

To: Communities, Housing and Planning Policy Board

On: 18 May 2021

Report by: Director of Communities and Housing Services

Heading: Housing to 2040

1. Summary

- 1.1 This report seeks to update the Board on the publication of the Scottish Government's '[Housing to 2040 Strategy](#)' and the accompanying '[Housing to 2040 Vision and Principles](#)' document that were published on the 15 March 2021.
 - 1.2 The 'Housing to 2040 Strategy' and accompanying 'Housing to 2040 Vision and Principles' document set out what housing should look like and how it should be delivered for people regardless of tenure, where they live, or at what point they are at in their lives.
 - 1.3 The strategy includes a range of actions and principles that are aspirational and ambitious with a focus on quality, choice and sustainability across all tenures.
 - 1.4 An executive summary of the 'Housing to 2040 Strategy' is included at appendix 1 and the full '[Housing to 2040 Strategy](#)' and accompanying document '[Housing to 2040 Vision & Principles](#)' are available on the Scottish Government's website.
-

2. Recommendations

- 2.1 It is recommended that the Policy Board:
 - (i) notes the publication of the 'Housing to 2040 Strategy' and accompanying 'Housing to 2040 Vision and Principles' document by the Scottish Government.
-

3. Background

- 3.1 The publication of the Scottish Government's 'Housing to 2040 Strategy' and the accompanying 'Housing to 2040 Vision and Principles' document on 15 March 2021 follows two earlier Scottish Government consultations on what housing should look like in the period after 2021.
 - 3.2 These initial consultations included the 'Housing Beyond 2021 Consultation' in 2018 and subsequent 'Housing to 2040 – A Vision for Our Future Homes and Communities' consultation in 2019.
 - 3.3 Renfrewshire Council as well as a number of our housing association partners contributed to both Scottish Government consultations. The finalised 'Housing to 2040 Strategy' includes a range of actions with a focus on quality, choice and sustainability across all tenures.
 - 3.4 The vision that sits alongside the strategy includes 15 key principles that underpin this vision for Housing to 2040 with these principles informing the overall vision and contributing to the shaping of future policy to support delivery of the strategy.
 - 3.5 The strategy is very ambitious. Delivery will be challenging and will require appropriate financial support, partnership working and buy-in from individual households, the public sector, private sector and across wider society.
-

4. Key Aims and objectives of the Housing to 2040 Strategy

- 4.1 Through the strategy, the Scottish Government's ambition is that everyone should have access to a warm, safe, affordable and energy efficient home that meets their needs in a community they feel part of.
- 4.2 This is to be achieved by attracting private investment and through the use of public funds to deliver more homes that are energy-efficient, use zero emissions heating, are adapted to our future climate and meet the needs of people who live in them.
- 4.3 In terms of climate change, affordable warmth and zero emissions homes – the strategy aims to tackle climate change by 2045 by delivering homes that are warm and affordable to heat and reduce emissions caused by housing and housing construction by ensuring new buildings are fit for the future, this includes fitting zero emissions heating systems and making greater use of offsite construction.
- 4.4 Across all tenures, all new homes should contribute to creating sustainable and vibrant places with community involvement in place making through the use of place plans that enable communities to express their aspirations for the future of their places.
- 4.5 Development should also make best use of existing infrastructure and amenities with the adoption of '20-minute neighbourhoods' encouraged to support sustainable development.

- 4.6 The strategy proposes a new legal 'Housing Standard' which will cover all new and existing homes with targeted support packages for owners who need help improving their homes with an enforcement framework introduced that recognises that different types of homes in different places may need more or less time to comply with the Standard. This new standard will likely be introduced as part of new building standards from 2025/26.
- 4.7 In terms of affordable housing, the strategy includes a target to build 100,000 affordable homes over the 10-year period to 2032 with 50,000 affordable homes delivered in the 5-year period to 2027 with at least 70% of these homes to be developed for social rent.
- 4.8 In terms of homelessness, starting in 2021, the Scottish Government will carry out a comprehensive audit of current housing and homelessness legislation to understand what more is necessary to ensure people can realise their right to an adequate home.
- 4.9 The strategy also proposes a new 'Rented Sector' strategy be developed for consultation in 2022 that will promote accessibility, affordability and improved standards across both the social rented and private sectors. The proposed 'Rented Sector' strategy will form part of a revitalised functional housing system that places quality, access, tenants' rights and protections as well as community involvement at its core.
- 4.10 The strategy also proposes opportunities for self-build housing so people have more choices about the kinds of home they want to live in.
- 4.11 In terms of digital connectivity to homes - digital connectivity will be included within the scope of the consultation on the new 'Housing Standard' to promote availability in all homes regardless of tenure. For social housing providers digital connections need to be included in all new affordable homes.
- 4.12 The strategy also includes provision for a new Scottish Accessible Homes Standard to future-proof new homes for lifelong accessibility to improve the adaptations system and better integrate the work of health and social care and housing services will make a critical contribution to supporting people to live independently.
-

5. The Renfrewshire Context

- 5.1 In Renfrewshire, a range of actions have already been taken, are progressing or are planned that will contribute to the delivery of the Housing to 2040 strategy.
- 5.2 The Council is currently progressing consultation activities to support significant housing regeneration proposals underpinned by a £100M investment in new Council house building and improvements to existing stock in identified areas. Where investment is made to improving the existing stock, a whole house retrofit approach will be taken, improving the energy efficiency of homes, reducing fuel poverty, and contributing to climate change targets.

- 5.3 In terms of homelessness, the Council are now in year 2 of the 5-year Rapid Rehousing Transition Plan for Renfrewshire which outlines how those who are homeless will be provided with settled accommodation more quickly; spend reduced time in temporary accommodation and have more access to up-scaled support.
 - 5.4 Together with our housing association partners, progress towards meeting the Energy Efficient Standard for Social Housing (ESSH) continues with a number of pilot projects that embrace new technologies to improve the energy efficiency of homes across both new and existing homes used to support a reduction in carbon emissions and levels of fuel poverty in Renfrewshire.
 - 5.5 Work is ongoing to establish targets for accessible housing across tenures that will support lifetime homes that are capable of meeting current needs whilst being flexible enough to adapt to meet residents longer terms housing needs.
 - 5.6 Successful joint working arrangements between the Council, Scottish Government and our housing association partners have supported the delivery of more than 700 affordable homes over the last five-year period to March 2021. Aspirations to complete 1,000 new affordable homes over the period were curtailed due to the COVID-19 pandemic and sites closures in 2020. However, these delayed homes should complete in phases throughout 2021 and early 2022.
-

6. Next Steps

- 6.1 The 'Housing to 2040 Strategy' and accompanying 'Housing to 2040 Vision and Principles' document are very broad in their scope with delivery over a period of almost 20 years.
 - 6.2 As more information becomes available with regards to the different strands of the strategy, including details of financial support from the Scottish Government, further updates will be provided to the Board.
-

Implications of the Report

1. **Financial** - None.
2. **HR & Organisational Development** – None.
3. **Community/Council Planning** –
 - *Our Renfrewshire is thriving* – The strategy should help improve housing conditions across tenures and facilitate more affordable homes to be built, encouraging people to live and stay in Renfrewshire.
 - *Our Renfrewshire is well* – The strategy should help in the provision of high quality homes that are energy efficient and meet the varying needs of Renfrewshire's residents.
 - *Our Renfrewshire is fair* – The strategy should facilitate access to housing across the tenures and should help to prevent homelessness.

- *Building strong, safe and resilient communities – Regeneration programmes will be supported with vacant and derelict sites brought back into productive use with existing buildings repurposed where appropriate to support residential provision.*
4. **Legal** – None.
 5. **Property/Assets** – None.
 6. **Information Technology** – None.
 7. **Equality & Human Rights**
 - (a) 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. 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.
 12. **COSLA Policy Position** – Not applicable.
 13. **Climate Risk** - The provision of energy efficient quality homes will support the Council's Climate Change objectives
-

Background papers

- **Appendix 1 - Housing to 2040 Strategy Executive Summary**

The contact officer within the service is Lesley Muirhead, Planning and Housing Manager, 0141 618 6259, email: Lesley.Muirhead@renfrewshire.gov.uk

*Author: Lesley Muirhead, Planning and Housing Manager, 0141 618 6259,
email: Lesley.Muirhead@renfrewshire.gov.uk*



Scottish Government
Riaghaltas na h-Alba
gov.scot

HOUSING TO 2040

Executive Summary



Executive Summary

Introduction

We all need somewhere to live. And we all want to live somewhere we can call home – which is affordable, warm, meets our needs and is in a thriving community we want to be part of, near the services we rely on.

Our work, age, family and caring needs will influence where we want to live and the kind of home we require. The homes we grow up in may be different from the home we might live in when we study or start our first job. And where we live while we are bringing up a family may be different from where we want to live in our older years.

Over the past 14 years, the Scottish Government has transformed how we view affordable housing, investing in social and affordable homes right across the country. This year, we expect to have delivered 100,000 affordable homes since 2007, with an emphasis on social rented homes. We have invested in council house building for the first time since devolution, along with ending the Right to Buy. We have invested £1.35 billion since 2007 in our shared equity schemes to support over 35,000 people to buy their own home. Since December 2019 we have provided £200 million to the new First Home Fund pilot to help over 8,000 people to buy their first home. We continue to make progress with our plans to end homelessness, supporting those who are

homeless to get into a settled home through rapid rehousing, while Housing First is supporting people who are homeless with other needs.

Now is the time to take stock and consider the vision for housing over a longer time frame. This vision needs to put housing firmly at the centre of our other objectives for people in Scotland, such as tackling poverty and inequality, creating and supporting jobs, ensuring we meet our energy efficiency and fuel poverty targets and tackle the climate emergency, and making sure we have connected, cohesive communities to live in.

Over the past sixty years, housing has changed markedly, from investment in council houses, to selling them off and to investing in social rent again. We need to look ahead to ensure housing is ready for the changes our society is undergoing and that future housing demand can be met. For example, more of us live in single households than ever before. In 1971, there were around 310,000 single person households³ – now, 50 years later, there are around 900,000, and by 2040 there are projected to be over a million.⁴ We are living longer, which is great news, but to live independently means we may need to change our home or have it adapted to our needs. So overall we need to have many more homes than ever before and, no matter whether we live in a rural or urban location or whether in a small flat or large family house, we all need somewhere to call home.

³ <https://www.nrscotland.gov.uk/files/statistics/household-estimates/he-12/2012-household-est-fig19.xls>

⁴ <https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-projections/2018-based-household-projections>

Therefore, Housing to 2040 is Scotland's first ever long-term national housing strategy with a vision for what we want housing to look like and how it will be provided to the people of Scotland, no matter where they live and what point in their life they are in. We want to ensure housing in 2040 will support people to live in homes they want to live in which are affordable and meet their needs.

This is not just a job for the Scottish Government. We need to work with our local authority partners, housing providers, landlords and the construction and house building sectors. We need to listen to the voice of tenants and householders as we develop the details of our policies. We also need a mix of funding including Scottish Government and local authority investment and grants and loans to support people to invest in their homes. We need to continue to attract private finance into Scotland's housing system too. And, while housing is devolved, many of the other levers that impact on people's homes, such as many parts of the benefits and taxation systems, remain reserved to Westminster.

By investing in affordable homes, we support people and we support our wider actions for a fairer, greener and stronger Scotland. Good affordable homes in vibrant neighbourhoods lead to reduced poverty and inequality, better health outcomes, improved educational attainment and more cohesive communities. Through the provision of high-quality affordable homes, people can reduce the proportion of their income spent on housing and bills and therefore increase the money available for other essentials in life.

Housing also contributes to economic growth and government programmes can protect activity and jobs in the construction sector from the impact of economic fluctuations. The programmes we set out in Housing to 2040 will therefore be crucial for our recovery from the COVID-19 pandemic because investing in housing means investment in construction, bringing money into our economy and supporting jobs.

By using Scottish Government funding to leverage in funding from our delivery partners, our new ambition for the supply of affordable homes will support a total investment package of around £16 billion, supporting between 12,000 and 14,000 jobs each year over this 10-year period.⁵ In addition, the total investment required from public and private sources to decarbonise Scotland's domestic and non-domestic buildings is estimated to be in the region of £33 billion over the period to 2045, and is likely to support around 24,000 jobs each year as investment reaches its peak in the late 2020s.⁶ As at 1 January 2021, there were 4,631 modern apprentices in the buildings sector, and 7,487 across the construction sector as a whole.⁷ By guaranteeing a pipeline of projects, our housing programmes will give firms in the construction sector the confidence to continue taking on apprentices, ensuring the sector will have the skilled workforce it needs for the future.

Most people decide what kind of home best meets their needs – that could mean renting or buying, but it is a decision driven by what is most appropriate for them. But for those people who want to rent in the social sector, need a helping hand to buy a home or would benefit from affordable mid-market rent options, then the Scottish Government and local authorities have a role to play.

⁵ Jobs estimates for the affordable housing and decarbonisation programmes are based on application of input/output multipliers. Note that these are gross, rather than net, jobs supported by the investment spend. For example, as jobs in the low carbon sector scale up, some of these may be filled by workers who transfer from the high carbon sector.

⁶ [Heat in Buildings Strategy: Achieving Net Zero Emissions in Scotland's Buildings Consultation – gov.scot \(www.gov.scot\)](#)

⁷ [Skills Development Scotland, Modern Apprenticeship Supplementary Tables, Quarter 3, 2020-21, Table 2](#)

This document outlines how we will take housing policy forward over the long term. It shows how we will continue affordable housing supply, particularly for social rent, and how we will tackle high rents and increase stability for those in the private rented sector. It shows how we will increase standards across all tenures, tackle empty homes and poor housing and increase energy efficiency and tackle fuel poverty.

Housing to 2040 is the culmination of extensive engagement with the housing sector, wider stakeholders and the public to co-produce a vision for what we want Scotland's homes and communities to look like by the end of 2040. The Vision and Principles we have agreed together describe our ambition for everyone to have access to a warm, safe, affordable and energy-efficient home that meets their needs, in a community they feel part of and proud of.

None of this is easy. It is challenging and it is expensive. This strategy will also need to be agile and adaptable and will require to be reviewed and updated regularly throughout its 20 years to respond to emerging challenges and changing contexts. For instance, when we started this process, it was before the COVID-19 pandemic and all the associated harms and impacts that has brought to our society. We need to ensure a housing strategy is resilient in the face of such challenge. Furthermore, the impact of being taken out of the EU against our will is putting new and unnecessary pressure on our businesses and supply chains. Even as we developed this long-term strategy, we have had to test it against enormous challenge, some of which we could have never foreseen. But with the Vision to keep us on track and the Principles giving us the framework to help guide our decision-making, we know we are heading in the right direction to ensure we deliver a robust and strong housing system that delivers fairness and equality for people and communities in Scotland over the next twenty years.



Photo credit: Glasgow Housing Association

The Housing to 2040 route map – quick summary

More homes at the heart of great places

Our aim is for everyone to have a safe, high-quality home that is affordable and meets their needs in the place they want to be.

We will:

- Continue to invest in the supply of affordable homes so they are available for the people who need them.
- Attract private investment to help us to deliver more homes and ensure those homes are energy-efficient, use zero emissions heating, are adapted to our future climate and meet the needs of people who live in them.
- Take a place-based approach so that homes and places work together seamlessly and people can live in communities that meet their needs and support their health and wellbeing.
- Make changes so that the whole housing system works well to deliver affordable and good quality homes for everyone.

Actions to take us there

The COVID-19 pandemic interrupted all sectors of society, affecting the construction and housing sectors' ability to reach our target for 50,000 affordable homes in this Parliamentary term. The programme continues to be impacted by the pandemic and the sector needs time to recover. We will deliver the remaining homes in line with safe working practices as soon as it is possible to do so.

Once these homes are completed, we will break away from the false five-year Parliamentary cycle and bring new stability and commitment to housing by setting a new ambition to **deliver a further 100,000 affordable homes over the following ten years up to 2031/32, with at least 70% of these for social rent**. As well as this ambition to increase the supply of affordable homes, we will continue to take action to ensure those homes help create strong and vibrant places and are high quality and zero emission.

We will deliver 50,000 of these homes by 2026/27 and, following a mid-point review, deliver a further 50,000 homes by the end of 2031/32. In this second phase, we will accelerate funding to bring more existing homes into the programme, as well as building new.

We will focus on where people want to live too. For example, recognising the unique challenges faced by our rural and island communities, we will take **specific action to support housing development in these areas, helping to stem rural depopulation and supporting communities to thrive**.

Through the new National Planning Framework, **the planning system will shift to be more directive about the quality of places**, including by guiding where new development should happen and how those developments can deliver more for new and existing communities. And by developing vacant and derelict land, repurposing existing properties and locating homes closer to services and facilities within 20 minute neighbourhoods, we will support the delivery of homes in town centres and at the heart of communities.

These actions represent continued strong investment in affordable homes and recognise the key role that housing plays in driving inclusive economic growth, addressing child poverty and ending homelessness. There will be an immediate impact on outcomes for people and communities and a strong foundation on which to continue to improve outcomes up to 2040.

Affordability and choice

Our aim is for everyone to have access to a home that is affordable and choices about where they live, no matter what tenure they live in.

We will:

- Take steps to ensure everyone can realise their right to an adequate home.
- End homelessness and rough sleeping.
- Drive improvements in the rented sector so it offers a range of good-quality homes that are affordable for those who chose to live in it.

- Take action in the housing market so it operates fairly and provides affordable housing options and choices in all communities.

Actions to take us there

We will improve accessibility, affordability and standards across the whole rented sector, **publishing a new Rented Sector Strategy, informed by tenants, and bringing forward a new Housing Bill early in the next Parliament** to strengthen tenants' rights and **improve the housing rights of people experiencing domestic abuse**.

We will deliver the actions set out in our Ending Homelessness Together action plan to ensure we **prevent and end homelessness for good**, embedding this as an established part of the housing system and wider public services by 2040.

We will take action in the housing market, **legislating for and implementing the short-term lets licensing scheme and tackling the blight of empty homes** by bringing them into use and, where possible, into the social rented sector. We will scale up **opportunities for self-provided housing** so people have more choices about the kinds of home they want to live in.

Starting this year we will carry out a **comprehensive audit of our current housing and homelessness legislation** to understand what more is necessary to ensure people can realise their right to an adequate home.

These are important actions to accelerate and deepen our work to tackle affordability across tenures and will improve the choices people have for an affordable home that meets their needs. This work will make a difference to people experiencing homelessness or facing challenges in the rented sector and in the housing market now, as well as laying important ground work to achieve our aim of everyone being able to realise their right to an adequate home by 2040.

Affordable warmth and zero emissions homes

Our aim is for housing to contribute to tackling climate change by 2045 by delivering homes that are warm and affordable to heat and reducing the emissions caused by housing and housing construction.

We will:

- Ensure new buildings are fit for the future so those living in them can have confidence that they will not need to be retrofitted later.
- Adapt and retrofit existing homes so their occupants can benefit from improved energy efficiency and decarbonised heating.
- Take action to put housing at the heart of Scotland's green recovery and help to drive inclusive and sustainable economic growth.

Actions to take us there

As well as important work set out in the draft Heat in Buildings Strategy⁸ and the Heat Networks Bill, we will take early action to build the strong foundations needed to put Scotland's homes on the pathway to net zero by 2045.

Leading by example, **all new homes delivered by Registered Social Landlords and local authorities will be zero emissions by 2026**.

This will involve fitting **zero emissions heating systems ahead of the 2024 regulations coming into force, making greater use of offsite construction and introducing a new business model for affordable home delivery**. It also means taking action to **modernise housing construction** in line with our net zero ambitions, developing a housing sectoral plan and working with others to establish a housing innovation programme to promote new ways of designing and building homes.

⁸ [Heat in Buildings Strategy: Achieving Net Zero Emissions in Scotland's Buildings Consultation – gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/documents/2023/06/Heat_in_Buildings_Strategy_Achieving_Net_Zero_Emissions_in_Scotland's_Buildings_Consultation_-_gov.scot.pdf)

We will **support a supply chain development action plan** to build the strong local supply chains needed to decarbonise Scotland's homes and benefit our economy. We will also grow the skills needed to deliver energy efficiency measures and zero emissions heating systems.

These important foundations will support a ramping up of investment in decarbonisation at scale from 2025.

These actions will help to reduce the impact of our homes on the climate and support the delivery of affordable warmth and zero emissions homes for everyone.

Improving the quality of all homes

Our aim is for all homes to be good quality, whether they are new build or existing, meaning everyone can expect the same high standards no matter what kind of home or tenure they live in.

We will:

- Require in law that all homes meet the same quality standards so we can expect the same no matter where we live and no one is left behind.
- Take action so that everyone who can and wants to can live independently in a home of their own which meets their needs.

Actions to take us there

We will **introduce legislation in the next Parliament to implement a new Housing Standard** which will cover all homes new and existing, including agricultural properties, mobile homes and tied accommodation.

To support its introduction, we will develop targeted support packages for owners who need help improving their homes and introduce an enforcement framework which recognises that different types of homes in different places may need more or less time to comply with the Standard.

We will align the new Housing Standard with work to tackle emissions from our homes to make the best use of the opportunities and resources we have for improvements and minimise the disruption for householders.

We will also bring **digital connectivity** to homes, by working with social housing providers to deliver digital connections in new social homes and include digital connectivity in the scope of the consultation on the new Housing Standard to see it available in all homes, no matter what tenure.

We will introduce new building standards from 2025/26 to underpin **the new Scottish Accessible Homes Standard to future-proof new homes for lifelong accessibility**. And, alongside our work to improve the adaptations system and better integrate the work of health and social care and housing services, this will make a critical contribution to supporting people to live independently.

These actions set a strong and clear framework for the standards we will all be able to expect from our homes. Action will be needed from the public and private sectors, and from homeowners themselves, but the benefits of quality homes which are connected and support independent living are a prize for everyone.

