Arneil Johnston

South East Scotland Housing Market Partnership

HNDA 3: Stakeholder Consultation Outcomes

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1 Introduction

In October 2021, South East Scotland Housing Market Partners including the City of Edinburgh Council, East Lothian Council, Fife Council (covering the West and Central Fife areas), Midlothian Council, West Lothian Council and Scottish Borders Council; hosted three stakeholder engagement workshops to invite stakeholders to scrutinise, validate and debate the emerging outcomes of the Housing Need and Demand Assessment study for South East Scotland (HNDA3).

The South East Scotland (SES) HNDA3 is now nearing completion and will provide crucial evidence to inform Local Housing Strategy and Local Development Planning processes. The programme of stakeholder workshops was designed to provide an opportunity for stakeholders to scrutinise the inputs and assumptions which inform the Housing Need and Demand calculations for South East Scotland and to scrutinise the emerging evidence on unmet need for specialist housing. This offered an important opportunity for partners and stakeholders to obtain feedback on the process and draft outputs of HNDA3 and to influence the final draft documents, which require to be submitted to the Scottish Government for approval.

A total of three stakeholder engagement workshops were held as follows:

- Workshop 1: SES Housing Need & Demand Calculation: Tuesday 26th October, 14.00-16.30pm
- Workshop 2: SES Specialist Housing Analysis: Wednesday 28th October, 10.00-12.30pm
- Workshop 3: SES Housing Need & Demand Calculation: Tuesday 26th October, 14.00-16.30pm

All workshops were hosted virtually via Microsoft Teams, with an interactive agenda facilitated by Arneil Johnston. Workshop 3 was a repeat of Workshop 1 given the level of demand to attend this event.

Delegates from across the six local authorities and Housing Market Partnerships were presented with background information on the South East Scotland HNDA process, as well as the housing market evidence on what's driving the extent and nature of housing need in the area. A wide range of stakeholder and partner interests were represented at each event from public, private, third and community sectors. Appendix A provides full details of the stakeholders who attended and participated in each workshop. Over 70 partners and stakeholders attended the full workshop programme.

This outcomes report details the views and perspectives of stakeholders on the emerging evidence and outputs of HNDA3 providing important validation evidence and direction to finalise the study to be submitted to the Centre for Housing Market Analysis (Scottish Government) by the end of 2021.

2 Background to HNDA Study and Partnership

Housing Need and Demand Assessments are designed to give broad, long-run estimates of what future housing need might be, rather than precision estimates. They provide an evidence-base to inform housing policy decisions in Local Housing Strategy (LHS) and land allocation decisions in Development Plans.

The previous Housing Need and Demand Assessment for the South East Scotland Region was produced by the SESplan Strategic Development Plan Authority. The Planning (Scotland) Act 2019 removed the requirement for strategic development plans and the associated local authorities may now choose to work together in regional partnerships to assess housing need and demand across functional housing market areas.

Six local authority partners from across the South East Scotland region have come together to produce the HNDA3 including City of Edinburgh Council, East Lothian Council, Fife Council (covering the West and Central Fife areas), Midlothian Council, West Lothian Council and Scottish Borders Council. Partners agreed a programme of research, analysis, HNDA scenario planning and stakeholder consultation in June 2020, with work commencing in August 2020.

In just over 12 months, the SES partnership have assembled the constituent elements of the HNDA evidence base set out in the Scottish Government Guidance (November 2020) including the following HNDA 'Core Outputs' for South East Scotland:

Core Output 1: Housing market drivers

detailed analysis of the key factors which might influence the housing market providing evidence of:

- Demographic projections
- Household migration
- Housing affordability (incomes, rents and house prices)
- Economic outlook

Core Output 2: Housing stock profile

detailed analysis of the key factors which might influence the ability of the existing housing stock to meet housing need:

- Dwelling characteristics – profile, tenure, condition
- Housing stock pressures – occupancy, concealed HHs and turnover
- In situ-solutions – movement, adaptations, improvement, housing management

Core Output 3: Future need & demand

detailed evidence to build evidence to assess future housing requirements:

- Existing need – current housing who need alternative housing
- New need – household formation and migration
- Housing affordability – need for new units by housing tenure

Core Output 4: Specialist housing

detailed analysis of the requirement for specialist forms of provision including:

- Property needs – accessible, adapted, wheelchair & non-permanent housing
- Care & support needs
- Land needs: Gypsy traveller provision, student accommodation

Core Outputs 1, 2 and 4 provide a detailed evidence base of contextual information to inform decision making on the strategy for meet the emerging housing estimates produced by Core Output 3.

Core output 3 delivers a Housing Need and Demand calculation for the South East Scotland area based on the Scottish Government HNDA tool, which is prepopulated with data for each partner area to estimate the number of new homes needed in the regional area. Partners can adjust the tool using local evidence of housing need and housing pressures.

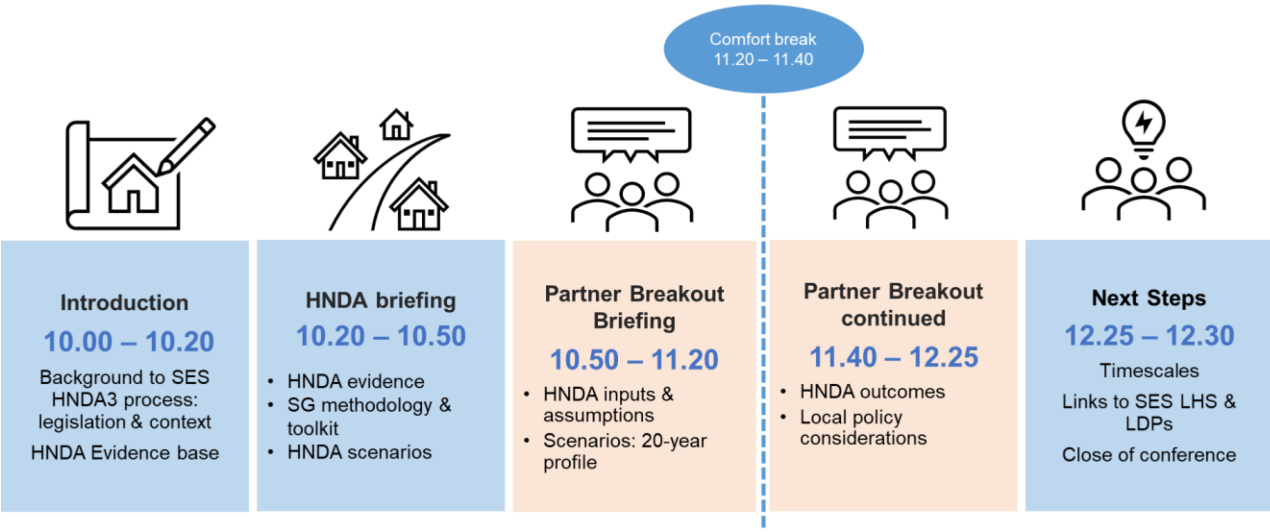
The HNDA tool works by projecting the number of new households who will require housing across the South East Scotland region by considering existing households who need new homes, PLUS new households who will need homes in the next 20 years:

Workshops 1 and 3 were specifically designed to give partners and stakeholders an opportunity to scrutinise and debate the inputs and assumptions which underpin the SES HNDA calculation and to debate whether the emerging housing estimates provide a sound basis for future policy decisions on housing supply and land use planning.

Workshop 2 was designed to enable partners and stakeholders involved in the planning, commissioning and delivery of specialist housing across South East Scotland to scrutinise the evidence and discuss the approach to meeting identified housing requirements. This will include the setting of wheelchair and accessible housing targets as well as the planning and commissioning of services to meet particular housing needs.

3 Validating the HNDA3 Calculation & Analysis: Stakeholder Consultation Outcomes

The aim of Workshops 1 and 3 was to enable stakeholder consultation on the assumptions and evidence underpinning emerging housing estimates and to enable debate on the outcomes. Stakeholder consultation outcomes will then inform the final HNDA submission presented to the Scottish Government for validation and approval. The programme for each workshop was as follows:



Local authorities are encouraged to work with stakeholders in Housing Market Partnerships (HMPs) to approve housing estimates and to adopt a collaborative and constructive approach to finalising HNDA outcomes. On this basis, the objectives for the HNDA Calculation Validation Workshop were to:

- share the housing estimates arising from the preferred SES HNDA calculation scenarios
- review and validate the basis of assumptions driving the HNDA calculation on existing need, newly arising need and housing affordability
- attain stakeholder views on the preferred local HNDA scenario to inform policy development in South East Scotland considering tenure and area requirements.

Partners were invited to discuss the scenarios, provide local anecdotal evidence and support/challenge the assumptions. An interactive whiteboard was used at each of the sessions to record the views and opinions of stakeholders. Copies of the slide-pack used to present HNDA calculation assumptions and emerging housing estimates in Workshop 1 and 3 are available in Appendix 2.

3.1 SES HNDA Calculation Inputs and Assumptions

To inform the debate, an opening plenary session presented the evidence and assumptions used to populate the SES HNDA calculation. Partners and stakeholders were then split into three focus groups to provide time for questions, feedback and debate on the HNDA calculation and outcomes.

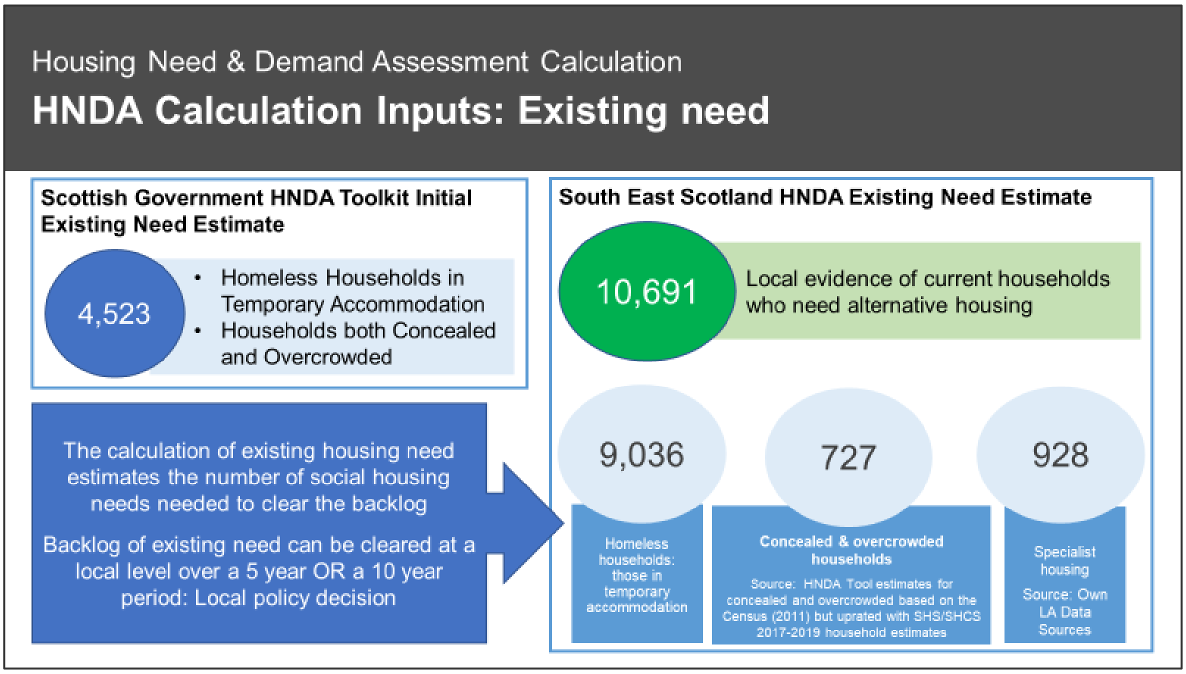
The HNDA calculation inputs and assumptions, subject to scrutiny are detailed below.

3.1.1 Existing Housing Need Estimate

Using local evidence, SES partners have produced an existing need measure which adjusts the Scottish Government's default estimate from 4,523 households in existing housing need to 10,691 households. The basis of the adjusted existing need estimate is as follows:

- Households in temporary accommodation (HL1 statistics 2020/21) = 9,036
- Concealed and overcrowded households (updated for SHCS household estimates) = 727
- Households with an unmet need for specialist housing and who require to move to alternative accommodation = 928

Combining these requirements results in an existing need estimate of 10,691 households across South East Scotland, currently living in unsuitable housing and who require to move to alternative housing to meet their housing need. The HNDA calculation methodology assumes that the backlog of households in unsuitable housing will be met in the social housing sector. Local policy decisions have been applied over the length of time taken to clear this backlog by selecting a 5 or 10 year clearance assumption.

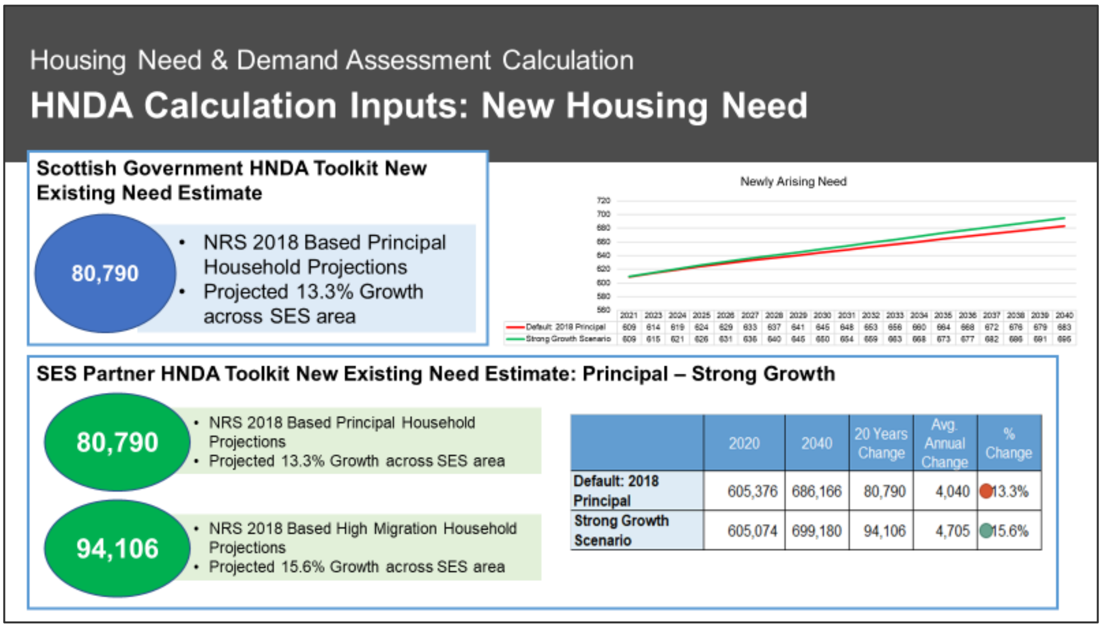


3.1.2 New Housing Need Estimate

Across South East Scotland, two scenarios have been developed to provide estimates of the number of new households who will require housing in the next 20 years using the 2018 based NRS household projections as follows:

- Scenario 1: 2018 based Principal projections = **80,790** new households by 2040
- Scenario 2: 2018 based High Migration projections = **94,106** new household by 2040

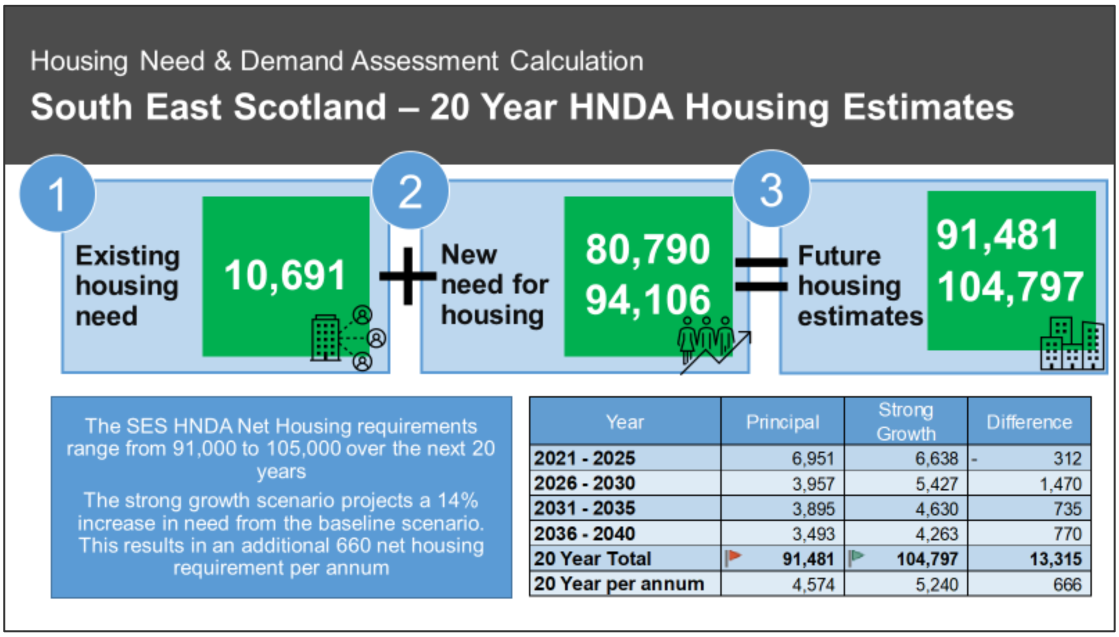
Using these scenarios, the 10-year estimates for new households range from a 13% increase in the number of households living in South East Scotland over the next 20 years to a 15% increase.



	2020	2040	20 Years Change	Avg. Annual Change	% Change
Default: 2018 Principal	605,376	686,166	80,790	4,040	13.3%
Strong Growth Scenario	605,074	699,180	94,106	4,705	15.6%

3.1.3 SES HNDA Housing Estimates

By adding the adjusted existing need estimate (10,691) to the two household projection scenarios (80,790 – 94,106); partners were asked to provide feedback, validation and challenge on the emerging 20-year housing estimates for South East Scotland ranging from **91,481** to **104,797**:



Year	Principal	Strong Growth	Difference
2021 - 2025	6,951	6,638	- 312
2026 - 2030	3,957	5,427	1,470
2031 - 2035	3,895	4,630	735
2036 - 2040	3,493	4,263	770
20 Year Total	**91,481**	**104,797**	**13,315**
20 Year per annum	4,574	5,240	666

Stakeholders were also asked to consider the emerging 20-year housing estimates at a more detailed area and tenure level, as follows:

Housing Need & Demand Assessment Calculation

SES Partner Housing Estimates by Partner Area & Tenure

Principal Projection								
Tenure	Market Housing	Market Rents	Mid Market Rents	Social rent	Market Housing	Market Rents	Mid Market Rents	Social rent
City of Edinburgh	24%	14%	20%	43%	10,676	6,015	8,644	18,944
East Lothian	29%	12%	20%	40%	2,755	1,100	1,894	3,757
Fife (West & Central)	32%	19%	14%	35%	2,367	1,417	1,040	2,620
Midlothian	30%	11%	20%	38%	3,923	1,389	2,651	4,980
Scottish Borders	29%	33%	12%	25%	907	1,021	381	770
West Lothian	35%	20%	15%	29%	4,939	2,907	2,204	4,181
South East Scotland	28%	15%	18%	39%	25,567	13,849	16,814	35,251

Strong Growth Projection								
Tenure	Market Housing	Market Rents	Mid Market Rents	Social rent	Market Housing	Market Rents	Mid Market Rents	Social rent
City of Edinburgh	24%	7%	20%	48%	12,846	3,736	10,478	25,414
East Lothian	31%	4%	20%	45%	3,112	417	2,012	4,588
Fife (West & Central)	35%	16%	15%	34%	3,230	1,469	1,412	3,177
Midlothian	30%	8%	20%	42%	4,121	1,081	2,701	5,733
Scottish Borders	34%	33%	11%	22%	1,302	1,251	440	834
West Lothian	36%	19%	16%	29%	5,627	2,860	2,439	4,517
South East Scotland	29%	10%	19%	42%	30,238	10,814	19,482	44,263

3.2 Stakeholder Engagement Session 1: Scrutinising the HNDA Calculation

3.2.1 Question 1 – Validating the Existing Need Calculation

The first break out session offered stakeholders an opportunity to scrutinise and validate the assumptions underpinning the baseline SES HNDA scenarios. The first question stakeholders were asked to consider was:

The HNDA calculation uses local estimates to measure existing need for new housing. Is this a robust approach to estimating existing need?

Question 1 stakeholder feedback for Workshop 1 focus groups is detailed below:

Workshop 1, Focus Group 1 – Validating the Existing Need Calculation

Group 1 considered the evidence used to define the SES estimate of existing housing need and whilst partners were satisfied that the use of local evidence to provide an adjusted estimate on homelessness could be justified, many felt that the estimate of concealed households (727) was extremely conservative and likely to be a significant underestimate.

Partners acknowledged that this group of hidden households are notoriously difficult to identify and that secondary data sources will not offer insight into the housing circumstances of key groups such as young people. In the absence of a primary research study into the housing needs of households in South East Scotland, there is no credible alternative data sources to identify those who would like to form separate households but are restricted from doing so given their limited housing options.

"There is a whole generation of younger people who are concealed within existing households and who want to move out but who would never apply for social housing. Their needs are simply not measured by the calculation"

The projected growth of single person households is likely to enhance this group over the next 20 years leading to a growing backlog of hidden households. The group acknowledged that retaining working age households is a crucial element of growing and sustaining the South East Scotland economy and that underestimating the existing needs of this group could have very negative consequences.

To manage this risk, the group agreed that SES partners should prioritise commissioning a household survey to inform policy decision on housing supply and land allocation. If housing estimates are simply the starting point in the housing planning process, this evidence could be crucial in ensuring that housing supply interventions offer the scale and range of options needed to meet the needs of this crucially important group.

Workshop 1, Focus Group 2 – Validating the Existing Need Calculation

Group 2's main concern was the use of pre-pandemic and pre-Brexit population trends as the basis of future population projections. Whilst it was confirmed to the Group that the Scottish Government's HNDA guidance promotes the use of the National Records of Scotland's latest projections as the basis of future need, the group was of the opinion that further adjustments are necessary to consider the impact of both the pandemic and Brexit.

"we've had a massive global pandemic and Brexit that has changed our relationship with the rest of the world. We can't ignore those factors but appear to be making long term projections that don't allow for their impact - that's insanity, complete insanity"

"I appreciate we are trying to make decisions at a really difficult time when we don't know what the short and long term impacts (of Covid-19 and Brexit) will be on South East Scotland"

Group members also mentioned trends in their local areas (specifically the Scottish Borders) where there is increase in demand from those wishing to move out of urban locations, with the working from home phenomenon making rural living more of a possibility.

"will home working affect people decisions on where to live"

Mention was also made of potential environmental targets and charges tariffs that would change commuting behaviours which may impact on people's decision to move, that would simply not have featured in previous population trends.

"I understand Edinburgh are looking at environmental charges for entering the city which will probably impact on the demand for housing"

In relation to elements that may be missing from the existing need calculation, the Group sought assurance on current trends, questioning how the demand of social and Council housing is reflected but also the shift to smaller/single person households was reflected in the calculation.

"we know that in each Council area there's a huge demand for social housing, so we need to seek confirmation that this is included in the existing need calculation"

Other elements the Group thought that might be missing in the calculation of existing need was whether the student population (specifically in Edinburgh) was accurately reflected in the numbers, given that accommodation types are changing from HMO type models to purpose built student accommodation.

"Previously students would have been in properties of multiple occupation with 4/5 in a flat but now we see more purpose built accommodation. Is that leading to or a factor in the increasing single person occupancy properties?"

Workshop 1, Focus Group 3 – Validating the Existing Need Calculation

Group 3 considered the evidence used to define the SES estimate of existing housing need, with partners unanimously agreeing that the Scottish Government estimate is far too low. The Group agreed that the SES locally adjusted estimate of existing need should be considered as the baseline for the calculation.

However, the majority of the group also agreed that the local estimate was far too low, and many suggesting that the elements of the calculation only capture the most acute forms of existing need. Most stakeholders agreed that concealed and overcrowded households should be separated out as discrete households and there was also a view that the figure does not capture the need for single adults living with parents and does not adequately account for those households in unsuitable housing:

"There is a real need for primary research to understand the true extent of existing need – the calculation focuses too much on acute need"

One member of the group did oppose the view that the calculation underestimates existing need. This participant felt that certain components of need such as single person households, would be accounted for within the newly forming need calculation. Their view was that eliminating the double counting between concealed and overcrowding households provided a truer reflection of existing need. Having said this, this participant did agree that that primary research would provide a more credible foundation for estimating existing needs than the use of secondary data alone.

Workshop 3, Focus Group 1 – Validating the Existing Need Calculation

Like the views of previous groups, Group 1 felt that even the use of the locally adjusted estimate of existing need is too low and does not provide a true estimation of the backlog need of existing households:

"The existing need calculation only focus on the most pressing forms of need"

The group suggested that the VERY strict definition of existing need does not take account of:

- those who are overcrowded but <u>not</u> concealed i.e. single parent with 3 children living in a bedsit
- those in concealed households <u>not</u> overcrowded i.e. single adults that cannot afford to leave home
- those in substandard homes or BTS accommodation

Group 1 also agreed that primary research would provide a more robust evidence base for estimating existing need based on current household circumstances.

It was also mentioned by one member of the group that the calculation does not take account of the changing way households are now living e.g. co-living, student accommodation models, older persons housing.

Another member of the group criticized the fact that the calculation is based on matching supply with demand, which will not provide for more ambitious targets:

'Encouraging more ambitions targets will lead to increasing supply and ultimately will improve pricing and help address the affordability problem'

Workshop 3, Focus Group 2 – Validating the Existing Need Calculation

Echoing the views expressed in previous focus groups, stakeholders questioned the evidence sources used to create the estimate of concealed households given that it 'hasn't changed much from the default figure provided by the Scottish Government'. It was noted that the reliance on secondary data for this particular element of the calculation is likely to underestimate the true extent of hidden households.

The group felt that in the absence of credible data on household circumstances, the existing need calculation may be too conservative and that 'primary research is needed to widen the evidence base on existing need'.

Stakeholders also suggested that the existing need calculation completely misses elements of housing unsuitability which typical fuels demand for housing such as wrong property size or type for household needs. The housing suitability question has been brought into sharp focus given the Covid lockdowns of the past 18 months and a re-evaluation by many households of the amenity needed to live well. New priorities such as access to outdoor space or the concept of home as a workplace are driving housing market activity but are completely missed by the estimates produced within the existing need calculation.

"There's anecdotal evidence from property agents and surveyors of families moving from Edinburgh in large numbers to escape the concentration of dense, flatted properties and to access outdoor space. This will undoubtedly shift the operation of the market"

Workshop 3, Focus Group 3 – Validating the Existing Need Calculation

Members of Group 3 questioned how Local Authority and RSL waiting lists were used in the calculation of existing need. Specifically in Scottish Borders where there is no Local Authority housing provision nor is there a Common Housing Register, stakeholders questioned how waiting lists were used and checked to avoid the duplication of applicants on multiple RSL waiting lists.

"Where do households on social housing waiting list feature in the calculations because they are not in the temporary accommodation figures?"

One stakeholder suggested the definition of existing need was too narrow and the lack of a local survey means the true extent of existing needs hasn't been fully captured.

"there are other identifiable examples of household need that aren't covered in the calculation as no secondary data is available. This could only be picked up from a local survey"

In relation to the concealed and overcrowded element of the calculation, the Group thought this was underestimated as households that are concealed but not overcrowded (and vice versa) are not captured in the calculation nor are single people who are concealed and overcrowded as the calculation only considers families. Issues in relation to single people e.g. those living were parents and wanting to form single households were not captured in the default estimates and a survey would have been one way to address this omission.

"The HNDA default settings excludes all of these households and the Scottish Government does not intend for these to be excluded. This requires work/information at a local/regional level to add to the national data and I'm not seeing anything has been done to bring those groups in."

Affordability (i.e. current accommodation too expensive) and suitability (e.g. desire for garden space) of current homes was an area the Group also felt needed additional scrutiny.

Overall the Group believed that policy decisions would be better informed by a local survey to capture housing unsuitability across all sizes and types of households and living conditions.

3.2.2 Question 2 – Validating the Newly Arising Need Calculation

The first question stakeholders were asked to consider was:

The HNDA calculation uses the principal household projection as the starting point to assess the future need for new housing. Is this a robust approach to estimating future need?

Is the high migration a more appropriate estimate?

Question 2 stakeholder feedback for Workshop 1 focus groups is detailed below:

Workshop 1, Focus Group 1 – Validating the Newly Arising Need Calculation

Stakeholders in Group 1 expressed some opposing views of the extent to which a high migration scenario should form the basis of the newly arising need estimate. It was acknowledged that the principal household projection was based largely on historic trends. The projections therefore reflect the historic period of economic uncertainty associated with the global financial crash of 2008/09 and its impact on household movement, migration and formation. Using the principal household projections as a base for housing estimates simply projects those trends forward and could well underestimate future household growth. This may be particularly problematic in the uncertain economic context following the global Covid-19 pandemic. It was also acknowledged that the principal household projections do not reflect national policy ambitions to grow Scotland's working age population[1] and that:

"the high migration scenario might be a better starting point for future planning"

However, some stakeholders cautioned against using an overly optimistic household growth figure particularly given the economic uncertainty that looks likely to be a major influencing factor at least in the short term:

"what if there is an economic downturn? This is a very uncertain time"

This view was echoed by partners who also advised that we also need to consider capacity and what's feasible and realistic to deliver as *"there's no point in setting housing supply targets that cannot be met".* Stakeholders also acknowledged that meeting housing supply targets in the post Covid era may have fewer land implications than would have historically been the case given the opportunities associated with a surplus of commercial and retail properties in our towns and Cities.

"We're in a period of unprecedented change post Covid, which may impact on how we use existing built assets"

Reusing and changing the use of existing assets may be a major aspect of how we reimagine town centers and meet housing need. We also need to look at pattern of demographic change, targeting

[1] A Scotland for the Future, Scottish Government, March 2021: Scotland's first population strategy

options at key growth groups such as older people so that we can maximize the impact of the existing housing stock we hold.

Despite this debate, partners in Group 1 when pressed, confirmed that they would be minded to opt for the high migration scenario (7/10 stakeholders) over the principal scenario (3/10).

Workshop 1, Focus Group 2 – Validating the Newly Arising Need Calculation

Group 2 questioned two elements in relation to the estimates for future need:

(1) how do the estimates for future need reflect the economic projections as well as economic ambitions for the area? and

(2) how do future need calculations reflect employment changes that might occur in the area?

"perhaps it's all a question of the economic growth expected for the area e.g. if the financial sector grows so will housing demand"

"from a previous presentation I attended on NRS projections it showed migration within Scotland from West to East driven by employment and that was where a lot of the growth was coming from this and so what if employment changes? So the fundamental is - are the jobs being created in South East Scotland area or are they being created elsewhere?"

Workshop 1, Focus Group 3 – Validating the Newly Arising Need Calculation

Stakeholders in Group 3 expressed an initial view that the choice should not be about whether the high migration of principal figure should be used to form the basis of newly arising need. The view of the group was that there is a lot of academic research that NRS population projections simply project forward poor household outcomes from past. Many of the group agreed that gaining an understanding of what elements of need are missing is key to making sure that the projections used in the calculation deliver a future outcome which is desirable.

It was raised by several members of Group 3 that research evidence suggests that housing markets where there is healthy supply will have less acute affordability pressures compared to markets with constrained supply.

There was also concern that the figures in the revised calculation are significantly lower than the previous HNDA 2 outcome even though affordability pressures have worsened.

Most of the partners felt that the high migration figures were a more appropriate basis for newly arising need. However, this is only being because the estimate is higher than the principal projection and not because using the NRS projections as the basis of future need is sound.

Workshop 3, Focus Group 1 – Validating the Newly Arising Need Calculation

Like the views of other Groups, Group 1 agreed that the use of the NRS population projections (based on historic growth) could underestimate the scale of future need.

One of the group members also provided an example of the danger of solely basing future need on NRS projections:

"Migration in Midlothian is shown as being high, HOWEVER this is not because of the lack of demand for housing in other areas (e.g. Edinburgh) but because housebuilding increased significantly in the past years to stimulate demand. This evidences the fact that there is a danger of basing estimate of future need on historic trends, as they do not necessarily justify the need for lower housebuilding.

It was also highlighted that using population projections to project need is reasonable if we are in a steady state going forward. However this is currently not the case (e.g. fall out of pandemic, Brexit implications, independence, climate change) which mean that the steady state is not the current starting position.

One group member state that whilst the housing estimates may not be 100% accurate and fully reflective of changes in the future; partners should accept their limitations as simply the starting point for policy decisions. They should be the basis of estimating of newly arising need, recognising that they will be adjusted over time to reflect local authority's future policy ambitions.

Workshop 3, Focus Group 2 – Validating the Newly Arising Need Calculation

Stakeholders considered whether the project household growth scenarios which underpin the estimates of new need compared well to historic completion figures. Whilst it was acknowledged that future estimates benchmark well to historic delivery levels, some stakeholders expressed concern that using projections based on historic household growth could underestimate the scale of future housing ambition we should be aiming for.

"Using historic patterns as the basis of future household projections will reflect the impact of the housing market crash on demand for housing. This approach will distort the long term projection and build an underestimate into future demand estimates"

Whilst stakeholders acknowledged that housing estimates are simply the starting point for policy decisions, the point was made that using the contextual evidence in the wider HNDA evidence base is essential in making informed decisions about housing supply. There is clear evidence that the SES housing market in many areas is overheated, signaling positive demand for housing that is driving house price inflation.

"We should pursue an ambitious outlook for growth in housing supply to address this pressure"

It was suggested that Midlothian offers a great case study within the SES plan area of the impact on future household demand associated with pursuing an ambitious approach to housing development:

"Midlothian is a great example of how an ambitious policy on housing development can generate and absorb demand for housing. This success is now reflected in future population growth projections"

Informed by this debate, the majority of stakeholders in Group 2 confirmed that they would opt for the high migration scenario as the basis of estimate for newly arising need.

Workshop 3, Focus Group 3 – Validating the Newly Arising Need Calculation

One stakeholder in the group questioned the population projections, suggesting that increases were excessively high for South East Scotland when you consider the previous year's population increase for the whole of Scotland.

"I think the projections are ridiculously high. I'm completely bemused by these levels of projections even the low projections – I'm not a demographer but if you look at falling birth rates and falling migration from overseas the trend is down and not up"

The Group also questioned if there would be any policy interventions from the Scottish Government once they have completed their assessment of NPF4 submissions to rebalance population pressures e.g., the slow overheating of an area with population decline in other areas. If this was to be the case, this could have a bearing on the future estimates of need in the South East Scotland area particularly in the Lothian local authority areas.

“the NPF hasn’t been framed yet but the initial thoughts were that they should be trying to stem population decrease from other areas of Scotland”

The group questioned the historic based data being used and while there is always going to be a lag between when base data is made available and when it is used for these types of projections, the exceptional changes associated with the global pandemic would justify a revisit of assumptions.

“given what has happened over the last 18 months to two years, and the trends of those working from home and the trends of people wanting more space we [Scottish Borders] are seeing a huge change in the market currently but these won’t be reflected in the historic data being used.”

The Homes for Scotland representative confirmed they support the high migration estimate as the recession period when there was a downturn in the construction of new build homes was a feature of previous trends so future trends need to be adjusted accordingly.

“Homes for Scotland would support the high migration scenario as it counteracts some of the flaws in the NRS projections. The current NRS projections track back to when house building was at its lowest point amid the financial crisis”.

3.2.3 Question 3 – Validating Emerging Housing Estimates

The third question stakeholders were asked to consider was:

Do the proposed housing requirements for South East Scotland region provide a sound basis for setting Housing Supply Targets?

If yes, why is this the case? If not, why not?

Question 3 stakeholder feedback for Workshop 1 focus groups is detailed below:

Workshop 1, Focus Group 1 – Validating SES Housing Estimates

To gauge the reasonableness of 20-year housing estimate, stakeholders considered the rate of housing completions and how this compares to the projected figure. The Group considered published completions statistics within the Guidance for the NPF4 Minimum All Tenure Housing Land Requirement Calculation which reported 10 year completions for South East Scotland at 47,472. Extrapolating this to produce a 20-year figure therefore creates a benchmark comparator of 94,944, which compares well to the range of housing estimates produced (91,481 – 104,797).

Whilst some Group 1 stakeholders reflected that HNDA3 housing estimates provide ‘a good starting point for future policy discussion and decisions’, others suggested the starting point was potentially too low.

“The NPF (Minimum All Tenure Housing Land Requirement) target set by the City of Edinburgh Council had capacity for 48,000 homes over a 10 year period. These estimates produce a similar figure but over a 20 year period which show much lower level of future ambition”.

It was also acknowledged that policy targets often set a lower rather than higher threshold so that delivery can exceed planning assumptions. So factoring this in, HNDA3 housing estimates would appear to be pitched at far 'too low a bar' to provide the 'basis for a generous supply of housing land'.

Workshop 1, Focus Group 2 – Validating SES Housing Estimates

Group 2's earlier points on the use of historic population trends were reiterated here, with stakeholders highlighting the recent trend in falling birth rates. The Group questioned whether this trend was expected to continue and if so, how this would impact on housing estimates over the next 20 years.

"have we not had the birth rate decline since Covid 19?"

Workshop 1, Focus Group 3 – Validating SES Housing Estimates

Group 3 did agree that as a starting point the HNDA calculation outcomes is a reasonable foundation for setting HST's. However, this is on the basis that the calculation is revisited based on the Group's feedback regarding newly arising and existing need being too low.

The Group unanimously agreed that the figures are too low and that more evidence is required to justify the figures. One of the group's members highlighted that the HNDA outcomes do not reflect the complete picture and that in setting HSTs, each local authority needs to consider various policy aspirations (including economic goals) in setting their own targets.

A number of stakeholders suggested that they felt they could not comment on the validity of the calculation outcomes in setting the HST's, without seeing more of the evidence behind the calculation.

Workshop 3, Focus Group 1 – Validating SES Housing Estimates

Several of the members of the group strongly agreed that the current SES estimates do not form a sound basis for estimating housing need. The view of the group was that the current SES estimates would mean that supply is only being matched to the most pressing forms of housing need and emerging need from migration.

"There should be much more ability to take into account all other aspects of need – there should be much more room for growth - much more room for household movement"

One group member raised the issue that setting a minimum target may mean that some partners will interpret this as the actual target, which will ultimately suppress more ambitious growth targets.

One stakeholder did agree that the calculation was a reasonable starting point and that the methodology deployed, whilst not 100% failsafe, gives a sound basis for each partner to set their HST's.

Workshop 3, Focus Group 2 – Validating SES Housing Estimates

Overall, scrutiny of the evidence underpinning existing and newly arising estimates enabled Group 2 stakeholders to conclude that the baseline calculation offers a sound base for future decision making on housing supply and land allocation. Having said this, Group 2 would suggest that:

"more confident policy decisions could be made by supplementing the HNDA evidence with primary research into household circumstances"

Workshop 3, Focus Group 3 – Validating SES Housing Estimates

Whilst the point on the use of historic figures was repeated by Group 3, there was acknowledgement that there were no better sources of population data available to project future need and very limited evidence to support trends that could be used to evidence the impact of Brexit and the pandemic.

"The problem is I can't see any better data or projections, beyond the NRS ones and while there is anecdotal evidence of post pandemic changes there has been too little time to see if these emerging trends will sustain"

3.2.4 Question 4 – Validating Emerging Housing Estimates by Tenure

The fourth question stakeholders were asked to consider was:

Do the proposed housing requirements for South East Scotland region **by tenure** provide a sound basis for setting Housing Supply Targets?

If yes, why is this the case? If not, why not?

Question 3 stakeholder feedback for Workshop 1 focus groups is detailed below:

Workshop 1, Focus Group 1 – Validating Housing Estimates by Tenure

Having scrutinised the housing estimates by 'suitable' housing tenures, stakeholders suggested that the estimate for market housing (between 28-29% of the total estimate) was 'far too low'.

It was acknowledged that the affordability calculation with the HNDA tool is merely a starting point for policy decisions based on market performance rather than a set of definitive tenure targets. Despite this, some stakeholders suggested that the calculation methodology is more successful in identifying need for affordable housing and less successful in identifying hidden or effective need for market housing. It was suggested that further scenario analysis around the lending assumption of 3.9 times household salaries would be beneficial and that a higher multiple (between 4.5-5 times salary) should be explored given that many households are borrowing at that range.

In terms of whether the estimates provide a sound basis for future policy decisions on tenure delivery, stakeholders noted imbalances both in the scale of the proposed estimate for affordable housing and in the contribution that market housing makes to affordable housing delivery:

'the scale of funding and land allocation required to deliver proposed affordable housing estimates is simply not feasible'

'the contribution of market housing through developer contributions to affordable housing delivery needs to be considered very carefully. If supply targets for market housing are too low, it will stifle delivery of affordable housing policies and lower overall affordable supply"

Stakeholders also expressed scepticism of the proposed estimates for market rent and below market housing, questioning who would deliver the extent of housing units estimated given the absence of scalable build to rent models or investors in Scotland. It was also suggested that whilst build to rent schemes had proven to be successful in City housing markets, the economics of delivering new market and mid-market homes are challenging in more suburban or rural housing contexts. The contraction of the private rented sector in the post Covid housing boom could also be an important policy factor which requires further consideration as well as the proposed rent controls under consideration which could dissuade build to rent investors.

Workshop 1, Focus Group 2 – Validating Housing Estimates by Tenure

The Group asked that all the previous points were considered here also.

The Group questioned the impact of the pandemic on affordability calculations and how household incomes may have significantly changed and with that household ability to afford the different tenures. South East Scotland partners may therefore wish to revisit the affordability thresholds.

"Speaking to colleagues in the Citizens Advice Bureau this morning, you just cannot predict who is going to come looking for help [post pandemic], so I think the need and demand is going to change as is who can afford what. So these figures might need readjusted."

The Group also asked how historic performance of projections in previous HNDA calculations faired with actual numbers by tenure with historic delivery evidence a useful validator to current projections.

Ultimately, stakeholders were reluctant to confirm if the proposed housing estimates on a tenure basis were a sound basis for setting future Housing Supply Targets as they had just been presented with a considerable amount of the complex information. It was also acknowledged that there will be different views depending on sector interest i.e. Council officer, house builder, Community Councilor.

Workshop 1, Focus Group 3 – Validating Housing Estimates by Tenure

The view of the majority of stakeholders in Group 3 was that as the overall housing estimates are too low, this filters through to the outcomes at a tenure level.

'Projecting the demand of market housing of 25k-30k at a SES plan level over the next 20 years seems painfully low, given private completions were around 5,000 per annum over the last 5 years – the outcomes are not reflective of what's happening in reality"

One stakeholder highlighted that the outcomes of the tenure calculations shine a light on the problems of using demographic projections as opposed to economic forecasts. They felt that the results of the tenure split calculation under the strong growth scenario was counter intuitive as the outcome of this scenario presents an increase in demand for affordable housing as opposed to a decrease in demand for affordable housing when compared to the principal-based scenario.

One of the group members felt that the proportion of demand evidenced for mid-market housing (MMR) was too high, particularly considering the current grant regime which supports MMR housing. There was also a strong view within the group that the calculation outcomes do not create sufficient supply to enable positive housing choices:

'We need to be projecting a higher figure to enable people to meet their aspirations"

Workshop 3, Focus Group 1 – Validating Housing Estimates by Tenure

A couple of Group 1 stakeholders questioned the affordability calculations within the toolkit, fundamentally questioning the assumption that those that cannot afford to buy a property, will rent one. In addition to this, the use of lower quartile incomes and price benchmarks to gauge financial capability was also questioned as a robust method for determining housing estimates by tenure.

"The calculation methodology should be more reflective not just of the housing market but also people's choices"

Once the group reflected on the 20-year South East Scotland estimates at both a regional and tenure level they voiced concerns that the figures 'being so low' will lead to 'significant problems' for the future operation of the housing market.

Another stakeholder suggested that 60% of homes being subsidized housing does not seem sustainable and that just basing the estimates on a need to rent or buy does not reflect how people will choose or want to live in the future.

Workshop 3, Focus Group 2 – Validating Housing Estimates by Tenure n

In scrutinising the SES housing estimates by tenure, stakeholders concluded that:

"a 30% delivery target for market housing over the next 20 years would deliver around 30,000 new market homes. This seems incredibly low"

Stakeholders agreed that an under delivery of market housing over the next two decades in South East Scotland could have significant consequences for housing market operation and for the delivery of affordable housing:

"Building fewer market homes could jeopardise the delivery of affordable housing given the relationship between market housing completions and developer contributions to the affordable housing policy"

Furthermore, *"housing delivery planning is complex, and we need to use housing estimates in an intelligent way. We need to use the evidence to drive policy decisions which influence market operation"*

It was acknowledged that policy decisions should be targeted to ease housing market pressures, improving housing affordability for households. Housing markets are dynamic, and the affordability calculation offers an overly simplistic snapshot in time:

"If we build less market housing in the future, we won't ease house price inflation - the affordability pattern will be the same, we won't improve it"

Stakeholders also suggest that appetite for home ownership should be reflected in policy making around housing supply and that intermediate tenures such as shared equity and shared ownership could provide very credible options for the 30% households deemed suitable for market or below market rent options who may aspire to owning their home.

Equally, policy decisions should acknowledge that whilst tenure estimates suggest that over 40% of households would benefit from affordable housing, many young, economically active households will be excluded from the sector as they do not have the scale of need required to be eligible for social housing. It's crucial therefore that the needs of households in this category are not overlooked in policy decisions on housing supply.

Workshop 3, Focus Group 3 – Validating Housing Estimates by Tenure

In relation to the Scottish Borders tenure split, there was concern in Group 3 that the social housing proportion (22%) is low, especially when compared to the previous HNDA for the area. It was noted that the private/social split and the mid-market tenure would be a challenge in this area given that market rents are very close, and sometimes cheaper, than social rents.

"about 60% of what we are building at the moment down here [Borders] is affordable housing"

"22% for social housing is concerning as we'd be writing off the mid-market rent proportion as realistically not a viable option"

The Group were therefore seeking to know what has changed from HNDA2 to HNDA3, what has significantly altered the tenure split and if this is just a change in Scottish Borders or all South East Scotland areas?

The Group also queried that the tenure split was based on ability to afford a tenure type and not the tenure aspiration of households in the area:

"If you are not capturing what people want i.e. to buy or to rent, then that is an issue".

Another comment by Group 3 was to question the appetite for build to rent as currently there is limited pipeline development of this nature, but with recognition that this may not be the case in all South East Scotland areas. The suggestion from the Group was therefore to just have a combined private tenure total as the basis of future policy decisions.

The Group recognised that the affordability threshold for the market housing tenure was based on a 3.9x mortgage multiplier but questioned if this was a realistic rate as mortgage providers are likely to approve higher lending levels. The suggestion was that scenarios could be run to see what effect variations on the mortgage multiplier may have on the tenure split of housing estimates.

The final comment made in relation to tenure split was that by estimating a reduced proportion of market housing this will compound the affordability issues of this tenure in future HNDA calculations:

"if you build less privately owned housing, next time fewer people are going to be able to afford privately owned and the 7.9x ratio will go up. I'm unsure if this is getting recognised so not addressing the affordability issue, may be why the market housing rent levels are lower in this HNDA calculation."

3.2.5 Question 5 – Validating Emerging Housing Estimates by Partner Area

The fourth question stakeholders were asked to consider was:

Do the proposed housing requirements for South East Scotland region **by partner area** provide a sound basis for setting Housing Supply Targets?

If yes, why is this the case? If not, why not?

Question 3 stakeholder feedback for Workshop 1 focus groups is detailed below:

Workshop 1, Focus Group 1 – Validating Housing Estimates by Area

The proportion of the SES housing estimate which should be met in the Edinburgh City area was described as 'unsurprising' by Group 1 stakeholders given the population base in this area and future household growth rate. It was noted that previous regional planning across South East Scotland had made policy decisions not to meet all of the previous housing estimates within the City as part of a wider spatial strategy across the functional housing market. The SESplan Strategic Development Planning authority had been successful in providing coordination and leadership in this regard and stakeholders were keen to stress the importance of SES partners continuing to have this strategic and collaborative focus.

'It is key that all housing need and demand is met across the South East Scotland area over the planning period. To achieve this, it's crucial that partnership working, and collaboration continues to drive the housing delivery strategy'

As well as the importance of collective planning on an ongoing basis, the need to proactively monitor and evaluate housing market operation and household migration across the wider South East Scotland area is crucial in targeting appropriate housing supply interventions at a local level.

Workshop 1, Focus Group 2 – Validating Housing Estimates by Area

Group 2 were reluctant to confirm if the proposed housing estimates on a partner area were a sound basis for setting future Housing Supply Targets as they had only just been presented with the complex information. However the representative from the Edinburgh HSCP believed the Edinburgh population projections were reasonable based on the number of new patients being registered with GPs in recent years.

Stakeholders questioned the size and house types being built and that the larger houses being built were not meeting the needs of existing residents at a local level but were accommodating demand from Edinburgh residents moving out of the City. South East Scotland partners were asked to consider the scale/range of market options required at a local level (including market entry level housing) to balance the developer appetite for high-end new build housing:

“there is a tendency for builders to want to build larger houses when there is not a basic demand for that locally”

“there is a tremendous number of people moving out of the City and local people can’t afford to purchase the large homes being built”

“we should be focused on meeting the needs of the area and not the economy of housing”

Stakeholders also asked what consideration should be given to the role of existing housing stock in terms of meeting future need.

“That’s part of the problem, we have houses that are not a decent fit to household needs. How are we adapting these to better fit those needs?”

Workshop 1, Focus Group 3 – Validating Housing Estimates by Area

Group 3 again highlighted the fact that the figures at a SES plan level were surprisingly low, which meant that the figures at a partner level were also exceptionally low.

A Group 3 stakeholder from Fife, generally agreed with the housing estimates by area. In contrast, whilst stakeholders from Scottish Borders and Edinburgh felt that the figures were painfully low, they did feel unable to comment on whether this was driven by the proportionate split of need by tenure or the fact that the overall demand from the HNDA calculation was too low.

Workshop 3, Focus Group 1 – Validating Housing Estimates by Area

Group 3 agreed that because the figures are so low at a SES plan area level, that the same applies at a partner area level. Their group vocalised concerns regarding the underestimation of housing supply estimates on future market operation in each partner area:

“If we get it wrong and underestimate future supply required, we are building a much bigger problem further down the road”

Whilst the concern from the group was around the global scale of housing estimates across South East Scotland, there were little objections to the proportionate split of need as evidenced at a partner level.

Workshop 3, Focus Group 2 – Validating Housing Estimates by Area

Stakeholders could understand the extent of housing estimates by partner area given the way SES partners have followed the HNDA calculation mythodology e.g. the proportion of homes estimated as required in the Edinburgh City area (48%) felt logical and accurate given current household numbers and assumptions on projected household growth.

Having said this, stakeholders were keen to see an element of housing demand and aspiration factored into the spatial strategy for housing planning. It was acknowledged that many households who work in Edinburgh simply live out-with the City, not through choice, but in order to access affordable housing options within commuting distance:

"If we're ever going to realise the Scottish Government's vision for 20 minute communities, we need to focus supply planning in the areas where most want to live and work"

Workshop 3, Focus Group 3 – Validating Housing Estimates by Area

The Group were concerned that future planning policy is being determined by historic population projections which do not reflect changes in household aspirations or need, the impact of the pandemic and Brexit on household circumstances and falling birth rates over the last six years.

"I'm deeply troubled that we are using data from 2018 and we are using this to inform future planning policy and lifestyles; what people want; and the fact that many people don't need to go into the office; has made these assumptions completely invalid."

The Homes for Scotland representative echoed the concerns over the use of historic data being used for estimates and had these concerns even before the pandemic. They suggested a household survey would be one way of addressing this. They were also concerned that with Fife being split over two strategic planning authority areas (TAYPlan and SESPlan) one part of Fife (TAYPlan) had access to household survey information and the other part didn't so it would be more difficult to justify the calculation used in SESPlan.

"I don't understand why the South East authorities haven't decided to invest in the survey work and I don't understand Fife's own thinking that survey work was necessary for one part but not the other."

The final comment in relation to the estimates for partner areas was in relation to land availability particularly in Edinburgh.

"there is absolutely no way that 48% of the requirements can be built in Edinburgh as there is no more room or limited space – so we cannot sustain this concentration of people in certain areas. What are the policy decisions needed to stop that migration out of certain parts into certain parts?"

3.3 Validating the SES HNDA3 Calculation: Stakeholder Consultation Outcomes – Key Themes

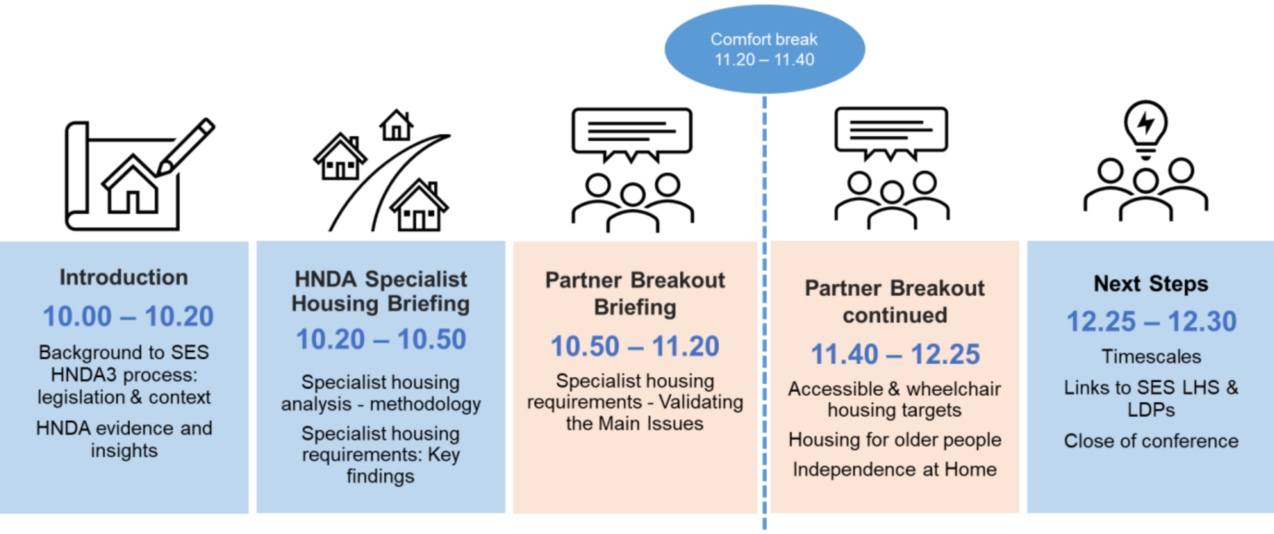
Analysis of stakeholder consultation feedback enables a number of key themes to emerge, which should influence and guide SES partner work to finalise the HNDA3 study prior to submission to the CHMA:

- Whilst SES partners have applied the prescribed HNDA methodology well, the limitations of the HNDA tool which focuses on the defining need for affordable housing should be recognised in policy decision making around housing supply and land allocation
- Future household survey work would be highly beneficial particularly in assessing the scale of unmet need from concealed households and the extent of newly forming need

- In relation to concealed and overcrowded households, there is concern that these groups have been underestimated in calculation of existing need as those households who are concealed but not overcrowded (and vice versa) are not adequately captured in the calculation
- Whilst South East Scotland partners have applied the prescribed methodology in term of population projections, there is concern that these historic trends do not reflect the changes that the pandemic and Brexit will have on migration levels
- The demand side elements of the housing affordability calculation which produce tenure estimates are limited and do not reflect the population of households willing to prioritise housing expenditure to realise their aspirations. Further developing the scenario analysis on lending multiples would therefore be beneficial to the partnership
- Furthermore, housing estimates by tenure need to be carefully interpreted to ensure that key household groups who are identified as ‘suitable’ for specific housing tenures are not left behind as a result of eligibility or access barriers which are not reflected in the HNDA calculation e.g. those who can only afford affordable housing but who do not meet the legislative criteria for rehousing
- In relation to tenure split, stakeholders are keen to understand the cause of the change in proportions for private and social tenures between HNDA2 and HNDA3 estimates and if a significant change in one partner area is common across all South East Scotland authorities
- Using contextual housing market evidence to guide policy decisions should be a crucial aspect of setting housing supply targets which use housing estimates as a starting point. This should ensure that targeted interventions to address housing market pressure or economic growth ambitions are factored into the supply target setting process
- There is a need to be imaginative on future housing delivery planning. The reuse or change of use of existing built assets should be acknowledged within a varied range of supply side delivery mechanisms
- The role of market housing in contributing to affordable housing delivery should be carefully considered in housing supply target setting policies
- It will be important for the partnership to assess and evaluate the capacity of the PRS to proactively meet housing need across SES area in future given increased regulation and the current contraction of the sector
- It is essential that there is a placemaking focus in policy decision making around housing supply to avoid over delivery in specific areas, appropriate infrastructure investment and a strategic focus beyond numbers.

4 Meeting Specialist Housing Need: Stakeholder Consultation Outcomes

The aim of Workshop 2 was to enable stakeholder consultation on the assumptions and evidence underpinning emerging housing estimates and to consider the role of specialist housing provision in meeting identified need. Stakeholder consultation outcomes will then inform the final HNDA submission to the Scottish Government for validation and approval. The programme for workshop 2 was as follows:



Local authorities are encouraged to work with Housing Market Partnerships (HMPs) in approving housing estimates and to adopt a collaborative and constructive approach to assessing the role of specialist housing in future housing supply and land use planning policies. The objectives for the HNDA Specialist Housing Workshop were to:

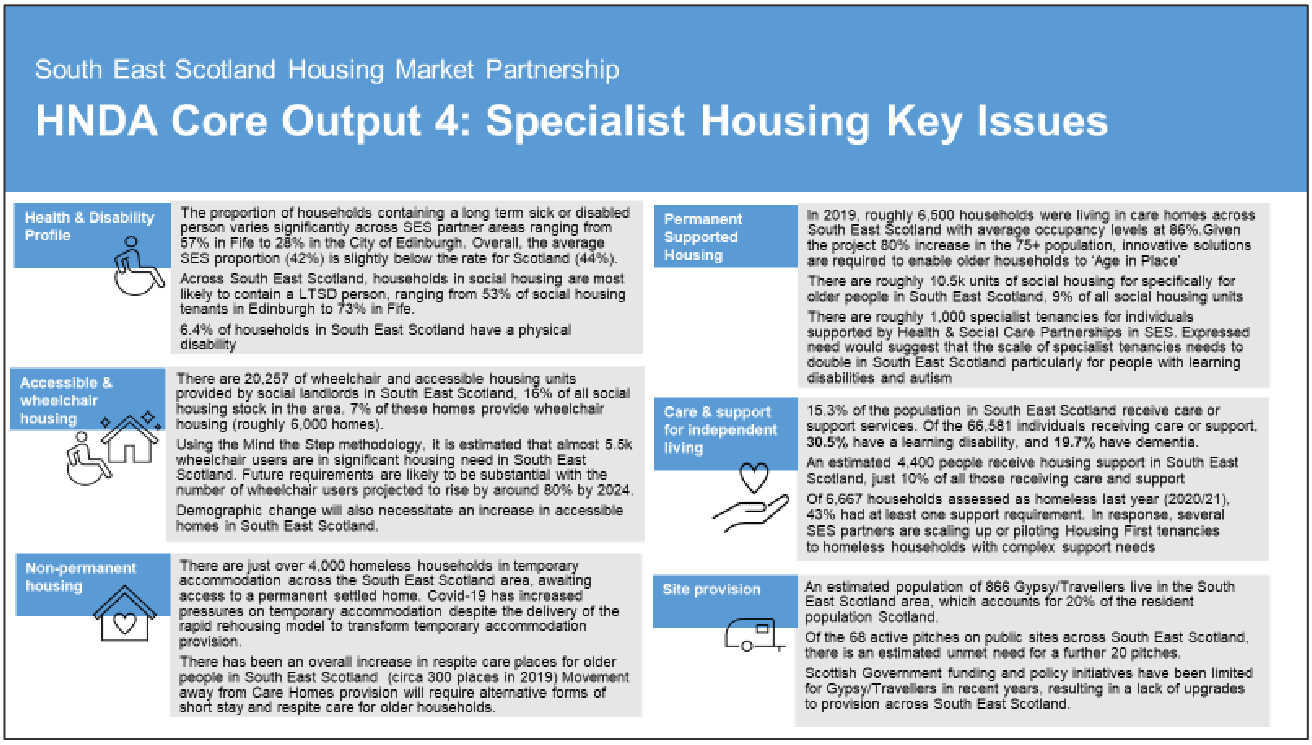
- share the emerging evidence on the extent and nature of existing specialist housing across South East Scotland, highlighting gaps in insight and intelligence
- attain stakeholder views on role of specialist housing in addressing housing estimates including:
  - the extent of wheelchair and accessible provision required
  - the role of private sector partners in meeting the need for specialist housing
  - the planning and commissioning processes needed to promote services which enable independence at home.

Partners were invited to discuss the evidence and analysis, provide local anecdotal evidence and consider the policy implications for specialist housing. An interactive whiteboard was used at each of the sessions to record the views and opinions of stakeholders. Copies of the slide-pack used to present evidence on specialist housing provision in Workshop 2 are available in Appendix 3.

4.1 Specialist Housing Insight and Evidence

To inform the debate, an opening plenary session presented the evidence and assumptions which underpin the analysis of specialist housing supply, as well as unmet need for specialist housing. Partners and stakeholders were then split into three focus groups to provide time for questions, feedback and debate on the analysis, evidence and policy implications associated with the future delivery of specialist housing across South East Scotland.

The key headlines and main issues associated with Core Output 4 (Specialist Housing) can be summarised as follows:



4.2 Stakeholder Engagement Session 1

4.2.1 Question 1 – Validating the Existing Need Calculation

The first break out session offered stakeholders the opportunity to discuss and consider the identified gaps in insight and intelligence around the current supply of and unmet need for specialist housing. The first question stakeholders were asked to consider was:

How do we build data partnerships to improve insight on unmet need for specialist housing?

Question 1 stakeholder feedback for Workshop 2 focus groups is detailed below:

Workshop 2, Focus Group 1 – Improving insight on Specialist Housing

Suggestions from Group 1 in relation to how insight into specialist housing was currently improving or could be improved were as follows:

- There is a need to improve the use of planning information on adaptations to private sector homes that could supplement information held by PSHG teams for self-funders
- Consideration should be given to developing a national/uniform housing application form which could be developed to consistently capture data and assess specialist housing needs

- Closer working with HSCP partners to review out of area placements would be beneficial, exploring how an integrated approach between social care and housing could deliver better outcomes for individuals
- Improving understanding between housing, health and care service areas on the needs of individuals and their families prior to the transition of individuals from child to adult services and adult to older people services
- More national research and evidence of unmet need for specialist housing to supplement the Scottish Government's HNDA data sources to address the current insight gaps
- Using the integration and prevention agendas to work with and access insight from GPs and health care professionals on the need for specialist housing
- A closer working relationship between housing professionals and HSCP colleagues to assess the appropriateness of specialist housing and to anticipate unmet and future needs

Ideas generated by the group on what would be important to start now to address the limitations in specialist needs data were as follows:

- Locality groups across areas should be a route for GPs to collect information on unmet need for specialist housing. Engaging GPs in data sharing partnerships with housing, health and care colleagues will be a crucial element of this approach
- Encouraging the sharing of best practice between partner areas such as the Housing Plus model in Fife and its impact in managing non-mainstream housing requirements
- Resourcing a dedicated role/team to act as a conduit between heath and housing data systems and processes to extract and assemble evidence of unmet need (as producing insight on unmet housing or care needs can often just be a small part of someone's job role):

"we can't build out the problem of increasing specialist needs so need to look to tech and adaptations in existing stock to help people live well and independently."

Workshop 1, Focus Group 2 – Improving insight on Specialist Housing

Most of the stakeholders of Group 2 acknowledged that there is a clear need to improve insight on the extent and nature of unmet need for specialist housing. Stakeholders agreed that there is difficulty in predicting the needs and aspirations of key client groups including the growing population of older people across South East Scotland. The ability to have the right information at the right time is hugely challenging but vitally important.

A stakeholder in Group 2 who works as part of a local authority change and transformation team and who co-ordinates engagement activity to understand the current and future needs for specialist housing in the area, provided insight into some of the key messages arising from this work, including:

- A lack of wheelchair accessible housing in the areas where people most want to live
- Evidence of an increasing need for temporary/short stay respite accommodation

Stakeholders agreed that there needs to be more multi agency data sharing and specifically between professionals in housing and the HSCP. The need for better data sharing protocols; (knowing what data is available and what to ask for) will not only improve insight but will help to facilitate more informed future planning.

One member of the group felt that there should be more reliance placed on Common Housing Register data, however, acknowledging that this approach can have its limitations as physical disability is sometimes only disclosed at a point of crisis.

One of the members of the group (a Council Tenant) provided an insight into their current circumstances and the fact that their housing needs are changing. They raised the point that they were unaware who they should disclose this to support forward planning. They also suggested that there needs to be more survey work undertaken, as well as real time information collated from housing officers/frontline staff on the changing housing needs of customers.

The point was also made by a member of the group that having information on a locality basis is so important as needs can vary significantly at a locality level. It crucial therefore that insight needs are assembled in a greater level of detail than at a local authority level.

Workshop 1, Focus Group 3 – Improving insight on Specialist Housing

Stakeholders in Group 3 acknowledged that whilst partner agencies share the same priorities to evidence need for specialist housing, this rarely influences how we collect, assemble, analyse or report data. It was acknowledged that legacy data systems do not reflect new multi-agency partnerships and are a barrier to a more collaborative approach to assembling data and sharing data:

"We're still reliant on legacy data systems which means we're not planning and designing data systems and collection processes in a consistent and collaborative way"

"Data recording and sharing is very complex. There are no coordinated communication or data management systems in place to help me do my job. Our OTs service must respond to the needs and applications of a range of agencies (housing, health, social work) and we must navigate our way around different processes and systems to do this".

It was also acknowledged that there are some key elements of data we simply don't collect, record or research, particularly in relation to property adaptations or specifically designed private sector housing.

Stakeholders agreed that a key barrier to improving data insight was a lack of consistent and commonly understood definitions on what we mean by specialist housing. A lack of common definitions not only makes it impossible to record and share data in a consistent way, but it also makes the customer journey very challenging for housing applicants or those seeking to access specialist accommodation:

"Many social landlords have now shifted their sheltered housing provision towards a retirement housing model, yet our data collection processes haven't caught up with this shift. Amid such a fast moving policy agenda, our data management processes are too slow"

Group 3 stakeholders acknowledged that improving multi-agency data management would depend on improving operational relationships and communication channels across partners. Whilst partners could evidence real progress in building relationships (particularly between housing and the HSCP), it was noted that the development of joint data systems or data sharing arrangements was still embryonic. It was also noted that collaboration tends to focus on meeting immediate need rather than forward planning and that good data on emerging or historic housing needs is crucial in ensuring that joint planning and commissioning is effective.

Group 3 identified two key actions that could have a real impact on improving data limitations on unmet need for specialist housing, namely:

1. Negotiate common definitions of what we mean by each category of specialist housing to be consistently used by partners
2. Identify the key data managers assembling insight on specialist housing across housing, health and care services and form alliances which enable consistent data collection and reporting, as well as the design and commissioning of joint data systems.

The second question stakeholders were asked to consider was:

How should we target increases in the delivery of new accessible/wheelchair homes?

What are the greatest barriers to delivery?

Question 2 stakeholder feedback for Workshop 2 focus groups is detailed below:

Workshop 2, Focus Group 1 – Accessible & Wheelchair Housing Estimates

This group discussed the need to redress the balance between social and private wheelchair/accessible homes given that most homes in Scotland are located in the owner occupier sector. At the present time, it is impossible to apply a wheelchair standard to private developers as there is no national building regulations on wheelchair accessibility. One stakeholder referenced the approach taken by Moray Council who issued guidance for developers, although it's unclear how effective this has been in increasing wheelchair and accessible unit numbers. A suggestion was made that privately developed flats might be one way to increase the number of accessible homes as ground floor/level access accommodation:

"it's really almost impossible to apply targets [for wheelchair/accessible homes in the private sector] at this stage, unless there is a national shift in regulations and it's a really big concern how far behind, we are, even just to meet current need never mind the need arising from demographic change. The private sector will be critical in meeting these needs."

Placemaking was also a consideration for the group. It is essential that the local environment is accessible as well as the home itself.

Given the expected increase in the older people demographic, Group 1 stakeholders suggested that targets need to go further than 6% as this only address backlog and not future need for wheelchair housing. The barriers Group 1 thought were most evident in the delivery of new accessible/wheelchair homes were as follows:

- Developers may be unconvinced there is enough profit in accessible housing delivery as accessible homes generally require a larger footprint per unit and lower the economics of a site development mix
- Previous specialist developers (such as McCarthy and Stone) have left the Scottish market, having not considered it a profitable sector
- The lack of insight into who in the owner occupier sector requires wheelchair or accessible homes is a major barrier to evidencing market demand for accessible housing
- Transition costs (both house prices and removal costs) can be prohibitive to wheelchair users in private sector housing.

Workshop 1, Focus Group 2 – Accessible & Wheelchair Housing Estimates

Group 2 recognised that new accessible/wheelchair housing is the most acute need to be addressed in the future provision of specialist housing, both in terms of addressing the backlog but also in identifying future need. One member of the group felt that local authorities should be ahead of the curve and need to step up the delivery of more specialist/wheelchair homes. This could be achieved through encouraging local authorities to set more ambitions delivery targets.

It was recognised that one of the major barriers to delivery is the cost of delivering accessible housing. The group highlighted the cost and benefits of accessible homes not only be recognised by social housing funding contributions but that there should be a greater role for HSCP resources in funding the delivery costs.

Workshop 1, Focus Group 3 – Accessible & Wheelchair Housing Estimates

Stakeholders in Group 3 acknowledged that major barrier to the delivery of more accessible or wheelchair homes is the economics of development on sites where developer contributions support the delivery of affordable housing:

> *"It's much easier to develop accessible housing on the sites we (the Council) own. When we're working with developers to realise an affordable housing contribution, the footprint and cost of accessible housing often alters the development mix for the site and compromises securing the 25% affordable target"*

To counter this, the Group considered whether there is a role for local planning policies to set clear targets and expectations on the need to deliver accessible housing. Further clarity could encourage developers to consider the cost implications of delivering accessible or wheelchair housing at an earlier stage in the development funding process, enabling more positive planning and delivery negotiations.

The Group agreed that whilst private developers were meeting the requirements of the new building regulations which improve accessibility, there is a clear role for the private sector in delivering fully accessible housing options and in futureproofing housing design to enable homes to meet the changing needs of their occupiers. It was acknowledged that to encourage the development of more accessible homes, we need to understand better what local consumers want. This could include fairly simple aspirations on property size and type that well-designed market homes could satisfy.

As part of improving accessibility, Group 3 stakeholders also acknowledged the importance of placemaking in meeting the need for accessible and wheelchair housing ensuring good connectively to local amenities, services and transport links. This is particularly important in the future delivery of wheelchair homes.

It was agreed that private and social housing developers should be encouraged to increase delivery of wheelchair housing, although the affordability of new build wheelchair housing could be challenging not just in terms of rent or mortgage costs but also given Council tax implications:

> *"Most new build wheelchair properties have a bigger footprint than general needs housing so coupled with the age of the property, they can be valued typically at a Council tax Band D or E. This stretches affordability for many wheelchair user households".*

The third question stakeholders were asked to consider was:

What role should the private sector play in delivering specialist housing options?

Question 3 stakeholder feedback for Workshop 2 focus groups is detailed below:

Workshop 2, Focus Group 1 – Specialist Housing: Private Sector Role

Group 1 suggested having ‘age ready’ homes as part of developments would be one way the private sector could play a role in delivering specialist housing options. There was acknowledgement that the Scottish Government were committed to reviewing the Housing for Varying Needs standard and a consideration of ‘future proofing’ homes in this standard would go some way to delivering homes that could become specialist homes in the future:

“there’s probably a lot private developers could do in terms of design and space standards as well as smart homes and new technology etc.”

There was also discussion on what might be an appropriate specialist housing option for the South East Scotland area (age exclusive versus mixed developments) and the importance of having these developments in an area with good amenities – again the idea of place being a key consideration.

Some anecdotal evidence was shared of older people buying ‘lodge accommodation’ on holiday parks to gain a sense of community, access an accessible property and have amenities and potentially onsite entertainment. The concern here was that many might avoid this option as this will be a depreciating asset unlike a traditional home:

“recently I’ve had a few older people who have taken the choice to buy chalet homes in private parks as they feel it is a bit like sheltered housing with the amenities on site and have social events and can have carers come into the park. This was a more affordable option than moving to sheltered housing for those individuals.”

Workshop 1, Focus Group 2 – Specialist Housing: Private Sector Role

Group 2 all agreed that there needs to be a greater role for the private sector in delivering specialist housing options:

“There needs to be a range of choices for people at different stages in their life, they cannot all be funneled into social rented housing, many people want choice – they may have built up equity in their home and want to continue with home ownership”

An example was shared that in St Andrews, the private sector has invested in homes for older people, because there is a market, so where the private sector sees a clearly defined market, they see a profit and they will build. This is not the case in all areas of Scotland; therefore, it was suggested by one stakeholder in Group 2 that we need to break through this issue and not just rely on Section 75 contributions to take a leading role in providing specialist housing:

“I don’t know the mechanism of how we do it, but we need to ensure there is a range of accessible options on all site delivered by Council, RSL and private developers”

Another stakeholder highlighted that there needs to be more marketing and awareness raising of available specialist housing options and more focus placed on targeting the accessible housing to those who need it.

The group also suggested that there should be a focus on looking at equity sharing models for those individuals who cannot access social rented housing yet have equity and want to retain home ownership:

“Consideration needs to be given to different funding models”

Workshop 1, Focus Group 3 – Specialist Housing: Private Sector Role

Building on the previous question, Group 3 stakeholders agreed that there was a clear role for private developers in the delivery of specialist housing options – both in the delivery of specially designed and adapted homes but also in future proofing the design of general needs properties.

Private developers should be encouraged to be proactive in marketing new homes which could meet the needs of key client groups such as older people. To this end, it was acknowledged that encouraging a positive private sector response to improving accessibility may rest on the delivery of the right product in the right place, with clever future proofed design features, rather than setting stringent accessibility or wheelchair targets:

"We should aim for improvement in private sector accessibility generally rather than over reliance on target setting"

On this basis, stakeholders also agreed that private developers should be encouraged to deliver options which would meet the needs of the growing population of older people in South East Scotland but perhaps on a more affordable basis than the high end McCarthy and Stone type options that have been a feature of past delivery.

It was acknowledged that some private developers are engaging with future proofing measures (e.g. Taylor Wimpey) and whilst this is promoted at planning stage, it hasn't quite yet translated into marketing or housing allocation strategies which target new homes to key client groups.

It was agreed that public awareness raising, and marketing of available specialist housing options is key to ensuring that they are targeted to those who most need them. The delivery of an Extra Care housing development in Midlothian is a great case study example of this:

The development itself was very well designed and appealing but we had to deliver a huge amount of public awareness raising and promotion to challenge misconceptions of what was on offer (i.e. that it was care based housing or residential care). After we did this, high proportions of owner occupiers came forward to express their interest"

The fourth question stakeholders were asked to consider was:

How do we promote and enable independence at home by improving joint planning and commissioning processes for Property adaptations? Technology Enabled Care? Care & Support Services?

Question 4 stakeholder feedback for Workshop 2 focus groups is detailed below:

Workshop 2, Focus Group 1 – Enabling Independence at Home

In relation to improved joint planning and commissioning processes for the delivery of property adaptations, the Group suggested:

- Improved recording of existing properties with installed adaptations in both social and private sectors was essential
- Encouraging the development of facilities like those in Fife Hubs where individuals can meet OTs and housing officers and test adaptions and smart solutions, improving awareness of the range of potential options available to them

- Improving the availability of housing options and advice services as well as public awareness of the availability of these services
- Building relationships with private landlords to understand better the property attributes of PRS homes and help them to find long term tenants who would be suitable for properties with accessibility features
- Enabling OTs to play a greater role in helping individuals, particularly in the private sector, to be proactive with the suppliers of aids and adaptations
- Encouraging individuals to plan ahead to prevent the crisis stage that many reach as a result of changing housing, health and care needs:

"People in the social sector have a lot of interaction with their landlord on whether their property is meeting their needs, but this is lacking in the private sector"

The Group suggested that for the Technology Enabled Care:

- There needs to be a promotion of the TEC solutions that are available as well as how current smart solutions in the home (e.g. smart lighting, home voice control/Alexa, smart heating, etc.) can be used by individuals to promote and enable independent living
- There needs to be general upskilling of staff on the TEC agenda and a transfer of knowledge from TEC project leads across services and organisations:

"Health and Social care colleagues tend to lead on TEC solutions, but we need to share that knowledge with other front line staff and organisations"

For Care and Support services Group 1 agreed that the most pressing issue is the current shortage of care staff in the sector and being able to recruit care and support workers. This has been exacerbated by the Covid-19 pandemic and Brexit:

"a high priority in our local authority is the crisis in carer recruitment. This is also a big challenge for health and social care partners"

Workshop 1, Focus Group 2 – Enabling Independence at Home

Group 2 were of the opinion that to enable independence at home there needs to be more investment in ancillary support services such as cleaning and handy persons services. One stakeholder vocalised the importance of mixed and sustainable communities in supporting independence at home.

The Group also recognised that identifying support needs is often very reactive:

"We need to get in there early, rather than at crisis point, we need to stop working in silos, therefore when social work, health or housing identify changing needs that information needs to be shared at an early stage. We need to improve information sharing to inform and improve future planning"

It was also felt by many members of the group that communication channels need to be expanded, and that there needs to be more awareness raising and signposting of all the resources available to support independence at home.

Workshop 1, Focus Group 3 – Enabling Independence at Home

There was a consensus from Group 3 stakeholders that an essential element of enabling independence at home related to the integration of housing planning into care and support planning processes. Although the integration of health and social care services is gathering pace, improving early planning of housing options and interventions could be improved.

This also relates to the provision of property adaptations in coordinating care and support interventions to enable independence at home. Partners need to improve intelligence on the property adaptations that have been installed and create joint planning processes to ensure that they are reused and targeted towards those in housing need. Furthermore, housing, health and social care professionals need to consider opportunities for retrofitting accessibility measures into existing homes.

Finally, in promoting and enabling independence at home, Group 3 stakeholders unanimously agreed the importance of encouraging early and preventative conversations with households to meet their future care, housing and support needs.

"Households need to understand much better what's out there so that we can encourage early consideration of future housing options. Encouraging personal housing planning, particularly for older households should be encouraged"

4.3 The Role of Specialist Housing in Meeting Housing Need: Stakeholder Consultation Outcomes – Key Themes

Analysis of stakeholder consultation feedback enables a number of key themes to emerge, which should influence and guide SES partner work to finalise Core Output 3 (the Specialist Housing element) of the HNDA3 study prior to submission to the CHMA, as follows:

- To tackle data insight gaps and data sharing processes on unmet need for specialist housing, partners should:
  - Negotiate common definitions for specialist housing provision which can be consistently used by partners
  - Identify the key data managers assembling insight on specialist housing across housing, health and care services and form alliances which enable consistent data collection and reporting, as well as the design and commissioning of joint data systems
- A major barrier to the delivery of more accessible or wheelchair homes is the economics of development on sites where developer contributions are supporting the delivery of affordable housing. There may be a role for local planning policies to set clear targets and expectations on the need to deliver accessible housing enabling more positive planning and delivery negotiations
- There is a clear role for private developers in the delivery of specialist housing options – both in developing specially designed and adapted homes but also in future proofing the design of general needs properties
- Private developers need to be convinced there is a market for specialist housing, and of its commercial profitability, through collaborative testing of design and space standards as well digital infrastructure such as smart home technology. Their role is crucial to meeting existing and future targets for accessible housing given the dominance of home ownership as a tenure in Scotland
- Private developers also have a key role in the targeting marketing of homes which have accessibility features or are 'age ready'

- The importance of encouraging early and preventative conversations with households to meet future care, housing and support needs should be a priority for integrated service delivery across housing, health and care partners
- Forward planning and anticipating future needs will be key to addressing the needs of the increasing population of those who will require some form of specialist housing. Closer working between housing and HSCP as well as GPs would be one way of doing this, as is sharing local knowledge of key clients before crisis point and in advance of their transition from one social care service to another
- Upskilling individuals as well as front line staff on what is available from housing options, TEC and smart solutions as household preconceptions can be misleading and formed from an outdated view
- There needs to be more awareness raising and signposting of the full range of resources available to support independent living at home, encouraging households to forward plan preferred interventions to meet housing, care and support needs.

5 SES HNDA3 Stakeholder Consultation Outcomes: Key Themes

Local authorities are encouraged to work with stakeholders in Housing Market Partnerships (HMPs) to approve housing estimates and to adopt a collaborative and constructive approach to finalising HNDA outcomes. It is important for the credibility of an HNDA that is can withstand the scrutiny of stakeholders as a basis for future policy decisions on housing supply and land use planning.

The HNDA3 stakeholder workshop programme was therefore instrumental in engaging Housing Market Partnerships across South East Scotland in scrutinising, debating and validating:

- the basis of assumptions driving the HNDA calculation on existing need, newly arising need and housing affordability
- emerging housing estimates arising from the preferred SES HNDA calculation scenarios including estimates by tenure and area
- emerging evidence on the extent and nature of unmet need for specialist housing across South East Scotland, highlighting gaps in insight and intelligence
- stakeholder views on role of specialist housing in addressing housing estimates including the future provision of wheelchair and accessible housing, accessible market housing options and in-situ interventions to enable independence at home.

Stakeholder engagement outcomes will now be utilised by the SES HNDA partnership to refine, further develop and finalise the HNDA3 evidence base prior to sign off by service leaders in housing and planning. Informed by this feedback, it is intended that the South East Scotland HNDA3 study is submitted to the Scottish Government for approval by the end of 2021.

Appendix 1: Stakeholder Attendance List by Workshop

ATTENDEES

26th October Main Meeting	Organisation
Steven Cooper	CALA
Nicola McCowan Hill	Allanwater Homes
Anna Hamilton	Anna Hamilton
Aonghas McIntosh	Aonghas McIntosh
Iain Hynd	Barton Willmore
Beverley Graham	Beverley Graham
Rory Stephens	Cruden
David Ogilvie	David Ogilvie
Gillian Donohoe	Edinburgh City Council
Emma Watson	Emma Watson
Catherine Grant	Fife Council
Cllr Lesley Backhouse	Fife Council
Paula Blyth	Fife Council
Vania Kennedy	Fife Council
Michael Curran	Health & Social Care Partnership / Physical Disability Reference Group
Joe Larner	Holder Planning
Richard Lewington	Homes for Scotland
Ian Brown	Ian Brown
Iona Taylor	Iona Taylor
Marie Clare Rafferty	Marie Clare Rafferty
Lesley Connell	Midlothian Council
Matthew McGlone	Midlothian Council
Davidson McQuarrie	Murieston Community Council
Lee Clark	NHS Lothian - EHSCP
Pippa Plevin	Pippa Plevin
Jordan Manning	SBC Homelessness
Charles Johnston	Scottish Borders Council
Craig Entwistle	Scottish Borders Council
Sharon Renwick	Scottish Borders Council
Henry Coyle	Scottish Borders Housing Association (SBHA) (RSL)
Margaret Stone	West Lothian Council
Alistair Harvey	Edinburgh City Council
Ann (MFCC)	
Jenny Sheerin	East Lothian Council
Lindsey Renwick	Scottish Borders
Naomi Cunningham	Taylor Wimpey

Rebecca Pringle	East Lothian Council

26th October Group 1 Workshop 1	Organisation
Anna Hamilton	City of Edinburgh Council
Craig Entwistle	Scottish Borders Council
Ian Brown	Murieston Community Council
Lesley Connell	Midlothian Council
Nicola McCowan Hill	Allanwater Homes
Paula Blyth	Planner
Pippa Plevin	Joint Forum of Community Councils in West Lothian
Lindsey Renwick	Scottish Borders Council
Richard Lewington	Homes for Scotland
Steven Cooper	Planning Manager
Vania Kennedy	Fife Council
Emma Watson	East Lothian Council

26th October Group 2 Workshop 1	Organisation
Ann (MFCC) (Guest)	
Aonghas McIntosh	Aonghas McIntosh
Beverley Graham	Beverley Graham
Davidson McQuarrie	Murieston Community Council
Gillian Donohoe	Edinburgh City Council
Jenny Sheerin	East Lothian Council
Charles Johnston	Scottish Borders Council
Lee Clark	NHS Lothian - EHSCP
Rory Stephens	Cruden

26th October Group 3 Workshop 1	Organisation
Alistair Harvey	
Catherine Grant	Fife Council
Cllr Lesley Backhouse	Fife Council
Henry Coyle	Scottish Borders Housing Association (SBHA) (RSL)
Iain Hynd	Barton Willmore
Iona Taylor	Iona Taylor
Joe Larner	Holder Planning
Jordan Manning	SBC Homelessness
Margaret Stone	West Lothian Council
Matthew McGlone	Midlothian Council
Sharon Renwick	Scottish Borders Council

27th October Main Meeting	Organisation
Anna Hamilton	Anna Hamilton
Anne Mitchell	Anne Mitchell
Gillian Donohoe	Edinburgh City Council
Emma Watson	Emma Watson
Carole Kennedy	Fife Council
Craig Walker	Fife Council
Craig Walker	Fife Council
Leanne Gilhooley	Fife Council
Lucy Turner	Fife Council
Paul Short	Fife Council
Paula Blyth	Fife Council
Vania Kennedy	Fife Council
Deirdre OKane	Fife Council
John Mills	Fife Council
Jillian Rodgers	Jillian Rodgers
Marie Clare Rafferty	Marie Clare Rafferty
Gillian Chapman	Midlothian Council
Simon Bain	Midlothian Council
Craig Entwistle	Scottish Borders Council
Donna Bogdanovic	Scottish Borders Council
Michael Curran	Scottish Borders Council
Margaret Stone	West Lothian Council
Ann (MFCC)	
Anne M	
Anne Rocks	
Gillian Binnie	SBHA
Jenny Sheerin	East Lothian Council
Lindsey Renwick	Scottish Borders
Rebecca Pringle	East Lothian Council

27th October Group 1 Workshop 2	Organisation
Anna Hamilton	Anna Hamilton
Donna Bogdanovic	Scottish Borders Council
Lucy Turner	Fife Council
Paul Short	Fife Council
Wendy	

27th October Group 2 Workshop 2	Organisation
Anne M	
Anne Rocks	
Jenny Sheerin	East Lothian Council
John Mills	Fife Council
Leanne Gilhooley	Fife Council
Margaret Stone	West Lothian Council
Marie Clare Rafferty	Marie Clare Rafferty
Paula Blyth	Fife Council
Michael Curran	Scottish Borders Council

27th October Group 3 Workshop 2	Organisation
Carole Kennedy	Fife Council
Craig Walker	Fife Council
Deirdre OKane	Fife Council
Emma Watson	Emma Watson
Craig Entwistle	Scottish Borders Council
Gillian Chapman	Midlothian Council
Gillian Donohoe	Edinburgh City Council
Jillian Rodgers	Jillian Rodgers
Lindsey Renwick	Scottish Borders
Rebecca Pringle	East Lothian Council
Simon Bain	Midlothian Council

28th October Main Meeting	Organisation
Bruce Walker	Barratt David Wilson Homes
Bill Ramsay	East Lothian Health & Social Care Partnership
Ewan Doyle	Edinburgh & South East Scotland City Region Deal
Gillian Donohoe	Edinburgh City Council
Carole Kennedy	Fife Council
Craig Walker	Fife Council
Lucy Turner	Fife Council
Tammy Swift-Adams	Homes for Scotland
Beth Cairns	Keepmoat Homes
Rebecca Hilton	Midlothian Health and Social Care Partnership
Kirsty Kirke	Ogilvie Construction
Donald Crawford	Rural Renaissance Ltd
Donna Bogdanovic	Scottish Borders Council
Peter Erskine	Scottish Land and Estates
Andrew Roberts	Taylor Wimpey
Bill Rodger	Trinity Community Council
Margaret Stone	West Lothian Council
David Brotherston	places for people
Debby Gillett	SBHA
Donald Stavert	Joint Forum of Community Councils in West Lothian
Dr John Boyle	Rettie
Rebecca Pringle	East Lothian
Robin Blacklock	Dowbrae Property Consultancy
Jenny Sheerin	East Lothian Health & Social Care Partnership
Wendy	
Brett Walker	North Berwick Coastal Area Partnership.

28th October Group 1 Workshop 3	Organisation
Bill Rodger	Trinity Community Council
Dr John Boyle	Rettie
Rebecca Pringle	East Lothian
Robin Blacklock	Dowbrae Property Consultancy
Robin Edgar	East Lothian Council
Margaret Stone	West Lothian Council

28th October Group 2 Workshop 3	Organisation
Andrew Roberts	Taylor Wimpey
Beth Cairns	Keepmoat Homes
David Brotherston	places for people
Gillian Donohoe	Edinburgh City Council
Bill Ramsay	East Lothian Health & Social Care Partnership
Jenny Sheerin	East Lothian Health & Social Care Partnership
Bruce Walker	Barratt David Wilson Homes

28th October Group 3 Workshop 3	Organisation
Brett Walker	North Berwick Coastal Area Partnership.
Carole Kennedy	Fife Council
Debby Gillett	SBHA
Donald Crawford	Rural Renaissance Ltd
Donna Bogdanovic	Scottish Borders Council
Peter Erskine	Scottish Land and Estates
Tammy Swift-Adams	Homes for Scotland

Appendix 2: Workshop 1&3 Event Presentation

PRESENTATIONS

Arneil Johnston

South East Scotland HNDA Partnership Engagement Event HNDA3 Analysis & Calculation Validation

Presented to:
SES Housing Market Partners and Stakeholders

Date: 26th October 2021/28th October 2021

Presented by:
Donna Milton, Managing Director
Gillian Houston, Director of Finance Consultancy
Elaine Byrne, Director of Housing Consultancy

www.arneil-johnston.co.uk

NPF4: Minimum All Tenure Housing Land Requirement

HNDA Stakeholder Engagement Event

Welcome to the South East Scotland Housing Market Partnership Stakeholder Engagement Event on HNDA3 Calculations

- SES HNDA3 partnership programme agreed June 2020, commenced in August 2020
- Important opportunity to assess evidence that will inform housing strategy and land use planning assumptions across the South East Scotland area
- HNDAs must be informed by meaningful engagement with local stakeholders to assess the evidence underpinning planning assumptions
- Crucial in ensuring there is generous capacity to meet housing need in the short, medium and longer term

The purpose of today's event is to:

to consult and obtain feedback on the process and draft outputs of SES HNDA3 calculation inform the final evidence submitted to the Scottish Government

with a particular focus on projected housing estimates

Arneil Johnston

SES HMP Partnership HNDA Stakeholder Engagement Event

Comfort break
11.20 – 11.40

Introduction	HNDA briefing	Partner Breakout Briefing	Partner Breakout continued	Next Steps
10.00 – 10.20	10.20 – 10.50	10.50 – 11.20	11.40 – 12.25	12.25 – 12.30
Background to SES HNDA3 process: legislation & context HNDA Evidence base	• HNDA evidence • SG methodology & toolkit • HNDA scenarios	• HNDA inputs & assumptions • Scenarios: 20-year profile	• HNDA outcomes • Local policy considerations	Timescales Links to SES LHS & LDPs Close of conference

Arneil Johnston

Briefing session: Background to the South East Scotland HNDA study

Background to SES HNDA3 process

HNDA contextual evidence and insights

South East Scotland Housing Market Partnership

Housing Need & Demand Assessment Overview

Housing Need & Demand Assessments are designed to give broad, long-run estimates of what future housing need might be, rather than precision estimates. They provide an evidence-base to inform housing policy decisions in Local Housing Strategy (LHS) and land allocation decisions in Development Plans.

The previous Housing Need & Demand Assessment for the South East Scotland Region was produced by the SESplan Strategic Development Plan Authority. The Planning (Scotland) Act 2019 removed the requirement for strategic development plans and the associated authorities. Local authorities may now choose to work together in regional partnerships to assess housing need and demand across functional housing market areas.

Six local authority partners from across the South East region have come together to produce the HNDA3

The South East Scotland Housing Market Partnership is made up by the following partners

An HNDA estimates the future number of additional housing units to meet existing and future housing need and demand in a housing market area

It also captures contextual information on the operation of the housing system to assist partners to develop policies on new housing supply, the management of existing stock and the provision of housing related services.

This contextual information includes an analysis of demographic, affordability and wider economic trends which are key drivers of local housing markets.

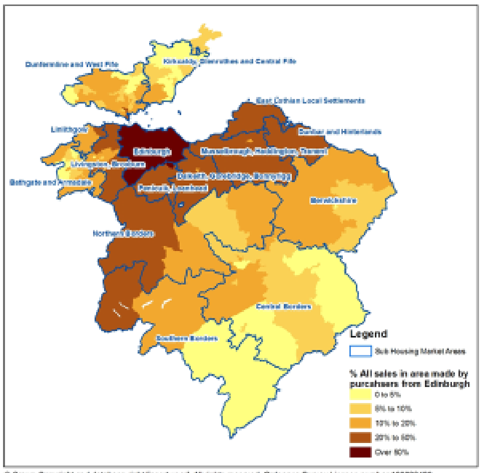
This analysis helps partners to understand local housing market dynamics and make evidence-based choices on meeting housing need and demand

SES Housing Market Partnership

Housing Market Area Definition

- The whole of the South East Scotland Region is operating as a functional Housing Market Area centred on the City of Edinburgh
- There are sub-market areas operating within the wider HMA but significant house sales in each sub-area are made to purchasers from Edinburgh
- Edinburgh's influence is lower in sub areas further from the City

Edinburgh's mobile demand



South-East Scotland Housing Market Partnership

Demographic Profile: Household change

In 2018, there were an estimated 586,000 households living in South East Scotland, an increase of 7.7% since 2008

Household growth was highest in Midlothian at 15.7%, with the lowest growth in Fife (West & Central) at 5.6%

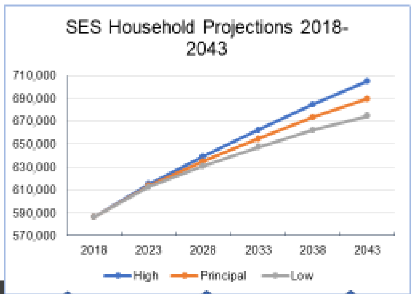
	2008	2018	Change %
City of Edinburgh	219,085	235,771	7.60%
East Lothian	41,783	45,975	10.00%
Fife (West & Central)	125,791	132,894	5.60%
Midlothian	33,819	39,122	15.70%
Scottish Borders	51,436	54,413	5.80%
West Lothian	72,326	77,953	7.80%
South East Scotland	544,240	586,128	7.70%

Between 2018 and 2043 the average household size across South East Scotland is projected to decrease from 2.17 (2018) to 2.03 in (2043).

In South East Scotland, one adult households are projected to increase by 25% and two adult households by 20%, 2018 to 2043. Midlothian has the largest increase in all households types by 38% and Fife (West and Central) the lowest at 6%.

In September 2020, the NRS published household projections for every local authority in Scotland, based on the 2018 population estimates. The projections include a principal scenario and variants based on alternative assumptions about migration trends (high and low).

The scenarios (principal, high and low migration) project percentage increases in the number of households living in South East Scotland will be above that of Scotland (10%) over the 25 year period.



Over the next 25 years, principal household scenarios project:

- 38% growth in Midlothian
- 24% growth in East Lothian
- 21% growth in City of Edinburgh
- 21% growth in West Lothian
- 7% growth in Scottish Borders
- 6% growth in Fife (West and Central)

High +20%

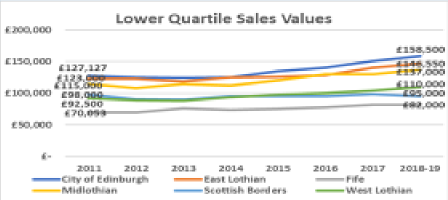
Principal +18%

Low +15%

South-East Scotland Housing Market Partnership

Housing Market Profile

House prices have grown steadily in South-East Scotland between 2008 and 2018 on average by 12%. Housing price inflation has been relatively strong at regional level since 2013 with high growth in the last 5 years.



Lower quartile house prices vary significantly across the region from £158,500 in the City of Edinburgh to £82k in Fife

	2011/12	2018/19	% change
City of Edinburgh	£ 127,127	£ 158,500	25%
East Lothian	£ 123,000	£ 146,550	19%
Fife (West & Central)*	£ 70,053	£ 82,000	17%
Midlothian	£ 115,000	£ 137,000	19%
Scottish Borders	£ 98,000	£ 95,000	-3%
West Lothian	£ 92,500	£ 110,000	19%

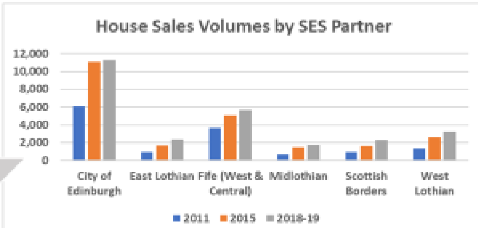
House sale volumes 2011-2019 by SES Partner Area

SES Partner Area	2011/12	2018/19	% increase
City of Edinburgh	6114	11297	85%
East Lothian	930	2363	154%
Fife (West & Central)*	3683	5654	54%
Midlothian	643	1777	176%
Scottish Borders	992	2265	128%
West Lothian	1331	3207	141%
South East Scotland	13693	26563	94%

Source: ROS Land Value Monthly Data Extracts

Following recovery from the housing market crash in 2012, there has been a 94% increase market activity rates, with sales increasing by 176% over the last 7 years in Midlothian

Market affordability analysis reveals that households must spend 7.37 times the lower quartile income to afford lower quartile house prices, well in excess of the typical 3.9 X multiplier



House Price Affordability	LQ House Price	LQ Income	Multiplier
South-East Scotland	£ 133,000	£ 18,044	7.37

South-East Scotland Housing Market Partnership

Housing Affordability Profile

Area	LA Monthly Rent	RSL Monthly rent	LHA rate	PRS Monthly Rent 2020
City of Edinburgh	£439	£434	£942	£1,100
East Lothian	£299	£465	£942	£1,100
Fife (West & Central)	£328	£426	£515	£655
Midlothian	£330	£454	£942	£797
Scottish Borders	-	£439	£468	£569
West Lothian	£324	£434	£605	£672

The affordability of housing options in the South East Scotland rental market varies substantially by housing tenure:

- Monthly local authority rents range from £299 in East Lothian to £439 in the City of Edinburgh
- RSL rents are on average, 28% higher than local authority rents, with a monthly average at £442
- The Local Housing Allowance rate ranges from an average of £942 in the Lothian area to £468 in Scottish Borders
- Average market rents in South-East Scotland are £816 per month, more than double local authority rents in most areas

Area	% Difference RSL & LA	% Difference PRS & LA	% Difference PRS & LHA
City of Edinburgh	-1%	151%	17%
East Lothian	56%	268%	17%
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Midlothian	38%	142%	-15%
Scottish Borders	-	-	22%
West Lothian	34%	107%	11%

South East Scotland HNDA partners have developed a housing affordability model to test the value of local incomes meet housing costs across a range of housing tenures

The analysis demonstrates the affordability pressures faced by local households:

- Market rents are out of reach for those households on lower incomes
- Only 21% of households can afford market rent in the 'Lothian' Broad Rental Market Area. This adds further pressure to the Social Rented sector
- Almost 52% of households in South East Scotland cannot afford to access home ownership at market entry levels

City of Edinburgh
62% Suitable for Social Rent
18% Suitable for BMR
21% Can afford PRS
34% Can afford Home Ownership

East Lothian
60% Suitable for Social Rent
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40% Can afford Home Ownership

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33% Suitable for Social Rent
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West Lothian
38% Suitable for Social Rent
17% Suitable for BMR
45% Can afford PRS
52% Can afford Home Ownership

South-East Scotland Housing Market Partnership

Economic Profile

Economic Profile headlines

- Economic activity rates (people aged 16-64 years) across South East Scotland are on average 78.1%, ranging from 80.0% in Scottish Borders to 76.2% in Fife (W&C)
- Economic inactivity in South East Scotland accounts for 21.9% of the population aged 16-64 years
- The claimant count rate in South East Scotland for income related benefits is on average 5.0% (below Scotland), peaking at 6.0% in Fife (W&C) and lowest in the City of Edinburgh at 4.6%
- From 2008-18, Gross Added Value grew by 26% across South East Scotland. Over the same period, economic output grew by 63% in Scottish Borders and reduced by 7% in E. Lothian
- Despite this growth, Gross Added Value per head is lower across South East Scotland than across Scotland (£52,549) with East Lothian GVA 27% lower at £38,149

	Edinburgh	East Lothian	Fife	Midlothian	S Borders	West Lothian
GVA per Head	£45,541	£38,149	£44,772	£39,643	£47,529	£47,836
% Difference to Scotland	-13.30%	-27.40%	-14.80%	-24.50%	-9.50%	-8.90%

- In 2020, a net 225 new enterprises were born across South East Scotland, 215 in the City of Edinburgh and 105 in Fife

South East Scotland Enterprise by Industry 2020 (ONS)

15% Human health & social work
6% Construction
10% Education
8% Hospitality & food
16% Retail

Median SE Scotland weekly pay = £595 ranging from £641 in Edinburgh to £521 in Scottish Borders

Weekly pay static across South East Scotland in 2019-20 with the exception of Scottish Borders +4.1% and Edinburgh +3.8%

Arneil Johnston

Breakout session: HNDA3 Methodology and Calculation Briefing and Q&A

Scottish Government methodology
Data inputs and assumptions
Scenarios and outcomes

South-East Scotland Housing Market Partnership

Housing Need & Demand Assessment Overview

Producing an HNDA is the first stage in the housing planning process
HNDA methodology and process is set out in Scottish Government Guidance
Guidance offers a tool and sets out the approach to build the evidence needed to:

Assess the contextual factors that influence housing requirements and delivery **Demographics & economics** **Housing pressures & solutions**	Calculate the number of additional homes that are needed in the SES area over the next 20 years **HNDA Calculation Tool**	Produce long term board housing estimates to inform local decision making **Housing Supply Targets** **Housing land allocations**	HNDA estimates provide evidence to set Housing Supply Targets in Local Housing Strategies Considers local factors but should provide basis for a generous supply of housing land

Housing Need & Demand Assessment Toolkit

How does the HNDA Calculation work?

The Scottish Government provide an HNDA calculation tool prepopulated with data to estimate the number of new homes needed in the area

The HNDA tool works by projecting the number of new households who will require housing across the South East Scotland region by considering existing households who need new homes PLUS new households who will need homes in the next 20 years

Partners can adjust the tool using local evidence of housing need and housing pressures

1 Existing housing need

Households in unsuitable housing or who need a home
- Homeless HH
- Concealed HH
- Overcrowded HH

+

2 New need for housing

Household projections scenarios:
- Formation
- Migration
- Growth

=

3 Future housing estimates

Number of new homes required in South East Scotland over the next 20 years
- SES estimate
- Partner area estimates

South-East Scotland Housing Market Partnership

Housing Need & Demand Assessment Evidence

The HNDA methodology assembles a detailed evidence base of contextual information to inform decision making on developing the HNDA calculation including:

Core Output 1: Housing market drivers

detailed analysis of the key factors which might influence the housing market providing evidence of:
- Demographic projections
- Household migration
- Housing affordability (incomes, rents and house prices)
- Economic outlook

Core Output 2: Housing stock profile

detailed analysis of the key factors which might influence the ability of the existing housing stock to meet housing need:
- Dwelling characteristics – profile, tenure, condition
- Housing stock pressures – occupancy, concealed HHs and turnover
- In situ-solutions – movement, adaptations, improvement, housing management

Core Output 3: Future need & demand

detailed evidence to build evidence to assess future housing requirements:
- Existing need – current housing who need alternative housing
- New need – household formation and migration
- Housing affordability – need for new units by housing tenure

Core Output 4: Specialist housing

detailed analysis of the requirement for specialist forms of provision including :
- Property needs – accessible, adapted, wheelchair & non-permanent housing
- Care & support needs
- Land needs: Gypsy traveller provision, student accommodation

HNDA Validation Stakeholder Engagement

Housing Market Partnership Engagement

- Local authorities must work with their Housing Market Partnerships (HMPs) and encourage stakeholders to engage positively in approving the assumptions which drive HNDA calculations through constructive co-operation
- Partners are required to provide robust evidence of why they seek to use alternative assumptions
- Reasoning **must be** made on the basis of local, regional or national policy drivers and aspirations
- Partnerships must submit robust evidence to support the case

- Planning Act Outcomes for NPF
- Housing to 2040
- Population Strategy
- Historic completions
- Local and regional ambitions to support growth in housing e.g. LHS, City / Growth Deals
- Relevant local evidence e.g. SHIPs, HNDA background material

Housing Need & Demand Assessment Calculation

HNDA Calculation Inputs: Existing need

Scottish Government HNDA Toolkit Initial Existing Need Estimate

4,523

- Homeless Households in Temporary Accommodation
- Households both Concealed and Overcrowded

The calculation of existing housing need estimates the number of social housing needs needed to clear the backlog

Backlog of existing need can be cleared at a local level over a 5 year OR a 10 year period: Local policy decision

South East Scotland HNDA Existing Need Estimate

10,691

Local evidence of current households who need alternative housing

9,036

Homeless households: those in temporary accommodation

727

Concealed & overcrowded households

Source: HNDA Tool estimates for concealed and overcrowded based on the Census (2011) but uprated with SHS/SHCS 2017-2019 household estimates

928

Specialist housing

Source: Own LA Data Sources

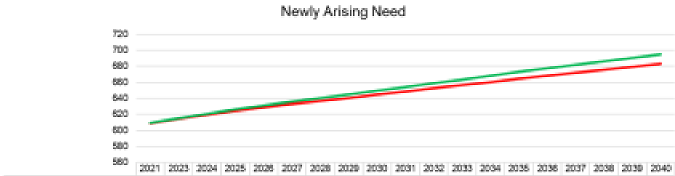
Housing Need & Demand Assessment Calculation

HNDA Calculation Inputs: New Housing Need

Scottish Government HNDA Toolkit New Existing Need Estimate

80,790

- NRS 2018 Based Principal Household Projections
- Projected 13.3% Growth across SES area



	2021	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Default: 2018 Principal	609	614	619	624	629	633	637	641	645	648	653	656	660	664	668	672	676	679	683
Strong Growth Scenario	609	615	621	626	631	636	640	645	650	654	659	663	668	673	677	682	686	691	696

SES Partner HNDA Toolkit New Existing Need Estimate: Principal – Strong Growth

80,790

- NRS 2018 Based Principal Household Projections
- Projected 13.3% Growth across SES area

94,106

- NRS 2018 Based High Migration Household Projections
- Projected 15.6% Growth across SES area

	2020	2040	20 Years Change	Avg. Annual Change	% Change
Default: 2018 Principal	605,376	686,166	80,790	4,040	13.3%
Strong Growth Scenario	605,074	699,180	94,106	4,705	15.6%

Housing Need & Demand Assessment Calculation

South East Scotland – 20 Year HNDA Housing Estimates

1 **Existing housing need** **10,691**

+

2 **New need for housing** **80,790** **94,106**

=

3 **Future housing estimates** **91,481** **104,797**

The SES HNDA Net Housing requirements range from 91,000 to 105,000 over the next 20 years

The strong growth scenario projects a 14% increase in need from the baseline scenario. This results in an additional 660 net housing requirement per annum

Year	Principal	Strong Growth	Difference
2021 - 2025	6,951	6,638	- 312
2026 - 2030	3,957	5,427	1,470
2031 - 2035	3,895	4,630	735
2036 - 2040	3,493	4,263	770
20 Year Total	**91,481**	**104,797**	**13,315**
20 Year per annum	4,574	5,240	666

Housing Need & Demand Assessment Calculation

HNDA Housing Estimates by Partner

Future housing estimates South East Scotland:

- **91,481** Principal projection
- **104,797** Strong Growth projection

City of Edinburgh
48% SES Housing Requirement

- **44,279** Principal projection = 21% household growth
- **52,475** Strong Growth projection = 25% household growth

East Lothian
10% SES Housing Requirement

- **9,506** Principal projection = 24% household growth
- **10,128** Strong Growth projection = 26% household growth

Fife: West/Central
8% SES Housing Requirement

- **7,443** Principal projection = 6% household growth
- **9,288** Strong Growth projection = 7% household growth

Midlothian
14% SES Housing Requirement

- **12,943** Principal projection = 38% household growth
- **13,636** Strong Growth projection = 40% household growth

Scottish Borders
3% SES Housing Requirement

- **3,078** Principal projection = 7% household growth
- **3,827** Strong Growth projection = 8% household growth

West Lothian
16% SES Housing Requirement

- **14,232** Principal projection = 21% household growth
- **15,444** Strong Growth projection = 23% household growth

Housing Need & Demand Assessment Calculation

Creating Housing Estimates by Tenure

1. Existing housing need: **10,691**

+

2. New need for housing: **80,790** / **94,106**

=

3. Future housing estimates: **91,481** / **104,797**

The Scottish Government HNDA calculation tool takes total future housing estimates and assesses the requirement for new housing across the following housing tenures:

- Market housing
- Market rents
- Mid market rents
- Social rents

This split by tenures is determined by analysis of local housing affordability using the following assumptions:

Market Housing Affordability
Households with lower quartile incomes can afford lower quartile house prices when a 3.9 X's mortgage multiplier is applied

Those who cannot afford to purchase a home are split into the following tenures based on their ability to afford:

Market Rent (PRS) Affordability
Households who spend less than 25% of their income on market rents can afford to live in the private rented sector

Mid Market Housing Affordability
Households who spend between 25%-35% of their income on rents could afford to live in the mid-market rented sector

Social Housing Affordability
Households who spend more than 35% of their income on rents could only afford to live in the social housing sector

Housing Need & Demand Assessment Calculation

SES Housing Estimates by Tenure

SES future housing estimates

91,481
104,797

Principle projection	Housing estimate	% of Total
Buyers	25,567	28%
PRS	13,849	15%
Below market	16,814	18%
Social rent	35,251	39%
	91,481	100%

Strong Growth projection	Housing estimate	% of Total
Buyers	30,238	29%
PRS	10,814	10%
Below market	19,482	19%
Social rent	44,263	42%
	104,797	100%

Strong Growth Scenario: Housing Estimates by Tenure

29% — **Market Housing Affordability**
Households with lower quartile incomes can afford lower quartile house prices when a 3.9 X's mortgage multiplier is applied
= 30,238 new Market Homes

Those who cannot afford to purchase a home are split into the following tenures based on their ability to afford:

10% — **Market Rent (PRS) Affordability**
Households who spend less than 25% of their income on market rents can afford to live in the private rented sector
= 10,814 new Market Rent Homes

19% — **Mid Market Housing Affordability**
Households who spend between 25%-35% of their income on rents could afford to live in the mid-market rented sector
= 19,482 new Mid Market Homes

42% — **Social Housing Affordability**
Households who spend more than 35% of their income on rents could only afford to live in the social housing sector
= 44,263 new Social Homes

Housing Need & Demand Assessment Calculation

SES Partner Housing Estimates by Partner Area & Tenure

Principal Projection								
Tenure	Market Housing	Market Rents	Mid Market Rents	Social rent	Market Housing	Market Rents	Mid Market Rents	Social rent
City of Edinburgh	24%	14%	20%	43%	10,676	6,015	8,644	18,944
East Lothian	29%	12%	20%	40%	2,755	1,100	1,894	3,757
Fife (West & Central)	32%	19%	14%	35%	2,367	1,417	1,040	2,620
Midlothian	30%	11%	20%	38%	3,923	1,389	2,651	4,980
Scottish Borders	29%	33%	12%	25%	907	1,021	381	770
West Lothian	35%	20%	15%	29%	4,939	2,907	2,204	4,181
South East Scotland	28%	15%	18%	39%	25,567	13,849	16,814	35,251

Strong Growth Projection								
Tenure	Market Housing	Market Rents	Mid Market Rents	Social rent	Market Housing	Market Rents	Mid Market Rents	Social rent
City of Edinburgh	24%	7%	20%	48%	12,846	3,736	10,478	25,414
East Lothian	31%	4%	20%	45%	3,112	417	2,012	4,588
Fife (West & Central)	35%	16%	15%	34%	3,230	1,469	1,412	3,177
Midlothian	30%	8%	20%	42%	4,121	1,081	2,701	5,733
Scottish Borders	34%	33%	11%	22%	1,302	1,251	440	834
West Lothian	36%	19%	16%	29%	5,627	2,860	2,439	4,517
South East Scotland	29%	10%	19%	42%	30,238	10,814	19,482	44,263

Arneil Johnston

Partner breakout session: Briefing & Q&A - HNDA Inputs, Assumptions & Calculations

Validating HNDA assumptions – Existing and future need

Net housing requirements by tenure

Net housing requirements by partner area

Housing Need & Demand Calculation: Validation discussion

Scrutinising the HNDA Calculation – Session 1

The HNDA calculation uses local estimates to measure existing need for new housing

Is this a robust approach to estimating existing need?

The HNDA calculation uses the principal household projection as the starting point to assess the future need for new housing

Is this a robust approach to estimating future need?

Is the high migration a more appropriate estimate?

Do the proposed housing requirements for South East Scotland region provide a sound basis for setting Housing Supply Targets

If yes, why is this the case?

If not, why not?

Housing Need & Demand Calculation: Validation discussion

Scrutinising the HNDA Calculation – Session 2

Do the proposed housing requirements for South East Scotland region **by tenure** provide a sound basis for setting Housing Supply Targets

If yes, why is this the case?
If not, why not?

Do the proposed housing requirements for South East Scotland region **by partner area** provide a sound basis for setting Housing Supply Targets

If yes, why is this the case?
If not, why not?

Next steps: Finalising HNDA3

30th November 2021
Draft South East Scotland HNDA3 ready for sign-off by LAs

1

Next Steps 1
- Analyse feedback from workshops and other consultation methods

2

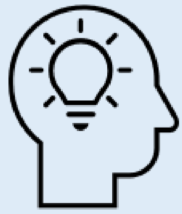
Next Steps 2
- Adjust relevant sections and collate into the final draft HNDA3

3

Next Steps 3
- Heads of Housing and Planning sign off HNDA3 for submission to CHMA

Interactive Activity

Closing thoughts



1 key recommendation….

What is the one recommendation you would make in using HNDA3 evidence as the basis for future policy decisions on housing supply and land use planning in South East Scotland?

Following today's scrutiny and debate of emerging HNDA3 housing system evidence and housing estimates…

Arneil Johnston

Sincere thanks for your participation in today's South East Scotland HNDA3 Stakeholder Engagement Event

All materials will be circulated following today's workshop

PRESENTATIONS

Appendix 3: Workshop 2 Event Presentation

Arneil Johnston

South East Scotland HNDA Partnership Engagement Event
Core Output 3 Consultation – Specialist Housing

Presented to:
SES Housing Market Partnerships:

Date: 27th October 2021

Presented by:
Donna Milton, Managing Director
Gillian Houston, Director of Finance Consultancy
Elaine Byrne, Director of Housing Consultancy

www.arneil-johnston.co.uk

South-East Scotland Housing Market Partnership

HNDA Stakeholder Engagement Event

Welcome to the South East Scotland Housing Market Partnership Stakeholder Engagement Event on Specialist Housing

- SES HNDA3 partnership programme agreed June 2020 commenced in August 2020
- Important opportunity to assess housing strategy and land use planning assumptions across the South East Scotland area
- HNDAs must be informed by meaningful engagement with local stakeholders to assess the evidence underpinning planning assumptions
- Crucial in ensuring there is generous capacity to meet housing need in the short, medium and longer term

The purpose of today's event is to:

to consult and obtain feedback on the process and draft outputs of South East Scotland HNDA3 to inform the final evidence submitted to the Scottish Government

with a particular focus on specialist housing requirements

Arneil Johnston

SES HMP Partnership HNDA Stakeholder Engagement Event

Comfort break 11.20 – 11.40

Introduction	HNDA Specialist Housing Briefing	Partner Breakout Briefing	Partner Breakout continued	Next Steps
10.00 – 10.20	10.20 – 10.50	10.50 – 11.20	11.40 – 12.25	12.25 – 12.30
Background to SES HNDA3 process: legislation & context HNDA evidence and insights	Specialist housing analysis - methodology Specialist housing requirements: Key findings	Specialist housing requirements - Validating the Main Issues	Accessible & wheelchair housing targets Housing for older people Independence at Home	Timescales Links to SES LHS & LDPs Close of conference

Arneil Johnston

Briefing session: Background to the South East Scotland HNDA study

Housing Need & Demand Assessment methodology

HNDA3 Evidence and insights

APPENDIX 3B

South East Scotland Housing Market Partnership

Housing Need & Demand Assessment Overview

Housing Need & Demand Assessments are designed to give broad, long-run estimates of what future housing need might be, rather than precision estimates. They provide an evidence-base to inform housing policy decisions in Local Housing Strategy (LHS) and land allocation decisions in Development Plans.

The previous Housing Need & Demand Assessment for the South East Scotland Region was produced by the SESplan Strategic Development Plan Authority. The Planning (Scotland) Act 2019 removed the requirement for strategic development plans and the associated authorities. Local authorities may now choose to work together in regional partnerships to assess housing need and demand across functional housing market areas.

Six local authority partners from across the South East region have come together to produce the HNDA3

The South East Scotland Housing Market Partnership is made up by the following partners

An HNDA estimates the future number of additional housing units to meet existing and future housing need and demand in a housing market area

It also captures contextual information on the operation of the housing system to assist partners to develop policies on new housing supply, the management of existing stock and the provision of housing related services.

This contextual information includes an analysis of demographic, affordability and wider economic trends which are key drivers of local housing markets.

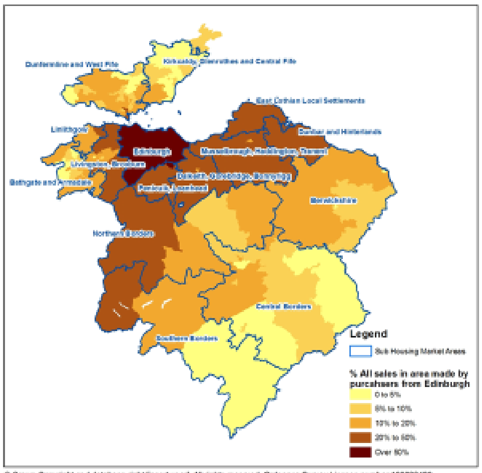
This analysis helps partners to understand local housing market dynamics and make evidence-based choices on meeting housing need and demand

SES Housing Market Partnership

Housing Market Area Definition

- The whole of the South East Scotland Region is operating as a functional Housing Market Area centred on the City of Edinburgh
- There are sub-market areas operating within the wider HMA but significant house sales in each sub-area are made to purchasers from Edinburgh
- Edinburgh's influence is lower in sub areas further from the City

Edinburgh's mobile demand



APPENDIX 3B

South-East Scotland Housing Market Partnership

Demographic Profile: Household change

In 2018, there were an estimated 586,000 households living in South East Scotland, an increase of 7.7% since 2008

Household growth was highest in Midlothian at 15.7%, with the lowest growth in Fife (West & Central) at 5.6%

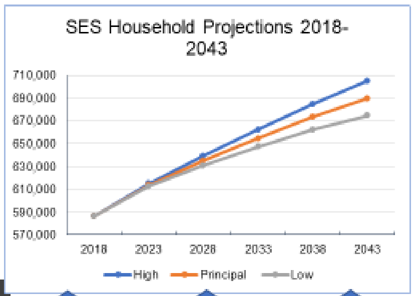
	2008	2018	Change %
City of Edinburgh	219,085	235,771	7.60%
East Lothian	41,783	45,975	10.00%
Fife (West & Central)	125,791	132,894	5.60%
Midlothian	33,819	39,122	15.70%
Scottish Borders	51,436	54,413	5.80%
West Lothian	72,326	77,953	7.80%
South East Scotland	544,240	586,128	7.70%

Between 2018 and 2043 the average household size across South East Scotland is projected to decrease from 2.17 (2018) to 2.03 in (2043).

In South East Scotland, one adult households are projected to increase by 25% and two adult households by 20%, 2018 to 2043. Midlothian has the largest increase in all households types by 38% and Fife (West and Central) the lowest at 6%.

In September 2020, the NRS published household projections for every local authority in Scotland, based on the 2018 population estimates. The projections include a principal scenario and variants based on alternative assumptions about migration trends (high and low).

The scenarios (principal, high and low migration) project percentage increases in the number of households living in South East Scotland will be above that of Scotland (10%) over the 25 year period.



Over the next 25 years, principal household scenarios project:

- 38% growth in Midlothian
- 24% growth in East Lothian
- 21% growth in City of Edinburgh
- 21% growth in West Lothian
- 7% growth in Scottish Borders
- 6% growth in Fife (West and Central)

High +20%

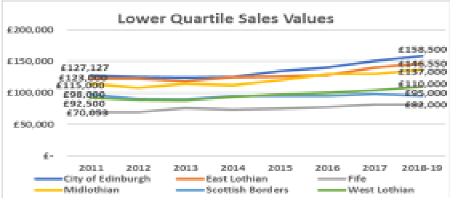
Principal +18%

Low +15%

South-East Scotland Housing Market Partnership

Housing Market Profile

House prices have grown steadily in South-East Scotland between 2008 and 2018 on average by 12%. Housing price inflation has been relatively strong at regional level since 2013 with high growth in the last 5 years.



Lower quartile house prices vary significantly across the region from £158,500 in the City of Edinburgh to £82k in Fife

	2011/12	2018/19	% change
City of Edinburgh	£ 127,127	£ 158,500	25%
East Lothian	£ 123,000	£ 146,550	19%
Fife (West & Central)*	£ 70,053	£ 82,000	17%
Midlothian	£ 115,000	£ 137,000	19%
Scottish Borders	£ 98,000	£ 95,000	-3%
West Lothian	£ 92,500	£ 110,000	19%

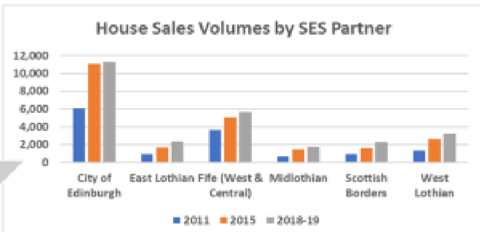
House sale volumes 2011-2019 by SES Partner Area

SES Partner Area	2011/12	2018/19	% increase
City of Edinburgh	6114	11297	85%
East Lothian	930	2363	154%
Fife (West & Central)*	3683	5654	54%
Midlothian	643	1777	176%
Scottish Borders	992	2265	128%
West Lothian	1331	3207	141%
South East Scotland	13693	26563	94%

Source: ROS Land Value Monthly Data Extracts

Following recovery from the housing market crash in 2012, there has been a 94% increase market activity rates, with sales increasing by 176% over the last 7 years in Midlothian

Market affordability analysis reveals that households must spend 7.37 times the lower quartile income to afford lower quartile house prices, well in excess of the typical 3.9 X multiplier



House Price Affordability	LQ House Price	LQ Income	Multiplier
South-East Scotland	£ 133,000	£ 18,044	7.37

South-East Scotland Housing Market Partnership

Housing Affordability Profile

Area	LA Monthly Rent	RSL Monthly rent	LHA rate	PRS Monthly Rent 2020
City of Edinburgh	£439	£434	£942	£1,100
East Lothian	£299	£465	£942	£1,100
Fife (West & Central)	£328	£426	£515	£655
Midlothian	£330	£454	£942	£797
Scottish Borders	-	£439	£468	£569
West Lothian	£324	£434	£605	£672

The affordability of housing options in the South East Scotland rental market varies substantially by housing tenure:

- Monthly local authority rents range from £299 in East Lothian to £439 in the City of Edinburgh
- RSL rents are on average, 28% higher than local authority rents, with a monthly average at £442
- The Local Housing Allowance rate ranges from an average of £942 in the Lothian area to £468 in Scottish Borders
- Average market rents in South-East Scotland are £816 per month, more than double local authority rents in most areas

Area	% Difference RSL & LA	% Difference PRS & LA	% Difference PRS & LHA
City of Edinburgh	-1%	151%	17%
East Lothian	56%	268%	17%
Fife (West & Central)	30%	100%	27%
Midlothian	38%	142%	-15%
Scottish Borders	-	-	22%
West Lothian	34%	107%	11%

South East Scotland HNDA partners have developed a housing affordability model to test the value of local incomes meet housing costs across a range of housing tenures

The analysis demonstrates the affordability pressures faced by local households:

- Market rents are out of reach for those households on lower incomes
- Only 21% of households can afford market rent in the 'Lothian' Broad Rental Market Area. This adds further pressure to the Social Rented sector
- Almost 52% of households in South East Scotland cannot afford to access home ownership at market entry levels

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South-East Scotland Housing Market Partnership

Economic Profile

Economic Profile headlines

- Economic activity rates (people aged 16-64 years) across South East Scotland are on average 78.1%, ranging from 80.0% in Scottish Borders to 76.2% in Fife (W&C)
- Economic inactivity in South East Scotland accounts for 21.9% of the population aged 16-64 years
- The claimant count rate in South East Scotland for income related benefits is on average 5.0% (below Scotland), peaking at 6.0% in Fife (W&C) and lowest in the City of Edinburgh at 4.6%
- From 2008-18, Gross Added Value grew by 26% across South East Scotland. Over the same period, economic output grew by 63% in Scottish Borders and reduced by 7% in E. Lothian
- Despite this growth, Gross Added Value per head is lower across South East Scotland than across Scotland (£52,549) with East Lothian GVA 27% lower at £38,149

	Edinburgh	East Lothian	Fife	Midlothian	S Borders	West Lothian
GVA per Head	£45,541	£38,149	£44,772	£39,643	£47,529	£47,836
% Difference to Scotland	-13.30%	-27.40%	-14.80%	-24.50%	-9.50%	-8.90%

- In 2020, a net 225 new enterprises were born across South East Scotland, 215 in the City of Edinburgh and 105 in Fife

South East Scotland Enterprise by Industry 2020 (ONS)

15% Human health & social work

6% Construction

10% Education

8% Hospitality & food

16% Retail

Median SE Scotland weekly pay = £595 ranging from £641 in Edinburgh to £521 in Scottish Borders

Weekly pay static across South East Scotland in 2019-20 with the exception of Scottish Borders +4.1% and Edinburgh +3.8%

Housing Need & Demand Assessment Calculation

South East Scotland – 20 Year HNDA Housing Estimates

1 **Existing housing need** **10,691**

\+ 2 **New need for housing** **80,790** **94,106**

= 3 **Future housing estimates** **91,481** **104,797**

The SES HNDA Net Housing requirements range from 91,000 to 105,000 over the next 20 years

The strong growth scenario projects a 14% increase in need from the baseline scenario. This results in an additional 660 net housing requirement per annum

Year	Principal	Strong Growth	Difference
2021 - 2025	6,951	6,638	- 312
2026 - 2030	3,957	5,427	1,470
2031 - 2035	3,895	4,630	735
2036 - 2040	3,493	4,263	770
20 Year Total	**91,481**	**104,797**	**13,315**
20 Year per annum	4,574	5,240	666

Housing Need & Demand Assessment Calculation

20 Year HNDA Housing Estimates by Partner

Future housing estimates South East Scotland:

91,481 Principal projection

104,797 Strong Growth projection

City of Edinburgh
48% SES Housing Requirement

44,279 Principal projection = 21% household growth

52,475 Strong Growth projection = 25% household growth

East Lothian
10% SES Housing Requirement

9,506 Principal projection = 24% household growth

10,128 Strong Growth projection = 26% household growth

Fife: West/Central
8% SES Housing Requirement

7,443 Principal projection = 6% household growth

9,288 Strong Growth projection = 7% household growth

Midlothian
14% SES Housing Requirement

12,943 Principal projection = 38% household growth

13,636 Strong Growth projection = 40% household growth

Scottish Borders
3% SES Housing Requirement

3,078 Principal projection = 7% household growth

3,827 Strong Growth projection = 8% household growth

West Lothian
16% SES Housing Requirement

14,232 Principal projection = 21% household growth

15,444 Strong Growth projection = 23% household growth

Arneil Johnston

Partner breakout session: Briefing & Q&A – Specialist Housing Analysis & Outcomes

SES partner: Headline findings/key issues for LHS/LDP planning

SES partner: Gaps in insight and intelligence

South-East Scotland Housing Market Partnership

Housing Need & Demand Assessment Evidence

The HNDA methodology assembles a detailed evidence base of contextual information to inform decision making on developing the HNDA calculation including:

Housing market drivers

detailed analysis of the key factors which might influence the housing market providing evidence of:

- Demographic projections
- Household migration
- Housing affordability (incomes, rents and house prices)
- Economic outlook

Housing stock profile

detailed analysis of the key factors which might influence the ability of the existing housing stock to meet housing need:

- Dwelling characteristics – profile, tenure, condition
- Housing stock pressures – occupancy, concealed HHs and turnover
- In situ-solutions – movement, adaptations, improvement, housing management

Future need & demand

detailed evidence to build evidence to assess future housing requirements:

- Existing need – current housing who need alternative housing
- New need – household formation and migration
- **Housing affordability – need for new units by housing tenure**

Specialist housing

detailed analysis of the requirement for specialist forms of provision including :

- **Property needs – accessible, adapted, wheelchair & non-permanent housing**
- **Care & support needs**
- **Land needs: Gypsy traveller provision, student accommodation**

South-East Scotland Housing Market Partnership

HNDA Specialist Housing Analysis

HNDA Core Output 3: Specialist Housing Provision

- Identifies the contribution of Specialist Housing provision in enabling people to live well, with dignity and independently for as long as possible
- Identifies any gaps/shortfalls in that provision and the future level and type of provision required
- Considers evidence regarding property needs, care and support needs and locational/land needs
- Undertakes consultation with stakeholders involved in the planning, commissioning and delivery of specialist housing and related services
- Reports on the findings of stakeholder consultation
- Gives due consideration to the provisions of the Equality Act (2010)

Secondary data analysis: national and local data sources

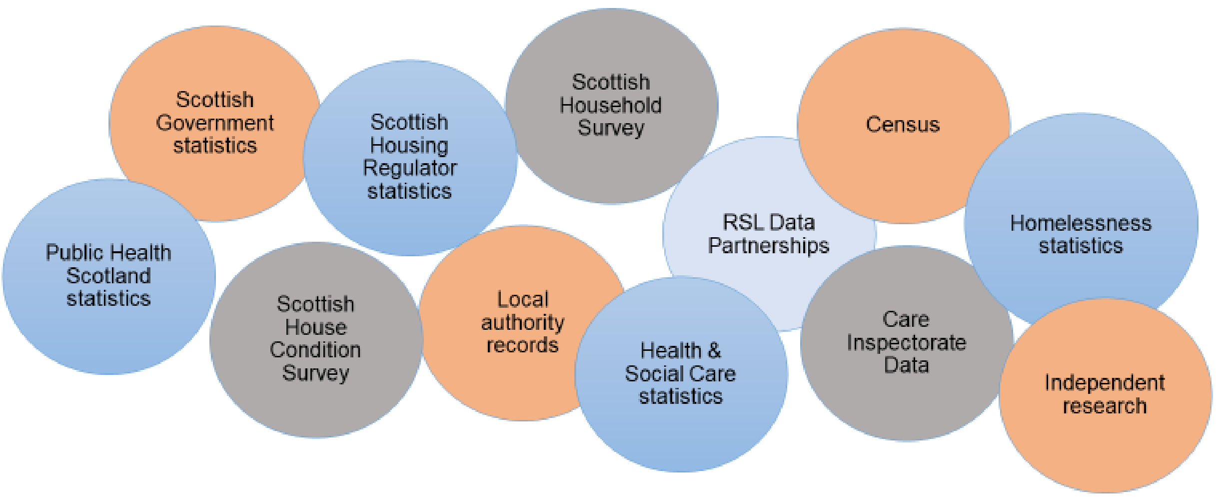
Primary data through independent research

Key specialist housing requirements assessed include:

- Wheelchair & accessible housing requirements
- Temporary & short stay accommodation requirements
- Supported accommodation requirements
- Care & support requirements to enable independent living
- Gypsy/travellers accommodation requirements

South-East Scotland Housing Market Partnership

HNDA Specialist Housing Analysis: Key Data Sources



South East Scotland Housing Market Partnership

Specialist Housing: Data gaps and limitations

Accessible & wheelchair housing

- National data sources limited for smaller local authorities, especially within the private housing sector due to sample sizes being too small e.g. Scottish House Condition Survey
- No known data-sources/records of private sector properties that have been specifically designed or adapted
- Choice-based letting systems lack data collection mechanisms which give concrete data on need for specialist housing
- Lack of universal formal definitions for accessible and adapted housing across local authority data systems

Care & support for independent living

- There is a lack of cross-sector data between housing and H&SCPs. The majority of data is held by H&SCP and omits data concerning housing tenure, property type, etc.
- Data recorded on ISD Social Care Scotland has significant inconsistencies between local authority areas
- The nature of Self Directed Support results in a lack of information on the type of support than is being procured by the individual – there is potential for this data gap to increase.

Permanent housing

- Quantifying the need for specialist provision such as core and cluster accommodation for key client groups is inconsistent across local authorities.
- Recording of new provision such as Extra Care Housing hasn't been established nationally.
- Lack of data (outwith East Lothian) on projections of social care service users

Site provision

- There is no national mechanism for meaningfully collecting the experiences and demographics of Gypsy/in Scotland.
- Where local authorities (West Lothian) have attempted to set up their own monitoring data, it has been considered 'unlawful'.
- Travelling Show people have not been recognised as a distinct identity within data collection exercise, which has led to significant data gaps.

Non-permanent housing

- There is a significant lack of joint data between H&SCP and Housing on non-permanent housing for individuals with care needs i.e. rehabilitation placements for individuals with mental ill health, older people, step down care etc.

Student Accommodation

- City of Edinburgh is the only local authority in SES which is impacted by the requirement for student accommodation due to a combination of the number of universities in the City and wider housing market pressures.
- Student accommodation is a relatively new policy focus, with the Scottish Government carrying out their own research. As a result, little data exists on this topic

South-East Scotland Housing Market Partnership

Health & Disability Profile

Scottish House Condition Survey 2017-19

The proportion of households containing a long term sick or disabled person varies significantly across SES partner areas ranging from 57% in Fife to 28% in the City of Edinburgh. Overall, the average SES proportion (42%) is slightly below the rate for Scotland (44%)

LTSD households in SES are more likely to live in social housing than in other housing tenures

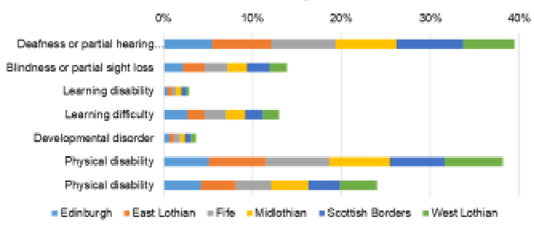
Across South East Scotland, households in social housing are most likely to comprise a LTSD person, ranging from 53% of social housing tenants in Edinburgh to 73% in Fife

27-55% of owner occupied households across SES, comprise a LTSD person

Between 15-51% of households in the PRS, comprise a LTSD member, West Lothian is the highest at 51%.

Household containing one or more long term sick or disabled person

	% of local authority	Owner occupier	Social housing	Private Rented
Scotland	44%	39%	62%	32%
Edinburgh	28%	27%	53%	15%
East Lothian	38%	34%	54%	*
Fife	57%	55%	73%	34%
Midlothian	39%	34%	58%	*
Scottish Borders	43%	37%	58%	*
West Lothian	46%	38%	61%	51%



On average, 8.5% of households in South East Scotland felt 'limited a lot' by a long term health problem or disability compared to 9.6% in Scotland (Census)

Census top 3 long term health conditions or disabilities in SES (average by LA)

- 6.6% Deafness or partial hearing loss
- 6.4% Physical Disability
- 4.0% Mental Health Condition

South-East Scotland Housing Market Partnership

Specialist Provision: Accessible & Wheelchair Housing

20,257

wheelchair and accessible housing units are provided by social landlords in South East Scotland

16% South East Scotland wheelchair & accessible as % all social housing stock

14% Scotland wheelchair & accessible as % all social housing stock

Scottish Borders & Fife (W&C) have proportionately higher levels of self-contained accessible housing (18%). All SES partner areas have levels above that of Scotland

	Wheelchair Housing	Accessible Housing	Total Wheelchair & Accessible	% All Social Housing Stock
City of Edinburgh	532	5,417	5,949	16%
East Lothian	111	1,539	1,650	15%
Fife (West & Central)	306	5,353	5,659	18%
Midlothian	92	1,593	1,685	17%
Scottish Borders	145	1,991	2,136	18%
West Lothian	267	2,911	3,178	15%
South East Scotland	**1,453**	**18,804**	**20,257**	16%
Scotland	6,284	79,575	85,859	14%

SHR ARC Data (March 2019) All social landlord stock by LA

Accessible Housing provided by Social Landlords

16% Of self-contained social housing in South East Scotland offers accessible forms of housing provision

32% of accessible homes provide sheltered and very sheltered housing

10% of accessible RSL stock in SES is wheelchair housing

1% of accessible local authority stock is wheelchair housing

South-East Scotland Housing Market Partnership

Unmet Need for Accessible & Wheelchair Housing

Still Minding the Step (2018): National calculation of wheelchair users with significant housing need

Study highlights the diversity of circumstances of wheelchair users and makes recommendations for a three tier approach to addressing need, including the design and supply of new homes, adaptations and effective allocation of adapted rented housing. The study calculates that:

4.1% Households in Scotland contain a wheelchair user

19% of wheelchair users have an unmet housing need

5,433 South East Scotland estimate of wheelchair users in significant housing need using the Mind the Step calculation methodology

Backlog need for wheelchair housing by SES partner area:

430	**2,225**	**1,161**	**363**	**517**	**737**
East Lothian	City of Edinburgh	West/ Central Fife	Midlothian	Scottish Borders	West Lothian

Local estimates of wheelchair housing requirements

Wheelchair Accessible Housing in the Scottish Borders (January 2020)

Key findings:

- Estimated backlog of 220 households who have unmet need for wheelchair housing
- A further 450 mobility limited households may also require adaptations to their home to make it more suitable
- Scenario modelling suggests from 2028, 24-30 wheelchair accessible homes could be required across the Scottish Borders

There are no 'ready to live in' homes available for disabled owner occupiers to move into. We cannot move unless we pay two mortgages and live in our existing home whilst adapting our new home.

We have already had to do this twice in the last 32 years and it's not an option now. House builders should be building accessible housing which can be 'lived in' by all members of society.

Survey Respondent, East Lothian
Wheelchair & Specialist Housing Strategic Need Assessment (2021)

South-East Scotland Housing Market Partnership

Non-Permanent Housing

1 Temporary Accommodation for Homeless Households

4,327 **Households in temporary accommodation in South East Scotland at 31st March 2021, representing 33% of all temporary accommodation in Scotland**

53% accommodated in dispersed housing in communities

14% accommodated in Bed & Breakfast accommodation

2,630 children in temporary accommodation in South East Scotland on 31st March 2021

Homeless households in South East Scotland spent an average 298 days in temporary accommodation in 2020-21

128 flats designated as Refuge Accommodation for households fleeing domestic abuse in South East Scotland

- 40% in City of Edinburgh
- 30% in Fife (West & Central)
- 13% in West Lothian
- 8% in Midlothian
- 8% in East Lothian
- 2% in Scottish Borders

RRTPs seek to support people into settled accommodation as quickly as possible and to ensure temporary accommodation meets the needs of households where it is required. Covid-19 has increased pressures on temporary accommodation

2 Respite / Short Stay

There has been an overall increase in short stay / respite care places for older people in South East Scotland (297 in 2019), particularly in Fife (West & Central), West Lothian & Scottish Borders. The numbers have reduced in the City Of Edinburgh, East Lothian & Midlothian.

	2009	2013	2016	2019
Edinburgh	90	53	68	71
East Lothian	19	23	10	10
Fife (West & Central)	45	64	64	132
Midlothian	25	12	6	15
Scottish Borders	30	48	30	35
West Lothian	13	43	40	34
SE Scotland	222	243	218	297

A movement away from the use of care homes in some LAs for short-stay & respite will require alternative forms of accommodation

Shared Lives is becoming an option for short-stay and respite care, where the individual stays with a host family that provides a therapeutic and homely environment for the individual.

South-East Scotland Housing Market Partnership

Permanent (Supported) Housing

Care Home provision in South East Scotland

Number of Care homes reduced by 34% across SES between (2009-2019) which is greater than the reduction across Scotland (22%)

6,646 households were living in care homes across SES in 2019, with average occupancy levels at 86%

209 Care Homes across South East Scotland

7,790 Registered places: long & short stay plus respite

Population of 75+ households in South East Scotland is projected to grow by 81.6% by 2043. Innovative solutions are required to enable older households to 'Age in Place'.

105.8% increase in 75+ age group in West Lothian between 2018-2043

70% increase in 75+ age group in Scottish Borders by 2043

Housing for Older People

10,762 units of social housing for specifically designated for older people including sheltered, very sheltered and amenity housing

	Sheltered Housing	Very Sheltered Housing	Medium Dependency	Total	% All social Housing Stock
Edinburgh	3,370	35	1,275	4,680	12%
East Lothian	302	7	833	1,142	10%
Fife (West & Central)	1,010	294	365	1,669	5%
Midlothian	170	100	261	531	5%
Scottish Borders	506	86	1,080	1,672	14%
West Lothian	310	215	543	1,068	5%
South East Scotland	5,668	737	4,357	10,762	9%

SHR ARC Data (March 2019) Stock by provision type and local authority area

9%
- of South East Scotland's social housing stock is designated for older people
- this ranges from 5% in Midlothian to 14% in Scottish Borders

The 65+ population in South East Scotland is expected to increase by almost 31.2% by 2043, compared to 23.2% in Scotland. These projections will necessitate specialist housing options that enable older people in SES to live independently and well.

Specialist Provision – Social Care Client Groups

1,039 specialist tenancies for individuals supported by Health & Social Care Partnerships in SES

928 **Expressed need for specialist provision in South East Scotland**

- Edinburgh = 200 units
- East Lothian = 74
- Fife (West & Central) = 263 units
- Midlothian = 288 units
- Scottish Borders = 103 units
- West Lothian = 16 units

People with Learning Disabilities and/or autism account for the highest proportion of those requiring specialist housing, followed by those with severe mental illness.

Research by Public Health Scotland suggests that across Scotland, older adults are proportionally the largest and fastest growing group in the learning disabled population, and that there will be a projected 164% increase in the number of people with learning disabilities aged 80 and over using social care services by 2030.

South-East Scotland Housing Market Partnership

Care & Support for Independent Living

15.3% of the population in South East Scotland receive care or support services (Scotland = 7%). This rate is more than double in City of Edinburgh (36%) (Insights into Social Care: Statistics for Scotland 2018/19)

Of the 66,581 individuals receiving care or support services in South East Scotland, **30.5%** have a learning disability, and **19.7%** have dementia

The top 3 social care services which enable independent living in South East Scotland are:

47%	28%	19%
Community Alarm or Telecare	Social or support worker	Home Care

11,212
Individuals opted for Self-Directed Support in South East Scotland

22.3%
of the population in South East Scotland provide unpaid care

An estimated 4,400 people receive housing support in South East Scotland

38% of housing support delivered in South East Scotland is in the City of Edinburgh

Homelessness & Housing Support Needs

In 2018, local authorities provided an analysis of the support needs of homeless households to inform the development of rapid rehousing transition plans. This analysis concluded that

65%	24%	10%
Low/no support needs in SES	Medium Support Needs in SES	SMD/Complex Needs in SES

Of 6,667 households assessed as or threatened with homeless on 31st March 2021, 2,889 (43%) had at least one support requirement.

Housing First

Housing First provides intensive wrap-around support alongside permanent housing to individuals with complex support needs as a first response to homelessness. Three local authorities in South East Scotland have specific targets for scaling up Housing First as a model of supported housing as well as pathfinder pilots

45	375	30	275
in East Lothian by 2024	in Fife by 2024	in Scottish Borders 2024	Pathfinder target in CEC

South-East Scotland Housing Market Partnership

Gypsy/Traveller & Travelling Showpeople: Site Provision

Accommodation Needs of Gypsy/Travellers and Travelling Showpeople in the SES Area (2018)

An estimated population of **866** Gypsy/Travellers live in SES area. Accounts for **20%** of the resident population Scotland.

Of those in SES area, **45%** live in City of Edinburgh, and **29%** in Fife (West & Central).

68
Active pitches across public sites in SES
44% Fife (West & Central)
West Lothian do not provide public sites.

6
known private sites in South East Scotland

78%
Occupancy rate across South East Scotland

12%
Gypsy/Travellers population identified as carers in SES. 43% of which delivering 50+ hours care per week.

Travelling Show People

There has been little focus on Travelling Showpeople as a distinct group in Scotland. However, the 2021 Scottish Census will, for the first time, include "Travelling Showman" and "Travelling Show-woman" as a distinct identity, separate from Gypsy/Travellers.

Gypsy/Travellers and Travelling Showpeople, the differences in their culture and day-to-day lives means that it is important that local authorities assess the needs of Travelling Showpeople on their own. However, due to the fact that they haven't been identified as a distinct group separate to that of Gypsy/Travellers, up to date local research is scant. This is an area in which all local authorities will require to be improved in the next round of Local Housing Strategies.

Due to the lack of information on Travelling Showpeople the full number of sites is uncertain. Edinburgh has one private site, as does West Lothian. Anecdotal evidence suggests that there are two privately owned sites in the Scottish Borders which are relatively small and for the owners only.

1	2	1	4
City of Edinburgh	Scottish Borders	West Lothian	Known sites in SES

	Current Waiting List for Pitches	Time on List		Turned away in the last year
		<12 months	>12 months	
City of Edinburgh	15	7	0	0
East Lothian & Midlothian	0	0	0	1
Fife (West & Central)	2	1	1	0
Scottish Borders	3	3	0	3
South East Scotland	20	11	1	4
Scotland	90	44	46	9

South East Scotland Housing Market Partnership

HNDA Core Output 4: Specialist Housing Key Issues

Health & Disability Profile

The proportion of households containing a long term sick or disabled person varies significantly across SES partner areas ranging from 57% in Fife to 28% in the City of Edinburgh. Overall, the average SES proportion (42%) is slightly below the rate for Scotland (44%).

Across South East Scotland, households in social housing are most likely to contain a LTSD person, ranging from 53% of social housing tenants in Edinburgh to 73% in Fife.

6.4% of households in South East Scotland have a physical disability

Accessible & wheelchair housing

There are 20,257 of wheelchair and accessible housing units provided by social landlords in South East Scotland, 16% of all social housing stock in the area. 7% of these homes provide wheelchair housing (roughly 6,000 homes).

Using the Mind the Step methodology, it is estimated that almost 5.5k wheelchair users are in significant housing need in South East Scotland. Future requirements are likely to be substantial with the number of wheelchair users projected to rise by around 80% by 2024.

Demographic change will also necessitate an increase in accessible homes in South East Scotland.

Non-permanent housing

There are just over 4,000 homeless households in temporary accommodation across the South East Scotland area, awaiting access to a permanent settled home. Covid-19 has increased pressures on temporary accommodation despite the delivery of the rapid rehousing model to transform temporary accommodation provision.

There has been an overall increase in respite care places for older people in South East Scotland (circa 300 places in 2019) Movement away from Care Homes provision will require alternative forms of short stay and respite care for older households.

Permanent Supported Housing

In 2019, roughly 6,500 households were living in care homes across South East Scotland with average occupancy levels at 86%.Given the project 80% increase in the 75+ population, innovative solutions are required to enable older households to 'Age in Place'

There are roughly 10.5k units of social housing for specifically for older people in South East Scotland, 9% of all social housing units

There are roughly 1,000 specialist tenancies for individuals supported by Health & Social Care Partnerships in SES. Expressed need would suggest that the scale of specialist tenancies needs to double in South East Scotland particularly for people with learning disabilities and autism

Care & support for independent living

15.3% of the population in South East Scotland receive care or support services. Of the 66,581 individuals receiving care or support, **30.5%** have a learning disability, and **19.7%** have dementia.

An estimated 4,400 people receive housing support in South East Scotland, just 10% of all those receiving care and support

Of 6,667 households assessed as homeless last year (2020/21), 43% had at least one support requirement. In response, several SES partners are scaling up or piloting Housing First tenancies to homeless households with complex support needs

Site provision

An estimated population of 866 Gypsy/Travellers live in the South East Scotland area, which accounts for 20% of the resident population Scotland.

Of the 68 active pitches on public sites across South East Scotland, there is an estimated unmet need for a further 20 pitches.

Scottish Government funding and policy initiatives have been limited for Gypsy/Travellers in recent years, resulting in a lack of upgrades to provision across South East Scotland.

Arneil Johnston

Breakout session: Specialist Housing
Stakeholder Discussion

Specialist housing requirements - Validating the Main Issues

HNDA3 Specialist Housing Key Issues: Policy discussion

Specialist housing requirements

How do we build data partnerships to improve insight on unmet need for specialist housing?

How should we target increases in the delivery of new accessible/wheelchair homes?

What are the greatest barriers to delivery?

What role should the private sector play in delivering specialist housing options?

How do we promote and enable independence at home by improving joint planning and commissioning processes for:

Property adaptations? Technology Enabled Care? Care & Support Services?

Next steps: Finalising HNDA3

30th November 2021
Draft South East Scotland HNDA3 ready for sign-off by LAs

1

Next Steps 1
- Analyse feedback from workshops and other consultation methods

2

Next Steps 2
- Adjust relevant sections and collate into the final draft HNDA3

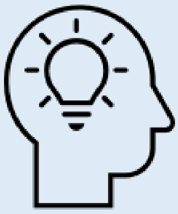
3

Next Steps 3
- Heads of Housing and Planning sign off HNDA3 for submission to CHMA

Interactive Activity

Closing thoughts

1 key recommendation….



What is the one recommendation you would make in using HNDA3 evidence as the basis for future policy decisions on specialist housing delivery in South East Scotland?

Following today's scrutiny and debate of emerging HNDA3 on specialist housing requirements…

ArneilJohnston

Sincere thanks for your participation in today's South East Scotland Core Output 3 Specialist Housing Stakeholder Engagement Event

All materials will be circulated following today's workshop