



## RESEARCH INTO THE POTENTIAL MARKET FOR MID MARKET RENT IN GLASGOW

EXECUTIVE SUMMARY  
APRIL 2012



[anna.evans@aehousing.co.uk](mailto:anna.evans@aehousing.co.uk)

[www.aehousing.co.uk](http://www.aehousing.co.uk)

Tel: 07747 352813

*In association with*



Mandy Littlewood  
Social Research and Consulting



## **Chapter 1 – Research objectives and method**

Glasgow City Council appointed Anna Evans Housing Consultancy Ltd together with Mandy Littlewood Social Research and Consulting and IBP Strategy and Research to undertake research into the potential market for mid market rent (MMR) in Glasgow. Glasgow City Council and Glasgow Housing Association jointly commissioned and funded the research.

The overall objective of the research was to establish what the market is for MMR in Glasgow and assess what role it would play in meeting the city's strategic housing objectives. The expected outputs from the research were as follows:

- Assessment and quantification of the overall market for MMR or a derivative MMR product (e.g. rent to mortgage);
- Geographic spread of the MMR market across the city, and in different types of area;
- Characteristics of households that would access MMR and allocation criteria;
- Assessment of MMR role within the dynamics of Glasgow's housing system;
- Establish its strategic fit with Glasgow's strategic housing objectives.

The research method involved review of policy and practice in the intermediate sector across the UK; comprehensive data analysis and affordability assessments using demographic and income data, house sales and rental data to establish estimates of demand for MMR at the citywide and area level; an assessment of the nature and type of potential demand for MMR through a series of 10 focus groups with consumers in different parts of the city; a scoping exercise through indepth interviews with potential suppliers and existing private landlords/letting agents to explore who may invest, develop and manage MMR properties, and what the impact may be on the existing private rented sector. The study was completed with conclusions on the role that MMR could play within the dynamics of the city's housing system, and the fit with Glasgow City Council's strategic housing objectives.

## **Chapter 2 – The Glasgow housing system and strategic context**

Demographic projections show continuing increases in population and households in Glasgow. The majority of these households are small – single people and single parents, although there is a projected increase of 4,000 family households.

The overall level of social deprivation has improved in Glasgow with many areas moving out of the top 15%, although there are still areas of persistent deprivation: areas that have been in the bottom 1%-5% for at least the last 5 years.

The housing boom from 2001 led to the average house price in Glasgow peaking at £145,656 in 2008, but as the recession kicked in, by March 2009 prices had fallen by 20% from their pre-recession peak. Over the past two years there has been considerable fluctuation in prices, reaching a mean price of £133,883 in Quarter 2 of 2011. For new build, sales prices have increased by 2.6% over the last year, compared to static resale prices.

There is a strong demand for affordable housing in the City as demonstrated through the 2011 Housing Need and Demand Assessment. This is confirmed through the qualitative Housing Options research undertaken in 2011, which revealed consumers are waiting longer for social housing in Glasgow and feel they have less housing options – the shortage of affordable housing is a relatively recent phenomenon in Glasgow. This study also confirmed high demand in the private rented sector.

There is a strong policy commitment to provide a range of affordable housing solutions in Glasgow including intermediate rent and options that assist households move into ownership if they wish. The Transformational Regeneration Areas (TRAs) are a key regeneration priority for the City, driven by GCC, GHA and the Scottish Government.

### **Chapter 3 – Comparative review: Intermediate and mid-market rent policy and practice**

The definition of intermediate or mid-market rent used in this research is:

*The proportion of younger working households (aged 20-39) in each area that could afford to pay more than a local housing association rent (without relying on housing benefit), but could still not afford to buy a two to three bedroom dwelling at the very low end of the local housing market, measured by lowest decile house prices. (Narrow definition, Wilcox, 2007)*

This definition is based on need rather than demand. A broader definition also includes those in work but claiming Housing Benefit at the lower end of the income distribution and those who could not afford to buy at the lowest quartile (rather than decile) at the higher end. The Wilcox analysis also includes consideration of the affordability of private rents by looking at the ratio of private renting costs to owning costs.

The comparative review discusses the different approaches to MMR in England and Scotland. The English experience is longer, originating in the Key Worker Initiative in 2004. Since then intermediate renting has normally been available on the basis of 80% of private sector rents, and is often associated with rent to buy products. In Scotland, the convention over the last four years has generally been 80% to 100% of Local Housing Allowance levels (LHA, which represents the lowest 30<sup>th</sup> percentile of private sector rents) although there are also examples of rent setting at sub-market prices (rather than sub-LHA).

The comparison between the evidence in the literature and recent lets in Scotland shows the likely profile of intermediate / MMR tenants. Household incomes are modest, typically under £30,000; renters tend to be single people or single parents, with a lower proportion of family households compared to those taking up intermediate ownership options; the large majority will be aged less than 40 years old, although MMR renters may be slightly older than households interested in low cost home ownership; previous circumstances will most commonly be private renting, living with parents, or council/housing association tenant.

The tenant profile inevitably reflects the most common letting criteria, typically: people should be in work, and there is usually a minimum and maximum household income threshold; Housing Benefit claimants and those that are deemed to be able to afford private renting or home ownership are usually excluded. Scottish experience suggests income criteria between £15,000 and £45,000 (with the higher end of the range for families). Other common criteria are social tenants, social housing waiting list applicants and 'key workers' or other priority groups.

Evidence of the English experience suggests there are different markets for a dedicated intermediate rental product, compared with products designed with the option or expectation to buy the property at a later date. The examples provided by L&Q show different rent levels (65% or 80% of market) targeted at different household incomes, with the options of renting indefinitely or purchasing equity shares or outright ownership, with the incentive of shares contributed by the provider. There is only one concrete example of a Scottish developer offering a deposit saving scheme attached to its NHT developments, although another two developers and LAs are considering options. Findings from the English Rent to Homebuy product suggest rents have to be sufficiently low to enable renters to save for a deposit. The appendices to the

main report provide some useful examples of intermediate products which are designed to help renters save for ownership.

The review suggests there is scope for using MMR in regeneration areas, assuming the right location and a strategy to invest in the area. The absence of private sector rented markets does not necessarily mean there is not a market for MMR; investment in sub market rented housing may be part of the pump priming required to regenerate an area and to mix the income profile of residents.

The majority of the experience of MMR in Scotland and elsewhere in the UK has been focused on city centre and in pressured housing markets. The focus of activity in Scotland has been in Edinburgh and Aberdeen, which have the highest rents in Scotland, and higher household incomes than found in Glasgow. Dundee provides the most relevant comparable example to Glasgow, where the housing market is less pressured, and average private rents and household incomes lower; here there is also a proven market for renting at levels discounted to the private market (not discounted to LHA) for those on modest incomes. There are also examples of MMR being provided successfully in less central locations in Dundee, Edinburgh and Aberdeen.

The MMR market in Glasgow is in its infancy. The five developments that are in the pipeline present a range in size and type. Some have been brought forward to stimulate stalled sites, previously intended for housing for sale, some are new build in pressured areas, while one is a redevelopment of former social housing provision. Three out of five of these developments were approved by GCC, whilst two were approved for subsidy by the Scottish Government. There is currently no centrally agreed strategy for the development of MMR in Glasgow.

#### **Chapter 4 – The potential scale of MMR in Glasgow**

The purpose of the analysis is to estimate the potential market for MMR through analysing data on incomes, house prices, rents and household circumstances, based on the Wilcox definitions of the narrow and broad intermediate market. It is important to note that the analysis covers existing residents of Glasgow neighbourhoods. The market for MMR in Glasgow may well extend beyond neighbourhood or City boundaries and so in that sense the estimates provided are conservative.

The assessment, comprising analysis of the CACI PayCheck 2011 data and the CACI up-dated demographics 2011 at the neighbourhood level consisted of the following process.

1. Assessing the overall market size of the Intermediate Housing Market, through identifying the % of households with incomes that are above the Housing Benefit eligibility rate and so could afford MMR without Housing Benefit but below the rate where they could afford the lowest market prices.
2. Excluding those who are already homeowners, as they have already managed to secure housing in the market.
3. Assessing whether households are likely to be able to afford typically available mortgage products at 90% LTV for (a) lowest decile and (b) lowest quartile house prices.
4. Assessing whether the mortgage payment is affordable at the 33% affordability ratio and whether the household has access to savings of at least £1,000 (which a 90% LTV implies).
5. Another indicator of being able to afford market prices is the ability to afford private rents. A further test is the ability to afford rents at 100% of the Local Housing Allowance rate

(LHA), which ensures that rents are at the lower end of the market (since LHA rates are based on lowest 30% of rents).

6. This analysis is then set against average social rents to show the rent differential between market rents, potential MMR rents and social rents.

If the broader definition of MMR is adopted, households eligible for Housing Benefit would not be excluded from the estimates. However, the analysis as described above enabled conclusions to be reached relating to the lowest levels of income required to ensure that MMR is affordable without Housing Benefit.

The assessment found that there is a substantial market for MMR ranging from around 24,000 of households aged under 45 years currently unable to afford LHA level rents to 28,500 unable to afford average private rents. The estimates based on not being able to afford to own are higher, at around 36,000-37,000. Excluding those without savings reduces this figure to between 12,200 to 19,400. The overall estimate of the market is likely to be around 10% of current Glasgow households.

Comparing the two different tests (ability to afford ownership, and the ability to afford private renting), it can be seen that the significant impediment to access ownership is not having savings, since the mortgage costs of a property in the lowest house price decile or quartile are considerably lower than average private rents. What is evident in the different scenarios is the lack of savings among younger Glasgow households - 25% of young Glasgow households have savings of more than £1,000, compared with 35% of younger households in Scotland overall. In the lower price affordability model, the lack of savings contributes to around two-thirds of the estimate. This might suggest that the 'true' market for MMR is closer to those unable to afford private renting, with a sub-market of households who would be able to afford owning in future.

The estimated 'market' for mortgage-guarantee or savings-orientated solutions is 16,500 based on lowest quartile house prices or 23,500 households based on lowest decile prices (at 4.5% mortgage interest rate).

Almost half of those in the market for MMR, based on current residents, are in the 15% most deprived datazones. This clearly suggests a strong regeneration role for MMR.

The likely income threshold for MMR to be affordable is between £15,000 (above the Housing Benefit threshold) and £30,000, although this may vary for larger households and by local markets.

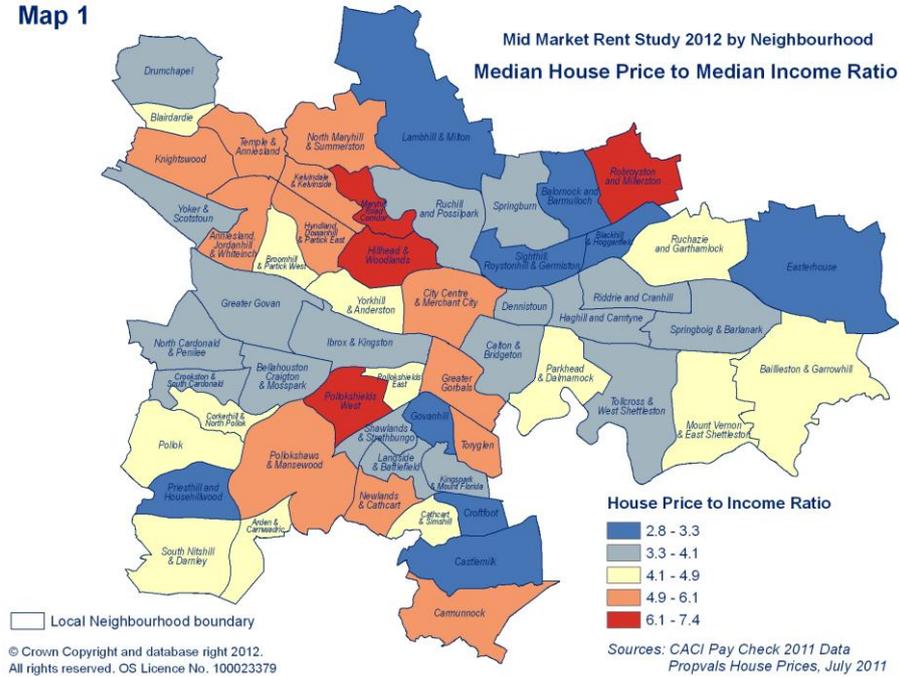
## **Chapter 5 – Area analysis**

The challenges associated with deriving estimates at sub-market level are considerable as highlighted by a recent Scottish Government paper on assessing demand for intermediate rented housing. Even though this analysis provides indications as to the areas that have the greatest potential for MMR, it is recommended that further local market appraisal will be required at the point of development proposal. It also emphasised that there will be some smaller areas where market indicators do not suggest a market for MMR but where the objective is to diversify household incomes and tenure by attracting households currently living outwith the area; TRAs and other regeneration areas will be particularly relevant here.

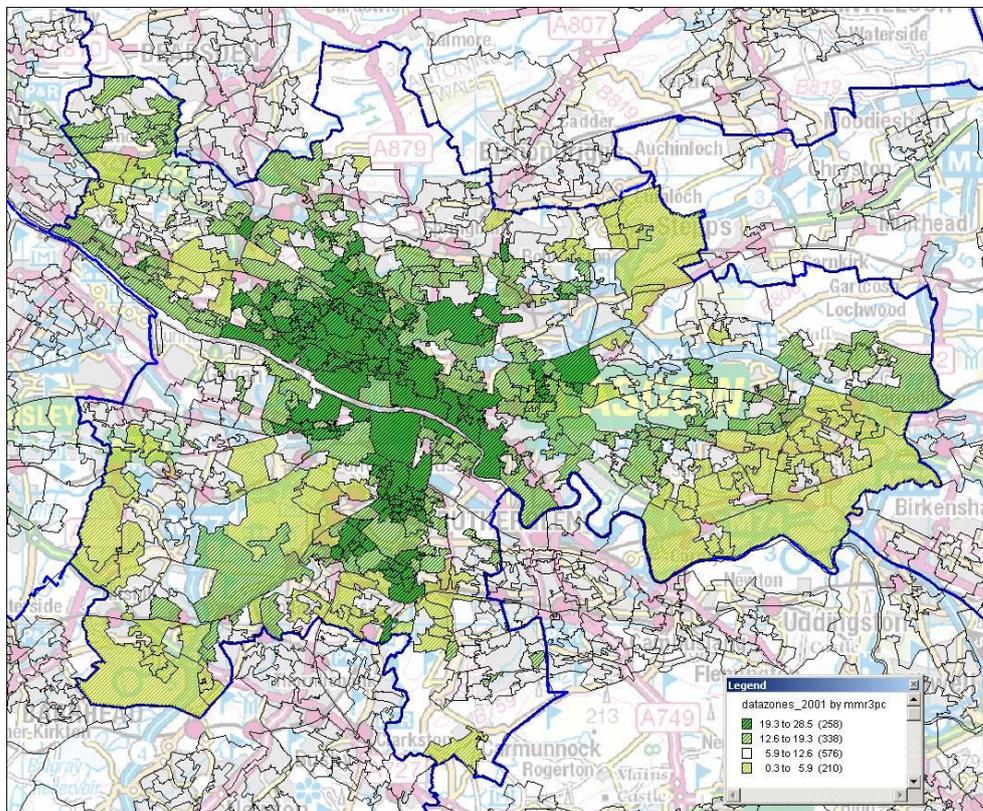
Two methods have been used to establish those areas with the greatest potential for MMR. The first considers a range of market indicators and neighbourhood characteristics, which when taken together provide conclusions as to which areas show the greatest potential market for MMR. A range of maps has been produced to illustrate findings (sample provided below). The

second method is to produce modelled estimates of the prevalence of MMR under four different scenarios, using a methodology designed by Ipsos MORI. The outputs from this modelling are provided at datazone level and have been mapped for the purposes of this report. The availability of datazone prevalence rates will be important for decision makers assessing individual development proposals.

**Map 1**



**Map 13 - Prevalence rates: Scenario 3 - Aged under 45 years, over the Housing Benefit threshold and unable to afford average private rents**



Analysis of house prices, income and rents alongside demographic data shows a strong potential market in pressured areas within the West End, City Centre and South Side. There is also a good market more widely, including within the TRAs. Inevitably, there will also be demand for MMR in areas where there are shortages of affordable housing, but where there may also be a relatively affordable and ready supply of private renting. The key consideration here is the affordability of private rents relative to local household incomes.

The different market and demographic characteristics and the potential for MMR in 10 specific neighbourhoods were explored in greater depth through a case study approach. The areas selected were a mix of pressured areas and TRAs, findings of which are set out in an annex to the main report.

## **Chapter 6 - Characteristics of the potential market for MMR**

Ten focus groups were undertaken in Toryglen; Govan; Maryhill; Shawlands; Gallowgate; Partick; Dennistoun; Temple / Anniesland; Laurieston; and Woodlands. The focus groups were segmented by different household tenure types - low income private renters, aspiring owners, family households, frustrated social renters and key workers. Other criteria that group members had to meet included full or part-time employment, aged less than 45 years and a household income of between £15,000 and £30,000. Student households were excluded from the sample. The household tenure of the 64 participants were 37 private rent, 16 social rent, 7 home owners and 4 staying/renting with family and friends. The purpose of the focus groups was to understand more about the nature of the potential MMR market and what the likely target market might be; and to explore aspects of MMR – pricing, location and product. The most common themes arising in the focus groups are summarised below.

*Images of tenure* – consumers' views on tenures and types of landlords provided valuable insights into opinions on different tenure types, vital for the planning and design of any MMR product. This discussion was facilitated by asking people to associate different types of housing with an animal.

- *Private renting* - private landlords are generally viewed negatively, commonly associated with sharks, vultures and pigs. Problems in the private rented sector relate to unaffordable rents, poor condition, insecurity of tenure and the inability to make the flat or house 'your own'. But there are many positive aspects associated with private renting - choice of area, speed of access, flexibility and independence, all considered to be important at different stages in life and with changes in circumstances.
- *Social renting* – views on social landlords were mixed, and largely negative. The most common animals used to describe social landlords were elephants, sloths and snails – associated with the bureaucracy and power of social landlords, their slow pace and inefficiency. Problems relate to lack of availability and access to social housing, long waiting times, complex rules which vary by different landlords, poor areas, anti-social neighbours, perceptions that only non-working and 'problem' households were housed in the social housing sector and denying access to affordable housing to working households. Positive opinions about social housing related to help and care provided for vulnerable people, and their supportive, community-orientated roles. Social renting was considered as ideal by many people due to its affordability (assuming the right location), but in practice most people felt it is inaccessible, and thought only young vulnerable people, single parents and older people are housed in this sector.
- *Home ownership* - Overall, home ownership was discussed as the most positive housing tenure. It was associated with lions or birds, encompassing the feeling of 'king of the jungle',

'reaching the top of the tree', freedom, independence and making an investment. But its value was debated closely alongside its problems – difficulty of access (deposits and credit rating), risk and financial burden. Home ownership is seen to be a good option for families, couples and older people to provide security, stability and investment opportunities.

*Affordability* - Location is the key determinant in most people's housing choices. 'More desirable' locations are described as those closer to work, with better transport, good amenities including a variety of shops, a good environment including the architecture, parks and leisure opportunities (especially for children), and most importantly, safety and security. Affordable family housing is difficult to find, unless you move to 'poorer areas'. People said they would rather compromise on type, size or condition of accommodation to live in safe and secure areas.

*Pricing of MMR* – Consumers were asked to consider two pricing options – 1) Rents set within Local Housing Allowance Levels – so that the rent would be a more standard price, regardless of area whether an expensive or cheaper area, but if people's employment changed all their rent would be covered by Housing Benefit if they needed it (rather than having to 'top up'); 2) Rents set at a percentage of private rents – so it reflects the 'market' – the fact that some areas are more expensive and some are less expensive, and people sometimes have to make choices of area they live according to what they can afford. This option could mean that rents may be above LHA, depending on the area. Consumers found the choice between the two rental options difficult: people grappled with the fact that it may be better to have a safety net in case financial circumstances changed (therefore option 1), but at the same time felt that the price should reflect the area that people choose to live in, albeit at a discounted rate (option 2). Option 1 was associated with creating more mix in types of households in the expensive areas, and giving opportunities for lower income families to have the benefits of bringing up their children in better areas. Others suggested no-one would want to live in the undesirable areas, and make them deteriorate further. Some people thought option 1 may be less fair due to the costs associated with travel for some areas, compared to savings with other areas.

*Target markets and eligibility* – Consumers felt that MMR should be for working households; apart from this there should be no restrictions and priority systems. Target markets were thought to be families over-crowded in social housing but having no prospect of re-housing; single people who have very low priority for social housing; single people and couples living with friends and family who cannot get access to social housing, but cannot afford private renting or home ownership; people coming out of a relationship breakdown and divorcees, including parents (usually fathers) who have access rights to their children but no suitable housing to enable them to have proper access to their children; couples who want to save for a mortgage; and disabled people living in unsuitable housing. No-one suggested older households as a potential market for MMR. Most thought that there should be some kind of income criteria for access to MMR but that there should be a simple affordability assessment. There was a strong emphasis on 'vetting' to ensure that only those people who 'respected their homes' would gain access to MMR.

Type of product – according to consumers:

- Location - MMR should be in all types of areas including pressured and regeneration / less popular areas.
- New-build or existing housing – new build would be preferred, and people in the focus group said they would not pay a higher MMR rent for refurbished social housing.
- Furniture – partly furnished (white goods, carpets and curtains) is preferred, with the option for a 'starter pack' or some basic furniture, the cost of which should be reflected in the rent.

- Tenancy arrangements – MMR should be more secure than short assured tenancies. The option of having SAT through a housing association made little difference to most participants, although some thought there should be probationary periods.
- Management arrangements – housing associations were the preferred management agent for MMR, bringing the advantage over the private sector of regulation and accountability.

*Options for ownership* – Opinions were split 50/50 for and against having the option to buy. Some people felt MMR should stay in the rented sector in perpetuity, whilst others thought there should be an option to buy on the grounds that households may want to make a longer-term investment in their preferred community.

*Overall opinion of MMR* - Generally MMR was seen to be a very good idea, and people thought there would be considerable demand for it. There were some caveats that the scheme needed to be inclusive and focus on affordability. Some people thought MMR signified the ‘start of the end’ of social renting.

## **Chapter 7 – Scoping the potential supply of MMR in Glasgow**

The research with consumers has been accompanied by a scoping exercise to explore MMR with those who may invest, develop and manage MMR properties. Interviews were undertaken with 14 developers/RSLs. Research was also undertaken with existing private landlords and letting agents. This was to obtain information on the current private rented housing market (demand, prices and expectations from tenants), elicit views on what role MMR could play in Glasgow, and to explore the impact that MMR may have on the existing private rented sector (PRS). Eight landlords responded to invitations to over 300 landlords/agents. The participating landlords/agents had properties in a range of locations and of different sizes and types. The most common themes arising from the scoping exercise are summarised below.

*Current activity and demand* - since the recession, developers have been concentrating their activity building housing for social rent and NSSE, with a few now moving to MMR. The activity in the housing for sale market is still very limited, and seen as high risk, especially in the starter/first time buyer market. Some believe that the combination of change in the mortgage markets and the recession may be resulting in overall structural change. In contrast, demand in the social and private rented sectors is strong.

*Potential role that MMR could play* – Developers, RSLs and some private landlords/agents agreed that MMR could widen access and provide greater choice of housing for those that cannot access housing for sale due to restricted access to mortgage finance, and those that cannot access social housing due to shortage of supply. The need for greater choice was associated with poor value for money provided by the private rented sector. MMR was also seen to have a role in regeneration by some – to mix the type and economic profile of households, whether in new communities, or to assist existing low income communities. Others were very cautious about the role MMR could have in regeneration areas suggesting it could become a new type of affordable housing, or set the price for the private rented sector for that area.

*Impact on the existing private sector* – Half of the private landlords consulted suggested the high level of demand in the current market would mean MMR would have no, or little impact. Developers and RSLs suggested if there was any impact, this may be to improve quality which was seen as a good thing. Some private landlords expressed concern about the impact MMR would have on the existing private rented sector. Concerns were greatest in areas where the average private rents were around the LHA level, and it was suggested that there was sufficient range of properties and prices in the private rented sector in Glasgow to meet needs.

*Target markets* – Targets were suggested as: new households, usually young single people or couples (aged between 25 and 40), working with low/modest incomes; young family households – as it is likely new households are unable to secure the appropriate mortgage to purchase; existing social tenants in work but who are unsuitably housed – typically overcrowded households; households with changing circumstances or specific requirements – for example, relationship breakdown.

*Pricing MMR* – Taking into account all consultees' views, including developers, RSLs and private landlords/agents, most stated that MMR rents should be discounted on market rent levels, or there should be flexibility to set rents considering the local market rent levels, but also recognising the need for affordability and the changing financial circumstances of tenants. The main reason cited for this choice was the limitation of the LHA rate in Glasgow which dictates one maximum level (by size) across the whole city.

*Eligibility* – Developers, RSLs and potential investors recognised the need for some form of rationing where public subsidy is involved, based on a household income range. But there were concerns that this should not be too restrictive, and provide some flexibility for operators, allowing some adaption according to market conditions. It was argued that any form of rationing should be straight forward, with many referring to the unhelpful bureaucratic processes used for NSSE and social renting.

*Product* – Most suppliers envisage MMR to be a new build product, built mainly in higher demand areas (although some saw the scope for it in regeneration areas), let on a short assured basis and unfurnished but with white goods, carpets and curtains.

*Ownership options* – Opinion was divided on ownership options. Most consultees felt that MMR should stay in the rented sector, to increase and maintain the rented housing options available. But some developers and RSLs thought an ownership option is a way of cementing the investment in a community, particularly in regeneration areas where the area would benefit from a mix of tenures and income profiles of households. It may also provide an opportunity for cross subsidy and make the investment work for developers. No-one thought that tenants should be forced to move on if they did not take up an ownership option that may be offered. Examples such as the NHT and other similar models were cited and generally discounted for this reason.

A range of developers and RSLs confirmed their interest in developing MMR in Glasgow, but a few are unclear at this stage as to the role of MMR in relation to other housing products. RSLs were seen to be a natural choice as property managers due to their expertise and the comfort provided by regulation. Most RSLs stated their intention to undertake marketing themselves, but for mixed tenure regeneration sites a number of developers highlighted their strengths in relation to marketing. They argued that marketing of MMR would have to be carefully managed to make a clear distinction from social housing and the existing private renting sector.

## **Chapter 8 – Conclusions and Recommendations**

This study has found that there is a large potential market for MMR in Glasgow. In planning for investment in MMR, the Council and its strategic partners should consider the following recommendations:

- The diversity of Glasgow's housing sub-markets means that MMR should be targeted according to specific objectives, and according to clear criteria. This should ensure MMR is developed in areas where it is most needed, and provides a product that is currently not available in those areas in terms of price and quality.

- The evidence and tools produced as outputs from this study will assist planners and developers to appraise and agree specific MMR proposals, according to market indicators and prevalence rates. Clearly markets change over time, and so these market indicators and prevalence rates will have to be refreshed periodically.
- The single LHA rate (by size) across the whole of Glasgow does not reflect the number of sub-markets and range of prices in the City. This is a considerable limitation for pricing MMR if it is to be developed in line with the Scottish convention used to date (i.e. sub-LHA prices). It is recommended that a flexible approach be taken to rent setting for MMR in Glasgow, taking into consideration local evidence on household incomes, prices, affordability and viability of developments.
- Income criteria for allocation of MMR should be based on the affordability assessment undertaken in this study i.e. between £15,000 and £30,000. But the affordability assessment could not take into account different household sizes, so there should be flexibility in application of the income criteria to take account of larger households, and those with specific needs.
- The objectives and criteria for MMR in Glasgow are listed in the table below. Examples of relevant neighbourhoods are also listed, but it is emphasised that these are large and variable areas and individual development appraisals will be required to confirm MMR markets in specific locations. The list of criteria is not formulaic – the criteria should be considered together to make a judgement, and even though sometimes one indicator may not be strong as others, when taken in the round, the area may still have good potential for MMR. For regeneration and vulnerable neighbourhoods, the objectives are very different to pressured areas - the area may show only average potential for MMR, but the objective may be to attract households from wider areas to mix the demographic profile of the area.
- In all areas, but particularly in regeneration areas where there is currently a low supply of private rented housing, a product should be developed and marketed which is differentiated from the existing private rented and the social rented sectors to ensure MMR does not set the price for a 'new' private rented sector, or is seen as a more expensive social housing product. Marketing of the product, combined with the management approach should also provide assurances over 'security' of tenure, which is a key concern for consumers.

### MMR typologies – objectives, criteria and examples

	<b>Pressured areas</b>	<b>Regeneration areas:</b>	<b>Vulnerable areas:</b>
<i>Objective</i>	MMR for rent in perpetuity under Short Assured Tenancy to widen access and choice to good quality affordable housing.	MMR provided for rent with the option to purchase to widen access and choice to good quality affordable housing, to mix the demographic profile in the area, provide affordable ownership options, and to cement investment from working households should they wish to purchase.	MMR is provided for rent to provide choice of good quality affordable housing, typically in areas where private rented housing is dominant, but often low quality and low priced. MMR provides consumers with a better quality rented alternative, but may also intervene in the existing market to improve standards. It may also be provided with the option to purchase to widen affordable ownership options in the area, particularly for existing working residents.
<i>Criteria</i>	<ul style="list-style-type: none"> <li>- higher than average ratio of house prices to incomes</li> <li>- ratio of the LHA to mean private rents is lower than average</li> <li>- ratio of mean RSL rents to private rents is lower than average</li> <li>- higher concentration of owner occupation and private renting</li> <li>- higher than average pressure in the social rented sector</li> <li>- higher than average numbers of younger people, people employed in C1 and C2 occupations, single people/couples and economically active people</li> <li>- high prevalence rates for MMR.</li> </ul>	<ul style="list-style-type: none"> <li>- lower than average ratio of house prices to incomes</li> <li>- ratio of the LHA to mean private rents is average or higher than average</li> <li>- average or higher concentration of social renting, but there is a proven demand for owner occupation and private renting</li> <li>- higher than average numbers of younger people, people employed in C1 and C2 occupations, single people/couples, economically active people in the area <u>or</u> adjacent areas, <u>and/or</u> inward investment in the area to provide greater employment prospects for these types of households;</li> <li>- above average prevalence rates for MMR.</li> </ul>	<ul style="list-style-type: none"> <li>- lower than average ratio of house prices to incomes</li> <li>- ratio of the LHA to mean private rents is average or higher than average</li> <li>- private renting is higher than average, and generally of very poor quality</li> <li>- higher than average numbers of younger people, people employed in C1 and C2 occupations, single people/couples, economically active people in the area and an ethnically diverse population.</li> <li>- above average prevalence rates for MMR.</li> </ul>
<i>Examples of neighbourhoods</i>	<ul style="list-style-type: none"> <li>- City Centre and Merchant City; Dennistoun; Hillhead and Woodlands; Hyndland, Dowanhill and Partick East; Broomhill and Partick West; Langside and Battlefield; Maryhill Road Corridor; Pollokshields East; Shawlands and Strathbungo; Yorkhill and Anderston.</li> </ul>	<ul style="list-style-type: none"> <li>- Calton and Bridgeton; Greater Govan; Greater Gorbals; Ibrox and Kingston (TRA); Sighthill, Roystonhill and Germiston; Toryglen; Easterhouse; Castlemilk.</li> </ul>	<ul style="list-style-type: none"> <li>- Govanhill; Ibrox and Kingston.</li> </ul>