
DEFERRAL OF THE NEXT LOCAL HOUSING STRATEGY BY ONE YEAR TO 2023

Report by the Executive Director Corporate Improvement and Economy

EXECUTIVE COMMITTEE

17 November 2020

1 PURPOSE AND SUMMARY

- 1.1 This report seeks agreement on the proposed deferral of the development of the next Local Housing Strategy by one year.**
- 1.2 The Housing (Scotland) Act 2001 places a statutory requirement on Local Authorities to develop a Local Housing Strategy, supported by an assessment of housing need and demand for a five year period.
- 1.3 The current Scottish Borders Local Housing Strategy (LHS) covers the period 2017-2022 and was approved by the Executive Committee in June 2017. The next Local Housing Strategy would be expected to cover a period of five years from 2022-2027.
- 1.4 For the reasons outlined in this report, principally the timings identified for the development of the next regional Housing Need and Demand Assessment (HNDA) and the setting of Housing Supply Targets, Council Officers recommend deferring the development of the next Local Housing Strategy by one year. It is proposed that the new LHS would cover the five year period from 2023-2028.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Executive Committee:-**
 - (a) Agree to the deferral of the next Local Housing Strategy by one year to cover the five year period 2023-2028;**
 - (b) Note that discussions with the Scottish Government indicate support for this proposal.**

3 BACKGROUND

- 3.1 The Local Housing Strategy (LHS) brings together the Local Authority's responses to the whole housing system including; requirements for market and affordable housing; preventing and alleviation of homelessness; meeting housing support needs; addressing housing conditions across tenures including fuel poverty and links with Climate Change.
- 3.2 [Local Housing Strategy guidance](#) published by the Scottish Government in September 2019 reiterates that, under the Housing (Scotland) Act 2001, the LHS is required to be informed by an up to date Housing Need and Demand Assessment (HNDA) which has been signed off as robust and credible by the Centre for Housing Market Analysis (CHMA).
- 3.3 The HNDA estimates the future number of additional homes required to meet existing and future housing need and demand. HNDAs form a vital part of the evidence base to inform both LHSs and Local Development Plans (LDPs) and the key outputs of HNDAs are expected to be the starting point for setting Housing Supply Targets (HSTs) in these plans. The guidance is clear that the HNDA is to be referenced when setting out the workings behind the Housing Supply Target (HST) and that the HST is to be included within the Local Housing Strategy.

4 CURRENT POSTION

- 4.1 HNDA Guidance (2018) suggests HNDAs be carried out every five years. In March 2015, SESplan HNDA2 received the robust and credible stamp from the Scottish Government's Centre for Housing Market Analysis (CHMA) and was subsequently published by SESplan. SESplan HNDA2 informed the development of the current Local Housing Strategy 2017-22 as well as the South East Scotland Strategic Development Plan SDP2.
- 4.2 The new Planning (Scotland) Act 2019 was passed in June 2019. Strategic Development Plans have since been abolished and there is now a duty on Local Authorities to work together to produce 'regional spatial strategies'. At present Scottish Borders Council has adopted two indicative Interim Regional Spatial Strategies (IRSS's); one for the South of Scotland and one for South East Scotland. These IRSS's are based on the outputs of HNDA2 and reflect the current position. As these regional strategies roll forward and are reviewed, in future they will be informed the most up to date HNDA and the new National Planning Framework 4 (NPF4).
- 4.3 A new (and third) HNDA exercise is currently being undertaken with the aim of achieving "robust and credible status" from the CHMA by March 2022 and to be recognised as such by stakeholders. A Project Team has been established and the Core Housing Market Partnership has been reconvened. Development of the HNDA3 is reported through the Edinburgh and South East Scotland Regional Housing Board.
- 4.4 For updated housing need estimates to have any real value in terms of informing future policy development, particularly the LHS, then the development of the next LHS needs to take account of the outputs of the new HNDA and the setting of the Housing Supply Targets. Given the HNDA3 is unlikely to be completed and reviewed by the CHMA prior to

March 2022 development of the next LHS should be delayed to allow for inclusion of the HNDA3 outputs.

- 4.5 As described in this report the outputs from HNDA3 will be essential to the development of the next LHS. Attempts to prepare the LHS in advance of HNDA3 being approved by the CHMA will be problematic and result in a less credible, less robust Local Housing Strategy, which is more likely to be challenged by stakeholders. The Scottish Government have recognised this and have indicated support for deferring development of Local Housing Strategies where an up to date HNDA is not yet available. This is the case for four out of the six Local Authorities in the South East Scotland Region including the Scottish Borders, Fife, West Lothian and Edinburgh. East Lothian's LHS runs until 2023 and Midlothian have a draft LHS which should be published this year and cover the period 2020-2025.
- 4.6 Development of the LHS typically has an 18 month lead in time. It is anticipated Officers will commence development of the next Scottish Borders LHS (now proposed to cover the period 2023-2028) in autumn 2021, with a view to submitting to the Scottish Government in Spring 2023. These proposed timescales allow the next LHS to be informed by the outputs of the HNDA and for the LHS to include the new Housing Supply Targets. This is a statutory requirement of the LHS.

5 IMPLICATIONS

5.1 Financial

There are no costs attached to any of the recommendations contained in this report

5.2 Risk and Mitigations

- (a) Deferring the LHS has minimal risk or potential negative side effects. The current LHS action plan will be reviewed and extended for one a year to ensure the strategy is still delivering on its strategic objectives and is responsive to current economic and public health considerations.
- (b) The current LHS has a number of umbrella delivery plans which will also continue to be implemented and reviewed on an ongoing basis:
- Housing Supply Strategy 2018-2028
 - Strategic Housing Investment Plan 2020-2025 (updated annually)
 - Empty Homes Policy Statement 2020
 - Affordable Warmth and Energy Efficiency Strategy 2019-2023
 - Rapid Rehousing Transition Plan 2019-2024
 - Integrated Strategic Plan for Older People's Housing Care and Support 2018-2028
 - The Housing Needs and Aspirations of Young People 2019 (five year action plan)

5.3 Integrated Impact Assessment

- (a) A full Equality Impact Assessment was carried out on the current LHS (2017-2022). Equalities forms an integral part of the LHS process and is part of the LHS guidance.
- (b) A full Integrated Impact Assessment will be embedded in the development process of the new Local Housing Strategy.

5.4 Acting Sustainably

It is considered that there are no direct economic, social or environmental effects arising from the report recommendations.

5.5 Carbon Management

It is considered that there are no direct effects on the Council's carbon emissions arising from the report recommendations.

5.6 Rural Proofing

Rural proofing is always carried out as part of the LHS process and this be carried out as part of the new LHS development

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made to the Scheme of Administration or Scheme of Delegation as a result of this report.

6 CONSULTATION

- 6.1 *The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications are being consulted and any comments received will be incorporated into the final report.*

Approved by

Rob Dickson
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Signature

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Background Papers:

Previous Minute Reference:

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