

To: Housing and Community Safety Policy Board

On: 12th May 2015

Report by: Director of Development and Housing Services

Heading: Local Housing Strategy 2016 -2021 preparation and HNDA 2

1. Summary

- 1.1 This paper outlines the proposed approach to developing a new Local Housing Strategy for the period 2016-2021, with a timetable for submission of the new LHS to the Scottish Government in 2016.
 - 1.2 The report also reports the final housing need estimates from the Housing Need and Demand Assessment 2 (HNDA2) undertaken by the Glasgow and the Clyde Valley Housing Market Partnership. It outlines additional work that will build on the results of HNDA2 to provide a better understanding of the need for new affordable housing and which inform future affordable housing investment programmes.
 - 1.3 Housing need estimates are the starting point for developing Housing Supply Targets, (HSTs) and this report outlines the work ongoing to develop HSTs for both affordable and private housing that will be included in the Strategic Development Plan, Local Development Plan and Local Housing Strategy.
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2. Recommendations

It is recommended that the Policy Board

- 2.1 Notes the timetable for developing the new Local Housing Strategy
 - 2.2 Notes the housing need estimate for Renfrewshire as published in the Housing Need and Demand Assessment for the Glasgow and Clyde Valley Strategic Housing Market Partnership area
 - 2.3 Agrees that further work will be undertaken to develop Housing Supply Targets for inclusion in the new Local Housing Strategy, Strategic Development Plan and the Local Development Plan.
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3. **Background**

- 3.1. The local authority is required under the Housing (Scotland) Act 2001 to prepare a local housing strategy (LHS) which sets out the joint and strategic approach of the local authority and its partners to delivering high quality housing and housing related services across all tenures, to meet identified needs in the area.
- 3.2. A new LHS is required every five years. Housing and Community Safety Board approved the existing LHS 2011-2016 in 2011. A new LHS is therefore required for the period 2016-2021.
- 3.3 The Scottish Government issued revised local housing strategy guidance in June 2014. Local authorities are encouraged to demonstrate continuity with the old LHS when setting out its new one and to highlight progress made. The LHS should be an outcomes focussed document and cover the following areas:
 - Regeneration and Town Centres
 - Empty Homes
 - Preventing and Addressing Homelessness
 - Specialist Provision and Independent Living and the role of housing in relation to health and social care integration
 - Gypsy/Travellers and Travelling Showpeople
 - Private Rented Sector
 - Fuel Poverty and Climate Change
 - House Conditions

- 3.4 The LHS is a partnership document and will be prepared in conjunction with a wide range of partners, including all registered social landlords operating in the area. The draft strategy will be subject to a period of formal public consultation.

- 3.5 The proposed timetable is as follows:

Activity	When
Background work and information collection for each identified theme	Jan 2015 onwards
Preparation of draft LHS	July – August 2015
Draft LHS to Housing And Community Safety (HACS) Policy Board for approval for consultation	November 2015
Public Consultation on draft	November 15– April 2016
Amend draft following consultation and present final to HACS Board for approval	May/June 2016
Submit LHS to Scottish Government	June 2016

4. Housing Need and Demand and Housing Supply Targets

- 4.1. The report to Housing and Community Safety Board on 26th August 2014, “Local Housing Strategy Update 2014”, noted that work had been ongoing by the Glasgow and the Clyde Valley Strategic Housing Market Partnership to produce an refreshed HNDA (HNDA2), taking into account revised Scottish Government Guidance and a new HNDA Tool developed by the Centre for Housing Market Analysis.
- 4.2. HNDA 2 has now been completed and has been submitted to the Scottish Government’s Centre for Housing Market Analysis for assessment.
- 4.3. The estimates for housing need within Renfrewshire as reported in the HNDA2 are:

Period	Social Rent and Below Market Rent	Private*	Total
2012-2029	2,513	5,781	8,294
Equivalent Per annum	148	340	488

*Private figures are estimated approximated to the local authority area.

- 4.3 The HNDA housing estimates are just the starting point in developing the housing supply targets which will be included in the LHS and land identified to meet these targets identified in the LDP. The previous HNDA was completed in 2011, and informed our current housing supply targets of 150 units of affordable housing per annum and a land supply target of 745 units of private sector housing per annum. The private sector supply was based on a trend of sustained growth, a generous land supply over and above the level of completions.
- 4.4 While the results of HNDA2 are similar to our current supply targets for affordable housing, the results for private sector housing are lower than our current housing land supply targets for private sector housing.
- 4.5 HNDA2 and the previous HNDA used different methodologies, making it difficult to compare and account for such changes in the private house estimates. However one main factor is that HNDA2 uses household growth data from the Scottish Government's National Records of Scotland (NRS) which projects lower overall household growth than the previous HNDA. Lower projected household growth is based on information on the 2011 Census which reflects the reduction in household formation rates between 2008 and 2012, attributable to the economic downturn.
- 4.6 While our current target for private sector housing is 745 units per year, in reality completions have been much lower, primarily due to the recent recession and are only just starting to improve. For comparison, private sector completions were 320 in 2013/14.
- 4.7 Housing supply targets are required for the new LHS, the Strategic Development Plan due to be published in January 2016 and the new Local Development Plan.
- 4.8 Work is currently ongoing both within the Council and the Glasgow and the Clyde Valley Housing Market Partnership that will help develop our housing supply targets for both private sector and affordable housing.
- 4.9 In relation to private sector supply targets, a range of issues will be considered including the local and wider economic, social and environmental factors, issues of capacity, resources and deliverability, and the likely pace and scale of delivery based on completion rates and recent development levels. Given Renfrewshire's commitment to economic growth and to retain and attract people, it is likely that housing supply targets will be higher than the identified housing need estimate as reported in HNDA2. This would

ensure that they are in line with the aspirations of the Community Plan to increase Renfrewshire's resident population as well as reflecting the outcomes of the City Deal investment.

- 4.10 In relation to housing supply targets for affordable housing, the report to HACS Board on 26th August 2014 noted that further work would be undertaken locally to gain a better understanding of housing needs and demands and in particular the need for new affordable housing.
- 4.11 An external consultant has been appointed to carry out further research work building on the HNDA2 findings to provide a robust estimate of the need/demand for new affordable housing over the next 10 years. The consultants are due to report their findings in September this year. This will take into account the need and demand for new affordable housing from existing households and will take particular account of issues relating to the private rented sector.
- 4.12 Work is also in progress within Housing Services to review stock sustainability issues for existing housing and assess the potential need for further regeneration and renewal, taking account of future investment requirements as well as demand and turnover patterns.
- 4.13 These pieces of work will feed into the LHS development and will assist the Council as the strategic housing authority in setting housing supply targets for affordable housing and in developing appropriate investment programmes. and inform consideration of whether an affordable housing policy is appropriate.
- 4.14 In line with Scottish Planning Policy, a generous margin will be applied to final housing supply target to give the housing land requirement for the LDP.

Implications of the Report

- 1. **Financial – None.**
- 2. **HR & Organisational Development – None.**
- 3. **Community Planning –**
Community Care, Health & Well-being – The Local Housing Strategy focuses on actions to provide for a wide range of housing and housing support

needs. It contains measures to improve and safeguard the health and well being of Renfrewshire residents through measures to decrease fuel poverty and to provide higher standards of housing.

Greener – The Local Housing Strategy Action Plan will deliver actions that will help reduce the carbon footprint of Renfrewshire and increase the use of renewable energy sources. A principal focus of the LHS is the development of sustainable approaches to community regeneration and addressing issues of stock condition and energy efficiency.

Safer and Stronger – The Local Housing Strategy includes actions to deliver community regeneration.

4. **Legal** – None.
5. **Property/Assets**-None.
6. **Information Technology** – None.
7. **Equality & Human Rights** – The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** – None.
9. **Procurement** – None.
10. **Risk** – None.
11. **Privacy Impact** – None.

List of Background Papers - None

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