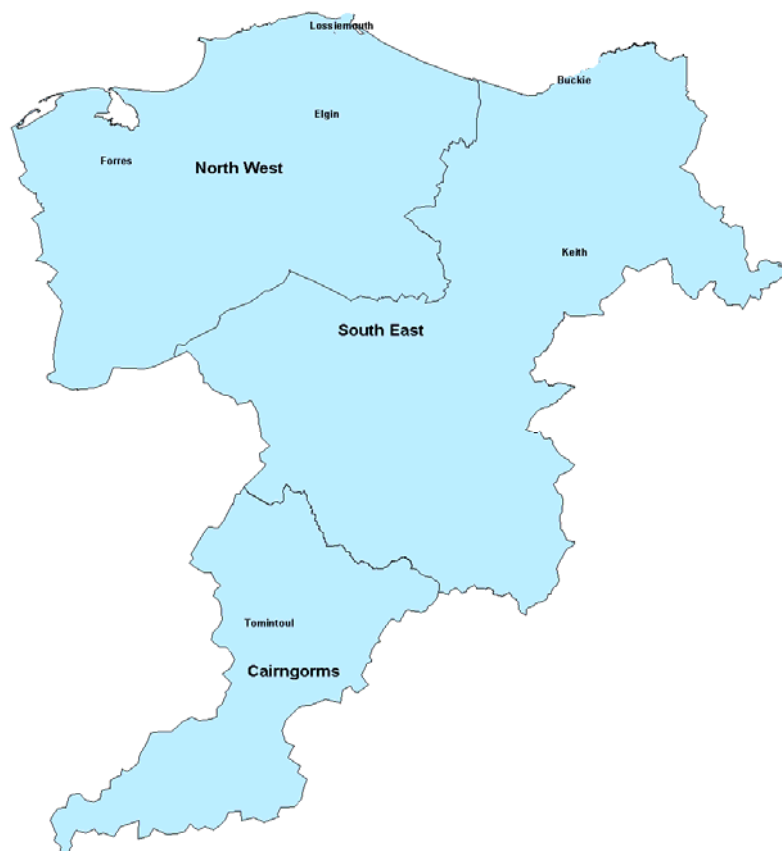
¹ Census 2001

² General Register Office Population Projections for Scottish Areas (2006-based) Table 3 Projected percentage changes in population (2006-based), by broad age group; Council and NHS board areas, selected years

³ Local Housing Systems Analysis: Good Practice Guide 2004, Communities Scotland, Chapter 4, page 46.

2.2.3 The Council carried out a Housing Needs and Market Study in April 2007⁴. The priorities for this LHS are based on the finding of that study. The study provides “an up-to-date understanding of the operation of the housing market across Moray” and provides “estimates of housing need over a 5-10 year period for Moray as a whole”. The study also examined housing market trends and housing need for the following sub-areas:

- **North West Moray**, which includes the towns of Elgin, Forres and Lossiemouth. Approximately 65% of the population lives in this area. Elgin is the economic and administrative centre of Moray. Both RAF bases are in this area and it is recognised that they exert a great influence on the housing market. Analysis of house sales data shows 73% of purchasers buying a house in the North West over the last 5 years came from the North West and so this area is considered a distinct housing market sub-area.
- **South East Moray**, which includes Buckie and Keith with smaller fishing villages to the east and small settlements to the south.
- **The Cairngorms area**, which includes the settlement of Tomintoul and forms part of the Cairngorms National Park Area. The area is characterised by a disproportionate amount of tied/private rented housing and has the highest levels of in-migration. 64% of house sales in the Cairngorms area over the last 5 years were to households from outwith Moray and 25% of those were to households from outwith Scotland.



⁴ Moray Housing Needs and Market Study 2007 is available at:
http://www.moray.gov.uk/moray_standard/page_1917.html

2.2.4 Key Data

| | Population 2001 Census | House- holds 2001 Census | Owner Occ | Social rented Council/ Hsing Assoc | Private rented Tied/ rent free | Stock sold through RTB (as at 31.3.09) | Change (%) since 1991 Census | Median house Price 2008 | Median private sector rent per month (2008/9) |
|-----------------------------------|------------------------------|-----------------------------------|--------------|--|--|---|--|----------------------------------|--|
| North/ West | 56,225 | 22,741 | 62% | 22% | 16% | 55% | 6.78 | £136,000 | £450 |
| South/ East | 29,990 | 12,723 | 66% | 23% | 11% | 52% | -1.7 | £132,000 | £475 |
| Cairn gorm National Park | 725 | 339 | 55% | 15% | 30% | 33% | -11.8 | £200,000 | – |

Sources: Census 2001, 1991, Scottish Government Datapack 2008

The Owner-Occupied Sector

2.2.5 The owner-occupied sector is the largest housing sector in Moray. The table below shows that owner occupation is the largest tenure in Moray, and that there is a larger proportion of owner-occupied properties in Moray than in Scotland. Owner occupation has increased by 8% since 1991 and this is mainly due to the Right to Buy (RTB) policy with people moving from the social rented sector into the owner-occupied sector.

| | Households by Tenure | | | | | | | |
|---------------|----------------------|------------|-----------------|------------|--------------|-----------|----------------|-----------|
| | Owner-occupied | | LA/other public | | HA/co-op | | Private-rented | |
| Aberdeen City | 62,000 | 61% | 23,000 | 23% | 4,000 | 4% | 11,000 | 11% |
| Aberdeenshire | 69,000 | 68% | 16,000 | 16% | 6,000 | 6% | 10,000 | 10% |
| Highland | 71,000 | 71% | 17,000 | 17% | 5,000 | 5% | 7,000 | 7% |
| Moray | 26,000 | 68% | 8,000 | 21% | 2,000 | 5% | 2,000 | 5% |
| Scotland | 1,497,000 | 65% | 371,000 | 16% | 250,000 | 11% | 191,000 | 8% |

Source: Scottish House Condition Survey - Local Authority Report 2004-07, published 28 October 2009

2.2.6 According to the 2001 Census, there are 823 second/holiday homes in Moray (representing 2.3% of the housing stock). This is higher than the national figure of 1.3% but lower than most other rural authorities. They are found throughout Moray but mainly in the eastern coastal and southern areas.

2.2.7 There are approximately 26,000 owner-occupied properties in Moray representing approximately two-thirds of the total housing stock. This is in line with the national average (65%).

House Prices

2.2.8 House price trends and housing market activity are broadly in line with Scottish trends⁵.

| Year | Housing Market Sub Area | | | Total of second hand and new build house sales |
|------|-------------------------|------------|------------|--|
| | Cairngorms | North West | South East | |
| 2004 | 23 | 813 | 404 | 1240 |
| | 1.85% | 65.56% | 32.58% | 100.00% |
| 2005 | 19 | 1312 | 490 | 1821 |
| | 1.04% | 72.05% | 26.91% | 100.00% |
| 2006 | 25 | 1197 | 496 | 1718 |
| | 1.46% | 69.67% | 28.87% | 100.00% |
| 2007 | 31 | 1206 | 543 | 1780 |
| | 1.74% | 67.75% | 30.51% | 100.00% |
| 2008 | 26 | 888 | 401 | 1315 |
| | 1.98% | 67.53% | 30.49% | 100.00% |

Source: Scottish Government datapack – house sales

2.2.9 It is notable that, although housing market activity has reduced in the current difficult economic climate, house prices in Moray have not reduced and in fact have marginally increased. Median house prices are shown below.

| | Median House Prices | | | Moray |
|------|---------------------|------------|------------|----------|
| | Cairngorms | North West | South East | |
| 2004 | £80,000 | £80,222 | £69,250 | £76,500 |
| 2005 | £123,000 | £95,000 | £85,000 | £92,025 |
| 2006 | £189,000 | £110,000 | £96,250 | £105,000 |
| 2007 | £205,000 | £135,182 | £125,000 | £132,000 |
| 2008 | £212,500 | £136,000 | £133,500 | £136,000 |

Source: Scottish Government datapack – house sales

2.2.10 House prices in Moray have increased by approximately 77% over the last 5 years. The Housing Needs and Market Study found that “very few existing owner occupiers experience difficulties in meeting their housing costs. By contrast, there is evidence that aspiring homeowners, especially single earner households, are finding it increasingly difficult to purchase a property”.

2.2.11 Bramley (2003 and 2006) report that 58% of newly forming households in Moray can afford to buy in 2005 compared to 76% in 2001. Moreover, house price to earning ratios suggest that in 2006 single earner households earning the lower quartile gross weekly wage of £275, would have to borrow 5.1 times their earnings in order to buy a property at the lower end of the resale housing market. In 2001 the comparable multiplier was 2.9.”

⁵ Local Authority Housing Bulletin, October 2009, Scottish Government Centre for Housing Market Analysis available at: <http://www.scotland.gov.uk/Topics/Built-Environment/Housing/supply-demand/chma/statistics>

2.2.12 The Scottish Government has provided local authorities with data that shows that in 2008 the comparable multiplier was 5.75.

Right to Buy

2.2.13 Right to Buy legislation, that permits Council tenants to buy their home through generous discounts, is a significant factor contributing to the pressure on social housing stock that exists across Scotland today. Since 1980 the Council's housing stock has diminished from 12,800 to 5,848 at 31 March 2009 – 54% of stock sold.

2.2.14 The proportion of stock sold varies across areas and across house sizes. Approximately 70% of 3 and 4 bedroomed properties have been sold, whereas approximately 50% of 2 bed and 30% of 1 bed properties have been sold. Full details are available at **Appendix 4**.

| Area | % 1 beds sold to 31.03.09 | % 2 beds sold to 31.03.09 | % 3 beds sold to 31.03.09 | % 4+ beds sold to 31.03.09 | HRA Stock Remaining 31.03.09 | % Sold |
|--------------|---------------------------|---------------------------|---------------------------|----------------------------|------------------------------|---------------|
| Buckie | 25.62% | 42.67% | 67.84% | 68.42% | 764 | 50.36% |
| Buckie Rural | 28.43% | 50.43% | 66.96% | 85.71% | 642 | 53.01% |
| Elgin | 32.72% | 60.30% | 71.53% | 72.12% | 1708 | 57.52% |
| Elgin Rural | 21.85% | 44.17% | 57.04% | 50.00% | 511 | 44.42% |
| Forres | 30.06% | 47.11% | 71.05% | 68.29% | 725 | 49.55% |
| Forres Rural | 43.18% | 61.25% | 70.75% | 50.00% | 185 | 63.39% |
| Keith | 16.46% | 53.72% | 58.77% | 76.00% | 497 | 50.00% |
| Keith Rural | 25.83% | 53.67% | 74.07% | 92.31% | 352 | 58.32% |
| Lossiemouth | 40.23% | 61.23% | 70.39% | 68.88% | 440 | 60.53% |
| Cairngorms | 36.36% | 40.00% | 51.02% | n/a | 25 | 46.67% |
| Moray | 29.75% | 53.78% | 68.12% | 70.96% | 5848 | 54.21% |

2.2.15 The rate of Right to Buy sales has dropped throughout 2008/9, consistent with Scottish trends. It is possible that pressured area status has contributed to this, but wider economic conditions and the current restricted availability of mortgage lending are also likely to have contributed. The purpose of pressured area status is to protect the amount of affordable rented housing in a Council area and to make sure that there are enough houses for people who need them. All tenants who have the modernised right to buy have their entitlement suspended in areas with pressured area status. It does not affect the rights of tenants with the original right to buy.

2.2.16 The first LHS suggested that ex-RTB properties “could still act as a source of affordable housing” because they were significantly cheaper than other owner-occupied housing. This may no longer be the case (see table below). In recent years, ex-RTB properties have varied only marginally in price from comparable second-hand and new build options.

| Year | North West | | South East | | Cairngorms | |
|------|---------------|---|---------------|---|-------------------------------------|---|
| | Median Ex-RTB | Lower quartile second hand/new build (excluding Ex-RTB) | Median Ex-RTB | Lower quartile second hand/new build (excluding Ex-RTB) | Median Ex-RTB | Lower quartile second hand/new build (excluding Ex-RTB) |
| 2004 | £64,000 | £60,000 | £59,000 | £50,000 | Too few sales to calculate reliably | |
| 2005 | £72,000 | £76,700 | £63,000 | £64,500 | | |
| 2006 | £86,000 | £85,000 | £85,000 | £75,000 | | |
| 2007 | £100,250 | £110,000 | £98,000 | £102,000 | | |
| 2008 | £100,000 | £112,000 | £100,000 | £115,000 | | |

Source: Scottish Government datapack – house sales

The Social Rented Sector

2.2.17 There are approximately 7,000 households in the social rented sector in Moray. Moray Council remains the largest provider with 5,848 properties (as at 31 March 2009). Moray Council's rents have been amongst the lowest in Scotland for many years. Moray Council's average rent for 2008/9 was £39.40.

The Private Rented Sector

2.2.18 There are over 4,700 households in Moray renting privately, making up 13% of all households⁶, compared to 6.7% in Scotland, 6.72% in Aberdeenshire and 8.45% in Highland. The Census 2001 included RAF married quarters managed by the Defence Housing Executive in Elgin, Lossiemouth, and Kinloss in its definition of private rented accommodation, but also included tied accommodation for farm and estate workers, as well as individual private landlords.

2.2.19 The Scottish Government's recent review of the private rented sector found that the private rented sector has expanded greatly over the last decade and found that in Scotland "The sector accommodates approximately 233,000 households who constitute a broad customer base, including lower income households, students, young professionals and migrant workers"⁷.

2.2.20 The Council's research found that there are at least 17 letting agents operating in Moray, although 3 have a significant proportion of the market. The 4 letting agents interviewed manage over 800 properties and have over 660 landlord clients. Turnover is low and very few properties are available for rent at any one time.

⁶ Private Rented Sector Research, Moray Council, 2005

⁷ Review of the Private Rented Sector: Key Findings and Policy Implications, March 2009, <http://www.scotland.gov.uk/Publications/2009/03/23134949/1>

Private Sector Rents

2.2.21 For many years Moray Council has been monitoring private rented sector properties advertised in the local press. The results are shown in the table below.

| Year | Median private sector rent per month | | |
|--------|--------------------------------------|------------|--|
| | North West | South East | Cairngorms |
| 2004/5 | £375 | £350 | Too few rentals advertised to calculate reliably |
| 2005/6 | £400 | £380 | |
| 2006/7 | £425 | £400 | |
| 2007/8 | £440 | £400 | |
| 2008/9 | £450 | £450 | |

2.2.22 Consistently around half of all adverts state that a deposit is required. An increasing number of rentals have been advertised as “No DSS” or similar but this has reduced so far during 2009/10 (see chart below).

2.3 Moray’s Economy

Industry

2.3.1 The economy in Moray is relatively diverse with tourism, food processing, hospitality and retail sectors providing sources of employment. The area also has a strong brand image through the presence of well-known food processing companies and distilleries. Areas of potential growth are through tourism and the service sector and the expansion of Moray College as part of the University of the Highlands and Islands (UHI). Unemployment rates have been consistently below the national average with the exception of small areas in the Buckie and Forres areas.

2.3.2 Moray is recognised by the EU as ‘peripheral’ and the whole area is covered by European Community Structural Fund designations Objectives 1 and 2. This funding is designed to reduce the economic imbalance between Moray and other areas within Europe.

2.3.3 The percentage of people employed in the contracting primary industries (especially farming and fishing) in Moray, is higher than the national percentage⁸. Unemployment levels may rise within the next decade with the further decline of these industries.

⁸ Census 2001

Royal Air Force

2.3.4 The presence of the Royal Air Force has a major impact on Moray's economy. There are two RAF bases in Moray at Lossiemouth and Kinloss. The most recent study⁹ of this impact highlighted:

- The bases employ approximately 4,200 RAF service and civilian personnel, a reduction of 12.5% from 2004
- The numbers of service personnel housed in RAF married quarters had reduced by 26% between 2004 and 2007 to 834 households with approximately 1354 (37%) households housed in the private sector and approximately 1,422 single MOD personnel housed in single quarters.

2.3.5 In December 2009 the MOD announced there will be reduced flying hours at RAF Kinloss to make savings on fuel, servicing, maintenance and support services, etc. This will result in RAF personnel being redeployed to other bases. There will also be some civilian staff reductions but the MOD hope to achieve this by natural reductions, not redundancies.

Low pay

2.3.6 Despite the diversity of the economy and the overall low unemployment, Moray is characterised by its low wages.

2.3.7 In 2008 the median household income for Moray was £27,483, and the Scottish median was comparable at £27,652. However Moray households earn significantly less than households in other parts of Grampian¹⁰. Median income in Moray is 5% less than in Aberdeen City Council area and 12% less than in Aberdeenshire.

| Local Authority | Lower quartile | Median | Upper quartile |
|-----------------|----------------|----------------|----------------|
| Aberdeen City | £17,927 | £28,858 | £44,824 |
| Aberdeenshire | £19,461 | £31,297 | £48,471 |
| Moray | £17,389 | £27,483 | £41,733 |
| Scotland | £17,283 | £27,652 | £42,841 |

Source: Scottish Government Datapack 2008

2.3.8 In 2008, households earning the Moray median annual income of £27,483 would have to borrow 4.95 times their income to buy a median priced house in Moray. A household earning the Moray lower quartile annual income of £17,389 would have to borrow 5.75 times their income to buy a lower quartile priced house in Moray⁷.

⁹ Assessing the Housing and Economic Impact of proposed investment at RAF Bases in Moray ODS Consulting et al, February 2008

¹⁰ Scottish Government Datapack 2008

2.3.9 Affordability issues may be exacerbated by the current economic recession and the impact of the “credit crunch”, which we are unable to quantify at the time of writing, but may consist of:

- redundancy and unemployment,
- reduction in tourism and other service industry activity,
- reduction in construction industry activity, and
- reduction of housing market activity and in mortgage lending.

2.3.10 Although Moray has low unemployment there are significant numbers of Moray residents who cannot compete in the housing market due to their low income. This can be a particular problem in rural areas and is a significant problem in the Cairngorms.

Deprivation

2.3.11 The Scottish Index of Multiple Deprivation 2009¹¹ shows that 1 datazone in Moray falls within the 15% most deprived in Scotland (South Lesmurdie, Elgin) and 2 datazones fall within the 20% most deprived in Scotland (Millbank area, Buckie and the West Thornhill area of New Elgin). However, none of these areas are deprived under the Housing Domain. These 3 areas are predominantly areas of Council housing or ex-Council housing. It is possible that the classification of these areas under SIMD is due to the socio-economic profile of the population, rather than their housing conditions.

2.3.12 Like all rural authorities, there is the potential for people who do not live in the central area to be geographically isolated. The Scottish Index of Multiple Deprivation (SIMD) 2009¹² has found that most of Moray is included in the 15% most deprived datazones in Scotland for geographic access, with the exception of larger towns, e.g. Elgin, Forres, Keith.

2.4 Demographic change

2.4.1 The changes in Scotland are summarised below:

- **Scotland’s population is ageing:** between 2004 and 2031 the number of people aged 50+ is projected to rise by 28 per cent and the number aged 75 and over is projected to increase by 75 per cent.
- **Fewer children aged 0-15 and people aged 16-64:** the numbers are projected to decrease by 15 per cent and 11 per cent respectively by 2031.
- **People living longer:** life expectancy at birth is projected to increase from 74.3 years for males and 79.4 years for females for those born around 2004 to 79.2 years and 83.7 years respectively by 2031.

¹¹ More information on the Scottish Indices of Multiple Deprivation is available at: <http://www.scotland.gov.uk/Topics/Statistics/SIMD/>

¹² More information on the Scottish Indices of Multiple Deprivation is available at: <http://www.scotland.gov.uk/Topics/Statistics/SIMD/>

- **More over 50s living alone:** In this age group, women are more likely to live alone, but the number of men living alone is increasing faster, as men's life expectancy increases.
- **Geographical variations in the distribution of older people:** with the over 75s accounting for more than 15 per cent of the population in some areas. However, the pattern of ageing varies within Council areas.
All Our Futures 2007iv.¹³

Ageing population

2.4.2 Although the Moray population is not projected to increase (-1.9%) compared to Scotland (5%) and Aberdeenshire (18.7%) by 2031, there are significant changes in the projected age structure. The proportion of people over 65 is rising across Scotland. However, the increase is significantly higher in Moray than in Scotland as a whole. This increase is particularly significant in the over 75 age group with an increase of 104% by 2031.

Source: Older persons Strategy, Projected percentage change of population (2006 based) by broad age group compared to Scotland (Table 1) General register Office for Scotland 2007v

Household trends

2.4.3 There are 41,726 households in Moray.¹⁴ The table below shows that by 2031 more than half of households in Moray will be headed by a person aged over 60¹⁵. A similar projection exists for Aberdeenshire Council and Highland Council. There is a projected increase of 42% more single person households between 2006 and 2031.

| | % of population aged 60-74 in | | % increase 2006 - 2031 | % of population aged 75+ in | | % increase 2006 - 2031 |
|---------------|-------------------------------|------------|------------------------|-----------------------------|------------|------------------------|
| | 2006 | 2031 | | 2006 | 2031 | |
| Aberdeen City | 17% | 21% | 4% | 11% | 17% | 6% |
| Aberdeenshire | 21% | 26% | 5% | 12% | 25% | 13% |
| Highland | 23% | 26% | 3% | 13% | 23% | 10% |
| Moray | 23% | 28% | 5% | 13% | 25% | 12% |
| Scotland | 21% | 23% | 2% | 12% | 18% | 6% |

¹³ Older Peoples Strategy 2009 - 2014

¹⁴ Council Tax Register at April 2009

¹⁵ GRO Household projections 2006 based, by age group, 2006 and 2031

2.5 Homelessness

Reasons for Homelessness

- 2.5.1 Over the last 3 years (2006/7/8/9) approximately 50% of homeless households report relationship breakdown as the reason for their homelessness, either between spouses/partners, parents/guardians or other family members/friends. A further 10% of homeless households report domestic violence, either between partners or between parents/children as the reason for their homelessness.

Key trends and challenges

- 2.5.2 The key trends affecting homelessness in Moray:
- There is an acute shortage of permanent and temporary affordable housing options. This presents a serious challenge to the Council in meeting its statutory duty to abolish the priority need test by 2012.
 - Increasing numbers of single person households are presenting as homeless. In 2008/09, almost 62.3% of homeless applicants in Moray were single. This shows a 3.4% increase from 2007/08. There is a particular lack of 1 bedroom affordable housing units to meet this need.
 - The next biggest group amongst those presenting as homeless are single parent families. Due to the lack of permanent and temporary accommodation the Council relies heavily on the use of B&B. Placing families in B&B accommodation for over 14 days breaches the Temporary Accommodation Order (Scotland) 2002.
 - Over the last 3 years the vast majority of homeless households have originated from within Moray (80%).

The Scottish Housing Regulator's Inspection

- 2.5.3 The Scottish Housing Regulator's inspection in 2007 awarded a "C" Fair assessment of homelessness services. This assessment required development of an improvement plan.

The Council's Homelessness Strategy 2010 - 2014

- 2.5.4 The Scottish Government's Local Housing Strategy Guidance suggests that homelessness issues should be integrated into the LHS. Due to the acute pressures on the Council arising from homelessness and the acute shortage of affordable housing, the Council has decided to continue to publish a separate Homelessness Strategy 2010 - 2014¹⁶, which at the time of writing was at consultative draft stage. The Council will use the Homelessness Strategy to set out the actions it will take to tackle homelessness, to meet its statutory obligations and to implement the Scottish Housing Regulator's Homelessness Improvement Plan.

¹⁶ The Homelessness Strategy is available at:
http://www.moray.gov.uk/moray_standard/page_1930.html

2.6 Property Condition and Fuel Efficiency

Private Sector property condition

2.6.1 Owner occupation is the largest tenure in Moray. There is a larger proportion of owner-occupied properties in Moray than in Scotland, as illustrated below.

| | Households by Tenure | | | | | | | |
|---------------|----------------------|------------|-----------------|------------|--------------|-----------|----------------|-----------|
| | Owner-occupied | | LA/other public | | HA/co-op | | Private-rented | |
| Aberdeen City | 62,000 | 61% | 23,000 | 23% | 4,000 | 4% | 11,000 | 11% |
| Aberdeenshire | 69,000 | 68% | 16,000 | 16% | 6,000 | 6% | 10,000 | 10% |
| Highland | 71,000 | 71% | 17,000 | 17% | 5,000 | 5% | 7,000 | 7% |
| Moray | 26,000 | 68% | 8,000 | 21% | 2,000 | 5% | 2,000 | 5% |
| Scotland | 1,497,000 | 65% | 371,000 | 16% | 250,000 | 11% | 191,000 | 8% |

Source: Scottish House Condition Survey - Local Authority Report 2004-07, published 28 October 2009

2.6.2 The Scottish House Condition Survey estimates that:

- between 53% and 67% of properties in Moray are in some degree of disrepair;
- between 22% and 35% of properties in Moray require an urgent repair;
- a private sector property is between 2 and 3 times more likely to require an urgent repair than a public sector property;
- approximately 18,000 private sector properties would fail the Scottish House Condition Standard.

2.6.3 There are approximately 400 properties known to the Council that fall Below Tolerable Standard¹⁷.

Private Rented Sector property condition

2.6.4 Private rented housing is particularly significant in rural Moray, with the highest proportion of the stock being in the Cairngorms National Park (29%). The lowest levels are in Buckie (5%), Keith (8%), and Forres (9%). About a quarter of the privately rented stock is furnished and three quarters unfurnished. Almost all of the furnished stock is let from private landlords or letting agencies, whereas the unfurnished stock has proportionately more employer-landlords¹⁸.

2.6.5 The Housing Need and Market Study 2007¹⁹ states “there is very little hard evidence on the physical quality of private rented properties in Moray but there are signs that private rented housing is in poorer condition than

¹⁷ More information on the Tolerable Standard is available at:
http://www.moray.gov.uk/moray_standard/page_1792.html

¹⁸ Private Rented Sector Research, Moray Council, 2005

¹⁹ The Housing Need and Market Study 2007 is available at:
http://www.moray.gov.uk/moray_standard/page_1917.html

properties in the other main tenures, possibly linked to the older age profile of private rented properties. About a third of privately rented properties are detached houses. 20-25% of private tenants are pensioner households. The Housing Need and Market Study 2007 found that:

- 45% of private renters believed their home required repairs and improvements;
- 16% of private renters felt repairs were needed to the roof of their home; and
- 20% of private renters felt their house required improved heating and insulation.

2.6.6 Since April 2006, owners of privately let property must be registered with the local authority. The aim of landlord registration is to ensure that private landlords are “fit and proper” to be letting residential property, and to protect tenants and the community from anti-social behaviour and mismanaged property. At August 2009, there were 2089 approved registered private landlords, and 2921 approved rented properties in Moray. This is an average of 1.4 properties per landlord and is consistent with Scottish Government’s finding that most private landlords let a small number of properties¹⁴.

2.6.7 There are 48 licensed Houses in Multiple Occupation (HMO) in Moray (as at October 2009), 12 of which are sheltered housing developments. Bed and breakfast establishments used by the Council to provide temporary accommodation for homeless households are required to have a HMO License.

Social Sector property condition

2.6.8 Social rented housing must meet the Scottish Housing Quality Standard (SHQS) by 2015. More information on the SHQS is available at Section 3, Strategic Objective 5. Through continuing investment, the SHQS target should be met for Council housing by 2015. As at 31 March 2009, 69.3% of Moray Council properties met this standard. In addition the Council has a Moray Housing Standard²⁰ which requires higher levels of insulation and fuel efficiency for Council housing than required by the SHQS. The Council is working towards meeting this standard. At September 2009, 89.86% of Moray Council properties met this standard.

2.6.9 The Scottish Housing Regulator requires Registered Social Landlords to bring their properties up to the SHQS.

Fuel Poverty

2.6.10 The Scottish Government states that a household is in fuel poverty if, in order to maintain a satisfactory heating regime, it would be required to spend more

²⁰ available at <http://www.moray.gov.uk/downloads/file44469.pdf>

than 10% of its income (including Housing Benefit and Income Support for Mortgage Interest) on all household fuel use²¹.

- 2.6.11 A satisfactory heating regime²² means achieving, for elderly and infirm households, a temperature of 23°C in the living room and 18°C in other rooms for 16 hours in every 24; and for other households a temperature of 21°C in the living room and 18°C in other rooms for a period of 9 hours in every 24 (or 16 in 24 over the weekend) with 2 hours being in the morning and 7 hours in the evening.
- 2.6.12 The Scottish Government's Fuel Poverty Statement, published in 2002 set 2016 as the target date to eradicate fuel poverty as far as is reasonably practicable.
- 2.6.13 Importantly, the definition focuses on what people would need to spend, rather than what they actually spend on household fuel. This is because fuel poor households have to balance the need for fuel and other essentials, and very often don't heat their homes properly. They may also be in the home for longer periods of the day, increasing the cost of keeping warm.
- 2.6.14 The Housing (Scotland) Act 2006 gives private sector tenants the right to make adaptations to the house either to meet the needs of the disabled occupant or to install central heating and other energy efficiency measures, subject to the landlords consent.

Measuring fuel poverty

- 2.6.15 The Scottish Government uses the Scottish House Condition Survey to measure differences in fuel poverty. The Scottish House Condition Survey Key Findings 2007, has found that from 1996 to 2002 the number of fuel poor households in Scotland fell substantially from around 36% to 13%. In 2003/4, 15.4% of households (350,000) were assessed as fuel poor, and, in 2004/5, 18.2% of households (419,000) were estimated to be in fuel poverty. In 2005/6, 23.5% households (543,000) were found to be fuel poor and this figure increased to 24.6% of households (569,000 in 2007). This is not a statistically significant increase over the 2005/6 estimate. Following a fall between 1996 and 2002, the number and proportion of households in fuel poverty has subsequently increased. Changes in fuel prices were an important factor in both the reduction in numbers in fuel poverty between 1996 and 2002 and in the subsequent increase.
- 2.6.16 More recently, the Scottish House Condition Survey²³ has estimated that between 27% and 42% of Moray households have difficulty in heating their home, and that between 5% and 15% of Moray households are fuel poor.

²¹ Scottish Government, Fuel Poverty Statement 2002

²² Scottish Government, Guidance on Fuel Poverty consultative draft, April 2009

²³ Scottish House Condition Survey - Local Authority Report 2004-07

Risk Factors

2.6.17 The Scottish House Condition Survey has found that the following households are more at risk of being in fuel poverty:

- Households living in **detached houses**. A third of households in detached houses are fuel poor compared with 19% of tenement dwelling households.
- Households living in properties with 'poor' NHER scores, i.e. in **properties with poor fuel efficiency**.
- Households living in **older dwellings** are more likely to experience fuel poverty with around 3 in 10 households living in dwellings built before 1919 being fuel poor compared to around 1 in 10 of those living in dwellings built after 1982. This is at least in part related to the greater energy efficiency of dwellings built after 1982.
- Older smaller and single **pensioner households**.
- Households where their **income** is less than £100 per week.
- Households in **rural** areas.
- Those living in **private sector** dwellings are twice as likely as those in social sector dwellings to experience extreme fuel poverty.
- Households with partial central heating or **no central heating**.
- Households living in properties **heated by fuels other than mains gas**.

2.7 Equalities and Special Needs Groups

2.7.1 The Scottish Government requires public bodies to consider equality and diversity issues under 7 strands:

- Age
- Gender
- Ethnicity
- Disability
- Sexuality
- Transgender
- Region/belief

Age

2.7.2 Information relating to the changing demographics of Moray's population is at Para 2.4. General Register Office for Scotland (GRO) projections indicate that Moray's population is ageing. The changing housing need associated with an ageing population is considered in Section 3, Strategic Objectives 3 and 9. The housing needs of persons regarded as vulnerable due to their young age are considered in the Homelessness Strategy.

Gender and Transgender

2.7.3 "The Sex Discrimination Act 1975 states that men and women should not receive less favourable treatment on the grounds of their sex or marital

status. Sex discrimination against individuals is prohibited in areas of employment and education, in the provision of goods, facilities and services and in the disposal or management of premises. Victimisation because someone has tried to exercise his or her rights under this or the Equal Pay Act is prohibited. The Act prohibits direct and indirect sex discrimination. There are special provisions about discrimination on the grounds of gender re-assignment.”²⁴

Ethnicity

2.7.4 Moray has a diverse, scattered ethnic community although low in number. Census 2001 reports that 99% of Moray’s population are white.

2.7.5 The Council’s Race Equality Scheme 2008-2011²⁵ states:

“The varied ethnic groups and languages dispersed throughout the overall population, makes addressing race equality difficult but important in Moray. It is our duty to ensure that all parts of our community are represented, everyone has equality of opportunity, and the Council promotes good race relations in all its working practice”.

2.7.6 Statistical information obtained from Grampian Race Equality Council highlights that between October 2007 and September 2008 there were 60 racial incidents recorded altogether. In Moray, the majority of racist incidents are between Scottish and English residents; therefore, there are very low numbers of racist incidents involving black or minority ethnic residents.

2.7.7 In Moray, racial incidents involving English residents constitute 37% of the total number of victims compared to 9% for Aberdeen City and 22% for Aberdeenshire. However, this may be because there is a larger population of residents born in England living in Moray (16%) than in Aberdeenshire (11%) or Aberdeen City (8%).

Disability

2.7.8 The Council’s Disability Equality Scheme 2006–2009 states “Disability equality is about offering full opportunity and choices for disabled people to improve their quality of life and be respected and included as equal members of society. The Council can make a significant contribution towards removing the barriers (both environmental and attitudinal) to equal opportunities for disabled people. The Council can do this by addressing the way in which we run our services and employ people, and also by exerting our influence in the community at large.”²⁶

²⁴ The Moray Council Equality Strategy, revised April 2006

²⁵ The Moray Council Race Equality Scheme is available at:

http://www.moray.gov.uk/moray_standard/page_53868.html

²⁶ Disability Equality Scheme 2006 – 2009, Moray Council

- 2.7.9 The Scottish Household Survey²⁷ found that about a third of households in Scotland (33%) contain at least one person with a long-standing illness, health problem or disability. This figure covers all members of the household, including children. Households comprised of older people are more likely to contain someone with a long-standing health problem or disability, with over half of 'older smaller' (53%) and 'single pensioner' households (52%) doing so compared with only 16% of small family households and 23% of single parent households.
- 2.7.10 The Scottish Household Survey also found that between 41% and 49% of households with net annual incomes below £15,000 contain someone with a long-standing illness, health problem or disability. The corresponding figure for households with a net annual income of over £40,000 is 13%. These findings are partly explained by the income profile of older households, with almost half of older smaller households (47%) and 84% of single pensioner households having incomes below £15,000
- 2.7.11 The Scottish House Condition Survey²⁸ estimates that between 15% and 25% of dwellings in Moray “have aspects that restrict activity of long term ill/ disabled household members”
- 2.7.12 The Housing Needs Study 2007 estimated that “5,400 (13%) of households contain one or more members with some form of physical disability. Approximately a quarter of these households require one or more adaptations to their home”.
- 2.7.13 The Council’s Tenant Survey 2007 found that approximately 20% of its tenants reported being disabled, and a further 9% reported being “long term sick”.
- 2.7.14 The Council can assist households in housing need through disability either with an adaptation to their current home (see Strategic Objective 9) or through provision of adapted new build housing (see Strategic Objective 3).

Sexuality, Transgender and Religion/Belief

- 2.7.15 The Council has limited information on its customers relating to these strands but endeavours to design its services so as not to disadvantage these groups, and takes steps to be sensitive to the needs of these groups, through the Equality Impact Assessment process.

²⁷ Scotland's People Annual Report: Results from 2007/2008 Scottish Household Survey: <http://www.scotland.gov.uk/Publications/2009/09/01114213/12>

²⁸ Scottish House Condition Survey - Local Authority Report 2004-07