



## REVIEW OF LOCAL HOUSING STRATEGY 2011- 2016

1.1 A review of progress against the Targets and Priority Actions of the LHS 2011-2016 has shown that overall good performance has been achieved.

1.2 In relation to each of the strategic themes this equates to:

- **Good Quality, Dry, Warm and Energy Efficient Housing**

- 8 out of 9 Priority Actions achieved
- Targets
  - 5 Green (achieved)
  - 4 Amber (partial)
  - 1 Red (not achieved)

- **Achieving a More Balanced Housing System**

- 4 out of 4 Priority Actions achieved
- Targets
  - 2 Green
  - 3 Pending updated information

- **Assisting People to Live Independently**

- 4 out of 5 Priority Actions achieved
- Targets
  - 1 Green
  - 1 Amber
  - 4 Pending updated information

- **Homeless Households**

- 6 out of 6 Priority Actions achieved
- Targets
  - 5 Green
  - 1 Amber

1.3 The proposed structured approach to Theme 5, **Information and Advice**, (signing up to a national advice network) was deferred due to budgetary and staff resource reasons. However, a wide range of housing advice was always available on demand for members of the public and partner agencies.

## OUTCOMES OF HOUSING NEED AND DEMAND ASSESSMENT 2016

2.1 Local Authorities are required to carry out an assessment of future housing need and demand at regular intervals, primarily to underpin the policy direction of the Local Housing Strategy, and to inform other related corporate documents.

2.2 In following SG Guidance on the development of the HNDA, Local Authorities will achieve:

- an estimate of the future number of additional homes required to meet both current and future need and demand;
- an understanding of the workings of the local housing system; and

- a robust evidence base from which to consider the housing needs of local equality groups and thus facilitate the Equality Impact Assessments which will be required for the local Housing Strategy and Development Plan.

- 2.3 The main outputs of the HNDA will inform the content of future Strategic Housing Investment Plans (SHIP) and the Comhairle's next LHS (due for completion in 2017). It will also impinge on the Local Development Plan, the Community Health and Social Care Partnership Strategic Commissioning Plan, Corporate Strategies, and objectives of the Outer Hebrides Community Planning Partnership.
- 2.4 The HNDA process is carried out using HNDA software provided by the SG, which has been developed in order to reduce the cost and complexity of the process and to support a consistency of approach across the country.
- 2.5 The software is pre-populated with statistical information relating to Household Projections, Existing Need, Income Growth, House Price Projections and Tenure Affordability. It also enables the input of local data to reflect local circumstances. A wide range of modelling can be carried out to assist with scenario planning.
- 2.6 The modelling process provides an estimate of the number of additional homes required across four tenures.
- Social Rented
  - Below Market Rent
  - Private Rented
  - Owner Occupation

It should be noted that the modelling is designed to produce a broad range of housing estimates and does not attempt to predict housing estimates with complete precision.

- 2.7 The SG Guidance suggests that a wide range of scenarios are examined but recommends that 3 to 4 scenarios are looked at in more detail as part of the final submission to the SG.
- 2.8 The Comhairle has therefore focused on the following 4 scenarios:

**Scenario 1: Core Model**

Using the core data provided with the HNDA software without any amendments. This provides a useful baseline figure for comparison with other scenarios.

**Scenario 2: HHP Waiting Lists**

This Scenario uses HHP Waiting List figure of 438 applicants (as at April 2016) for the Existing Needs Figure instead of the Core data.

**Scenario 3: More Households Able to Buy**

This Scenario considers the current high demand for Shared Equity housing by assuming a higher percentage of the population will be able to afford to buy. The Core Model assumption is 50% but for this Scenario a figure of 65% was used.

**Scenario 4: Low Migration**

This Scenario estimates the impact of Low Migration in terms of Household formation as a way of examining the impact of decreasing population.

2.9 The estimated number of new units for each Scenario is shown in Table 1 below.

**Table 1: Scenario Outputs**

|                          | <b>Scenario 1</b> | <b>Scenario 2</b> | <b>Scenario 3</b> | <b>Scenario 4</b> |
|--------------------------|-------------------|-------------------|-------------------|-------------------|
| <i>Social Rent</i>       | 36                | 34                | 34                | 32                |
| <i>Below Market Rent</i> | 8                 | 15                | 15                | 6                 |
| <i>Private Rent</i>      | 7                 | 13                | 4                 | 6                 |
| <i>Buyers</i>            | 17                | 32                | 42                | 14                |
| <i>Total</i>             | <b>68</b>         | <b>94</b>         | <b>95</b>         | <b>58</b>         |

2.10 The Comhairle's HNDA is being completed in line with SG Guidance and will be submitted for formal appraisal by the SG's Centre for Housing Market Analysis. It must be rated "Robust and Credible" before its content can be judged to provide a sound evidence base for policy decisions.

2.11 As well as the Scenario planning, the SG requires that the Key Issues for the local housing market identified through the HNDA process are summarised in a standard template covering the following topics:

- Demographic issues
- Affordability issues
- Economic issues
- Factors which will help determine the Housing Supply Target (s)
- Specialist provision

#### **FINDINGS OF 2016 LOCAL PRIVATE SECTOR HOUSE CONDITION SURVEY**

3.1 The Comhairle was informed of the initial findings of the Private Sector House Condition Survey at the September Committee Series.

3.2 Surveys of just under 1200 dwellings were carried out representing approximately 10% of the Outer Hebrides private sector housing stock, including owner-occupied dwellings, the rented sector and vacant properties.

3.3 This comprehensive study provides the Comhairle with up-to-date information on the current physical condition of the stock, energy efficiency information, as well as socio-economic characteristics of householders and attitudes to housing and their community. The findings clearly carry implications for future housing policy direction and are summarised below.

#### **3.4 Key Findings**

##### **The Housing Stock:**

- Owner-occupation is the main form of private sector tenure and 10.8% dwellings are private rentals.
- 10,450 dwellings (81.8%) are occupied and 2,318 (18.2%) are vacant. 7.7% were found to be vacant under 6 months and likely to return to the effective housing stock perhaps due to being bought or re-let. However, the vacancy rate is significantly above the Scottish average and highest within Rural Lewis and Harris and South Uist and Barra. 57.3% of vacant dwellings were considered as long-term or problematic.

##### **Households:**

- There are 10,450 private sector households in the Outer Hebrides comprising a population of 21,892 persons.
- An ageing population with an average age per head of household of 59 years and 42.5% of households with a head aged 65 years plus.

- 18.7% of households comprise one single pensioner and 22.4% are older smaller households, i.e. 2 adults only, at least one of whom is of pensionable age.
- There is significant under-occupation within the housing stock with as many as 85.9% of dwellings having 2 or more bedrooms surplus to requirements.
- The average net household income is estimated at £19,201 per annum against the Scottish average of £25,300.

#### **Housing Conditions:**

- Of the occupied housing stock 2,035 dwellings (19.5%) are estimated to be in sub-standard condition according to Housing (Scotland) Act 2006 definitions.
- 344 dwellings (3.3%) are Below Tolerable Standard (BTS).
- 787 dwellings (7.5%) are considered to require extensive repairs while 1,506 dwellings (14.4%) are considered to be in need of urgent repairs.

#### **Households and Housing Conditions:**

- 1,327 households (12.7%) stated that at least one household member was affected by a limiting long-term illness or disability and 84.8% of those indicated mobility problems within their existing dwelling. Of those households 45.8% live in adapted dwellings while the remaining number live in households which have not been adapted.
- 6,205 private sector households (59.4%) are in fuel poverty and 2,199 households (21.0%) are in extreme fuel poverty which is significantly above the national average. Geographically levels of fuel poverty are above average in Rural Lewis/Harris. In common with the rest of Scotland, most strongly affected by fuel poverty are the youngest and oldest households and single parents.

#### **Household Attitudes and Behaviour:**

- Attitudes to housing circumstances and local areas are positive with 66.6% very satisfied with their current housing and 70.7% are very satisfied with the area in which they live.
- 31.5% of owner-occupied households have completed major repairs or improvements to their dwellings over the last five years. However, only 15.3% intend to carry out future improvements in the next five years. Barriers to improvement include finding value for money contractors and advice on finance.
- 71% of owner-occupiers have no mortgage commitments but only 8.8% would consider re-mortgaging to repair or improve their home.

### **HOUSING ISSUES FROM POPULATION AND MIGRATION SEMINAR**

- 4.1 The Population and Migration Seminar held on 7 and 8 November 2016 identified the contribution that housing can make to help address the demographic challenges facing the islands. Work associated with the Seminar will continue over the period of the proposed consultation for the LHS and can therefore contribute to the final shape and direction of the new LHS.

### **PROPOSED PRIORITY THEMES LHS 2017-2022**

- 5.1 Based on consideration of this range of evidence sources and taking cognisance of national and local priorities and statutory responsibilities, it is proposed that the following themes are

adopted as the basis for consultation on the content of the Local Housing Strategy 2017-2022:

- Housing Quality – we will consider a sub strategy approach based on the outcomes of the 2016 Private Sector House Condition Survey – incorporating Fuel Poverty and Energy Efficiency actions, a new look at the financial restraints affecting home maintenance and improvement activity including the potential for direct Comhairle financial assistance. Given that our current housing stock will provide the future housing solutions for the majority of the population it has to be maintained to the best of our ability.
- Supply – this will involve consideration of the future approach to increasing housing supply, the potential amount and type required and the policy direction it is designed to support. Discussions will be based on the minimum need figure for additional housing units derived from the HNDA process using the recommended Scottish Government assessment tool. The alternative scenarios applied to that exercise provide a range of alternative estimates and possible tenure options and are a credible indicator of future need and demand based on the Stornoway and Rural Housing Market split. HHP's waiting list will also be considered as it provides another indicator of expressed need and demand in the areas in which social rented housing is currently provided.
- Homelessness – again a sub strategy approach looking at the shortage of permanent accommodation and the resulting impact on households of lengthy temporary accommodation stays and potential issues arising from benefit changes which may impact on the affordability of other housing options and some forms of temporary accommodation
- Independent Living – consultation issues on this theme mirror the Housing Contribution Statement within the IJB Strategic Plan covering adaptations, home safety and minor works schemes, and aspirations to increase housing options for vulnerable groups through involvement in the Mental Health Redesign process and the Extra Care Housing proposals.

## **CONSULTATION TIMESCALE AND PROCESS**

- 6.1 The Housing (Scotland) Act 2001 requires local authorities to consult on their proposed Local Housing Strategy. In addition, the statutory Equality Duty on public bodies requires the involvement, consultation and engagement with as wide a range of local residents as possible.
- 6.2 Early agreement with key stakeholders and partners is central to identifying priorities and agreeing how to address these. It is therefore intended to carry out the consultation exercise between January and March 2017.
- 6.3 Opportunities will be sought to offer joint consultation sessions on the new Local Development Plan and the LHS in recognition of the close links between the two, and also to ensure that cognisance is taken of the anticipated review of the Comhairle's Corporate Strategy.
- 6.4 The LHS consultation will be conducted using a range of media to ensure engagement with as many local communities, interest groups and individuals as possible and that the composition of the local population is accurately reflected in the process, remembering that some people's views may not be readily heard through using the traditional engagement methods.
- 6.5 It is proposed that advertisements and information briefings will be published in the local press, community newspapers, on the Comhairle web site and E-Sgìre and a stakeholder survey will be made available in hard copy at key community locations as well as on-line.

- 6.6 A series of meetings and workshops, including events for Comhairle Members and internal stakeholders, will be offered, while existing liaison groups and partnership meetings will ensure inclusion of external agencies. The consultation sessions will be tailored to the remit of the audience and additional discussion opportunities will be arranged as necessary as the consultation develops.
- 6.7 The Comhairle has a statutory duty to prepare a Local Housing Strategy and consult on its potential content with both professional stakeholders and the wider community. A new strategy for the period 2017-2022 is now due to be developed in line with Scottish Government Guidance.
- 6.8 It is proposed that a comprehensive consultation exercise be undertaken between January and March 2017 based on the four potential themes of:
- Quality
  - Supply
  - Homelessness; and
  - Independent Living
- 6.9 These themes have been validated by the outcomes of the recently concluded Housing Need and Demand Assessment and Private Sector House Condition Survey, along with a review of achievement against the targets of the current LHS 2011-2016, and potential housing related issues arising from the Population and Migration Seminar held in November 2016.
- 6.10 It is anticipated that an initial summary of consultation outcomes will be considered by the Local Housing Strategy Member Officer Working Group in May 2017, with the final draft document being presented to the Comhairle for approval by Autumn 2017, prior to submission to Scottish Government.