



SCOTTISH BORDERS COUNCIL'S
**LOCAL HOUSING
STRATEGY 2023-2028**
CONSULTATIVE DRAFT



DRAFT

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FOREWORD

It is a pleasure to introduce the Scottish Borders Draft Local Housing Strategy (LHS) which sets out our vision for Housing and Housing Related services, across all tenures, for the period 2023 – 2028.

The Local Housing Strategy is linked to Scottish Borders Community Plan and has a key role to play in supporting the recovery, regeneration and repopulation of our region. Housing is fundamental to the health and well-being of our local communities and every resident of the Borders has a stake in this strategy and in the future of the area. The development of the draft strategy has involved significant engagement with a wide range of partners and stakeholders, as well as detailed consultation with our local communities.



The draft strategy reflects the diverse views and priorities of the people across our communities; builds on the positive achievements of the previous LHS and seeks to address some significant challenges. We need to reflect and recover from the impact of the global pandemic; face an uncertain economic future and cost of living crisis; combined with the implications of an ageing demography, which all impact on housing circumstances and the lives of individuals in the area.

The success of our Local Housing Strategy depends on strong local partnership working. More than ever before, we need people to come together to deliver housing outcomes and improve housing services as part of a programme of local and regional recovery and inclusive growth. Our task is greater than ever, and I look forward to working with partners, local organisations and communities to meet these challenges and see our plans progress.

I would like to thank all those that have been involved in shaping this draft Local Housing Strategy and I look forward to hearing your views on this draft during the consultation period.

Councillor Robin Tatler
Executive Member for Communities and Equalities.

1. Introduction

1.1 Purpose of LHS

The Housing (Scotland) Act 2001 places a statutory requirement on local authorities to produce a Local Housing Strategy (LHS) which sets out its vision, strategy, priorities and plans for the delivery of housing and related services. Scottish local authorities are required to prepare a Local Housing Strategy (LHS) every five years, setting out a vision for the supply, quality and availability of housing in their local area. The LHS is the key planning document, providing a framework of action, investment and partnership-working to deliver these local priorities

The last LHS for the Scottish Borders was developed in 2015/16 and covers the period 2017-2022. In November 2020, elected members agreed to carry forward the current LHS for an additional year. This ensures that this draft LHS is informed by the Housing Need and Demand Assessment that was developed in 2021 for the Edinburgh and South East Scotland region. The Housing Need and Demand Assessment received robust and credible status in July 2022.

The new draft Local Housing Strategy sets strategic outcomes and a delivery plan framework for the period 2023 – 2028. In building the strategy, Scottish Borders Council has been working with a wide range of partners to assess local needs, agree priorities and define ideas and solutions to deliver our shared vision for housing in the Scottish Borders. The LHS builds on the progress through our last LHS by consolidating and building on successes, completing current projects and taking forward new projects and partnerships. This draft addresses newly arising housing matters particularly in response to the publication of new LHS Guidance, Housing to 2040, Covid-19 pandemic, the Ukrainian War and the cost of living crisis.

1.2 Scottish Borders LHS Partners

The LHS is developed and delivered with key partners and stakeholders, including community planning partners, tenants and residents. This section summarises the main roles and responsibilities of key internal and external partners:

Partners	Roles and Responsibilities
Scottish Borders Council	<ul style="list-style-type: none">• The local strategic housing authority and the local planning authority are responsible for preparing the LHS and Local Development Plan.• The council does not own or manage any social housing stock following a large scale voluntary transfer to Scottish Borders Housing Association in 2003.• Through the Strategic Housing Investment Plan the council is responsible for managing the Affordable Housing Supply Programme (AHSP) budget.• SBC coordinates public capital funding streams, including the Scheme of Assistance (disabled adaptations), Empty Homes Grant, and Affordable Warmth Area Based Schemes.• The Council is responsible for managing and monitoring delivery of the LHS priorities.
Registered Social Landlords (RSLs)	<ul style="list-style-type: none">• 9 RSL organisations own and manage over 12,200 affordable homes across the Borders, including specialist homes let to specific client groups such as older people and people with disabilities.• Applying specialist knowledge and local insights to address housing needs and requirements.• Investing significant capital and revenue in planned and reactive maintenance programmes for their existing housing stock.

Partners	Roles and Responsibilities
	<ul style="list-style-type: none"> Developing, maintaining and updating long-term (30 years) business plans to undertake investment in new housing supply, mitigate risks and ensure financial resilience of their organisations in response to the changing financial and policy environment.
Health and Social Care Strategic Partnership	<ul style="list-style-type: none"> Jointly planning and delivering community health and social care services – for children, adults and older people, including homelessness and criminal justice services
Scottish Government	<ul style="list-style-type: none"> Providing national direction on housing and homelessness objectives as well as for related priorities including health and wellbeing, Climate Change and sustainability. Providing public capital grant funding including for the Affordable Housing Supply Programme (AHSP), the Affordable Warmth Area Based Schemes and Gypsy Traveller accommodation fund Providing revenue and other funding support in relation to the prevention of Homelessness, Rapid Re-Housing Transition Plans and Housing First.
Private Housing Developers	<ul style="list-style-type: none"> Developing new market homes for sale and rent which meet a range of needs and identifying new market development opportunities. Undertaking viability assessments and liaising closely with the Council to prepare planning proposals that fit with the Local Development Plan and progressing to new housing development. Contributing to Affordable housing delivery through S75 agreements and development partnerships with RSLs
Construction Sector	<ul style="list-style-type: none"> Providing labour and skills to meet the needs of new development, including private and affordable homes, as well as retrofit improvement works to maintain or upgrade existing homes.
Infrastructure Providers	<ul style="list-style-type: none"> SEPA; Scottish Water; SPEnergyNetworks; Broadband Providers Supporting a collaborative approach to infrastructure planning, provision and investment
South of Scotland Community Housing	<ul style="list-style-type: none"> SOSCH provides long-term support to community organisations relative to the planning and delivery of community-led housing.
South of Scotland Enterprise	<ul style="list-style-type: none"> SOSE is the economic and community development agency responsible for Dumfries & Galloway and the Scottish Borders. It aims to address the distinct economic position of this predominantly rural area Providing support to businesses and communities with a focus on driving growth in the area, four key themes are Net Zero, Fair Work, Digital and Innovation
Regional Economic Partnership	<ul style="list-style-type: none"> Led by the Dumfries and Galloway, SBC and the SOSE, partners have recently established the South of Scotland Regional Economic Partnership (REP) bringing together stakeholders, including the wider public sector and representatives from business, higher and further education and the third sector. The REP's key purpose is shaping regional agenda for the South of Scotland and a future Regional Economic Strategy (RES).

1.3 Vision and Outcomes

The draft LHS vision has been developed jointly with stakeholders:

“Everyone in the Scottish Borders has access to a home that meets their needs and is part of a sustainable community”

In order to deliver this vision successfully and contribute to the six outcomes in the Scottish Borders Council Plan, as well as the Scottish Government’s National Outcomes, National Health and Wellbeing Outcomes and Housing to 2040; the following 5 LHS outcomes have been defined.

Strategic Outcome 1: More homes in well designed, sustainable communities that increase opportunity for all

Strategic Outcome 2: People have access to homes which promote independence, health and wellbeing

Strategic Outcome 3: Improved energy efficiency of homes and a reduction in fuel poverty while supporting a Just Transition to Net Zero through decarbonising domestic heating and energy

Strategic Outcome 4: Communities are regenerated through improving the quality and condition of housing and the built heritage.

Strategic Outcome 5: Homelessness is prevented wherever possible and a range of housing options are provided so people can secure a suitable and sustainable housing outcome as quickly as possible

1.4 Key Indicators 2023-2028

Indicators	Baseline	Annual	By 2028
No. of New Homes (Market, Affordable/Rent) (HST)			
No. of new supply affordable Homes			
No. of Wheelchair Accessible Homes built			
No. of adaptations funded to existing homes			
No. of empty Homes brought back in to effective use			
No. of active properties registered through landlord registration			
No. of Homes receiving Energy Efficiency measures in the Private Sector			
No. of Homes in the SRS Retrofitted to improve energy efficiency			
No. of statutory homeless cases open at close of period, who had an unintentionally Homeless or Threatened with Homelessness (TWH) decision at close of period			

1.5 LHS 2017-2022 Achievements

The LHS 2023-2028 builds on the success of the Council's previous strategies and supports the Scottish Government's vision for Housing to 2040. Some of the key achievements of the previous LHS include:

Priority 1: the supply of new housing meets the needs of Scottish Borders communities

- The delivery of 899 affordable homes; equating to an annual average of 179 homes a year, exceeding the annual 128 target
- The SHIP 2017-2022 set out proposals for up to 1,320 new homes which represent an estimated investment value of around £268.226m.
- The third South East Scotland Housing Need and Demand Assessment (HNDA3) for the period 2022-27 received robust and Credible status in July 2022
- Over the past 5 years, the Council has been working closely with Waverley Housing to consider suitable options and progress regeneration of Beech Avenue area in Upper Langlee, Galashiels. In March 2021, planning consent was granted for 229 homes including the demolition of 159 homes.
- South East Scotland City Region Deal - A new Regional Housing Board was established in 2019 as a means of better engaging the housing sector and harnessing its potential contribution towards the wider City Region Deal objectives.
- Lowood in Tweedbank is the only strategic housing site identified in the Borders Railway Corridor and in the South East Scotland City Region Deal. Following a considerable amount of work, Supplementary Planning Guidance (SPG) and Design Guide (DG) agreed by Council in June 2021.
- Final year of the 5 year Selkirk Conservation Area Regeneration Scheme (CARS) with almost 70 grant offers were made through the scheme, ranging from £525 to £205,000. Jedburgh CARS saw a total of 59 individual grants for building repairs for 32 town centre buildings totalling over £749k in spend – plus £390k for seven priority projects. Hawick CARS began in 2019, and has completed seven repair projects and is currently working on priority projects at 6 different locations.
- Recruitment of an Empty Homes Officer in August 2021 and has an active case load of 110 empty homes.

Priority 2: People have better access to good quality, energy efficient homes

- The Affordable Warmth and Home Energy Efficiency Strategy (AWHEEs) 2019-2023 was implemented.
- Energy efficiency schemes in the Borders since 2013 have resulted in 4,494 installed measures across 3,580 households.
- Each RSL has prioritised investment towards meeting EESSH, which resulted in £12.1m over the 5 year period of the LHS. 91% of RSL stock meets EESSH
- 4 of Eildon Housing Association's affordable housing projects have been selected for inclusion in the Green Homes Pilot. The 1st Passivhaus development comprising 3 houses in St Boswells were completed in March 2020.
- The Borders Home Energy Forum was established in March 2018, to ensure and continues to ensure that a strategic, multiagency approach is taken to help reduce fuel poverty, improve energy efficiency and improve health and well-being in the Scottish Borders
- The Energy Efficient Scotland (EES) Pilot Project was developed in Peebles – 'Change Works in Peebles'. Over 1,400 people visited the hub (this included repeat visits and multiple person visits); and there have been over 500 referrals to Home Energy Scotland for support.
- SBC secured 2 years of funding worth £551,000, from National Grid's Warm Homes Fund to deliver the "Warm and Well Borders" project. The scheme was able to support 771 households and secured benefits and savings of £1.2 million for households across the region. This project has been extended for another 12 months
- SBC has partnered with Partnership with Landlord Accreditation Scotland (LAS) to provide one landlord forum per year and a number of training events throughout the year.
- Through the Scheme of Assistance over 400 instances of practical assistance were given in the private sector including advice on repair and maintenance; empty homes advice; support to landlords and tenants and, as a last resort, enforcement
- To help progress shared repairs, in 2019 SBC agreed to pilot a Missing Shares Scheme. Principally to support the activity and life of the Hawick Conservation Area Regeneration scheme

Priority 3: Fewer people are affected by homelessness

- Over the past five years the average percentage of homeless household accessing settled accommodation has been 78%
- Housing support cases that have been closed with a positive outcome continues to be consistently above 80%
- No B&B accommodation was used as temporary accommodation during 2020/21
- In 2018/19, a new Borders Homelessness and Health Strategic Partnership (BHHSP) was established. The key focus of the partnership is on the implementation of the Rapid Rehousing Transition Plan (RRTP)
- Appointed of the Private Rented Sector Development Officer
- Development of the Scottish Borders RRTP covering a five year period 2019-2024. A Rapid Rehousing Development Officer was appointed in January 2020 with the key role of implementing the aims and objectives of the RRTP
- Housing First pilot was launched in October of 2021. The pilot is funded for 2 years and aims to provide housing and support to 30 households over the two year period.
- Covid-19 had a huge impact on Homelessness Services. (BHHSP) members were on the front line of the crisis and have worked closely throughout the pandemic to ensure that tenants, customers and those at risk of homelessness have continued to receive the services and support they require
- Establishment of Housing Options Protocol for care leavers in 2017/18
- Two Crisis and Housing Intervention Funds were launched in 2020/21 and 2021/22
- The 'Sustainable Housing on Release for Everyone' (SHORE) was launched nationally in 2017. The information sharing protocol which was adopted in 2019/2020 and has improved information sharing arrangements contributing to the aspirations of SHORE, allowing for earlier intervention both in terms of the prevention and resolution of homelessness.

Priority 4: More people are supported to live independently in their own homes

- The "Integrated Strategic Plan for Older People Housing, Care and Support 2018-28" identifies a number of developments for older people across Borders that are "no longer fit for purpose".
- Responding to the Community Equipment and Housing Adaptations: Draft Guidance
- Housing needs and aspirations of young people study was carried out in 2018-2019 and identified a five year action plan
- Wheelchair housing study was carried out in 2019/2020 and identified an annual target of 20 homes with proposed delivery being divided into 15 by Registered Social Landlords with the balance provided by the private sector.
- Housing Contribution Statement 2018 was developed and linked in with the Health and Social Care Partnership Strategic Plan 2018-2022
- Helping homeowners and private sector tenants aged 60 or over and people of any age with disabilities to remain in their homes: Care & Repair have project managed 1,615 minor adaptations and repairs, and 335 major adaptations over the five year period of the last LHS. There have been 18,846 visits by a handyperson
- 69 units of extra care housing have been delivered in the past five years, in Galashiels and Duns. Work has also started on the former Kelso High School to convert it into 35 additional flats, which are expected to be completed in early 2023

2. Strategic Context

Housing plays a significant role in both national and local policy. It is important that the LHS supports and helps deliver national outcomes and targets, whilst also reflecting the needs and priorities of local people in the Scottish Borders. The LHS is therefore set within the wider policy framework for the Council and its partners.

2.1 National

2.1.1 Housing to 2040

Housing to 2040 is Scotland's long-term national housing strategy which sets out the collective vision and route map for housing over the next twenty years. It has been informed and shaped by extensive consultation and is designed to reflect the diversity of people, homes and communities across urban, rural and island Scotland.

The vision is by 2040, everyone will have a safe, high-quality home that is affordable and meets their needs in the place they want to be. It sets out four broad, interconnected themes:

- More homes at the heart of great places;
- Affordability and choice;
- Affordable warmth and zero emissions homes; and
- Improving the quality of all homes.

Under these themes, the strategy sets out priorities and 20 actions. The Scottish Government has set a 10-year national target to deliver 110,000 additional affordable homes (to 2031/32). The strategy also sets out key commitments, including:

- Proposals to bring forward zero emissions requirements for new build social rented homes;
- A Rented Sector Strategy published for consultation in 2022 that covers social and private and addresses issues of affordability and rent pressure; and
- Targets for private sector housing to achieve energy efficiency ratings and new legislation to establish a tenure-neutral Housing Standard.

Housing to 2040 sets out a specific vision for ensuring:

- A well-functioning housing system;
- High quality, sustainable homes;
- Sustainable communities; and
- Homes that meet people's needs.

The Local Housing Strategy will support and contribute to the vision and actions of Housing to 2040, this will be reinforced through this LHS.

2.1.2 New Housing Bill

A new Housing Bill will be introduced by the end of this parliamentary year (2023) to begin to deliver the actions of the New Deal for Tenants and some other aspects of Housing to 2040. These will be confirmed later in 2023. This new housing bill will impact this LHS and the key actions over the next five years.

2.1.3 Scotland's National Performance Framework

The Scottish Government's National Performance Framework sets out 11 national outcomes that describe the desired features for Scotland's future.

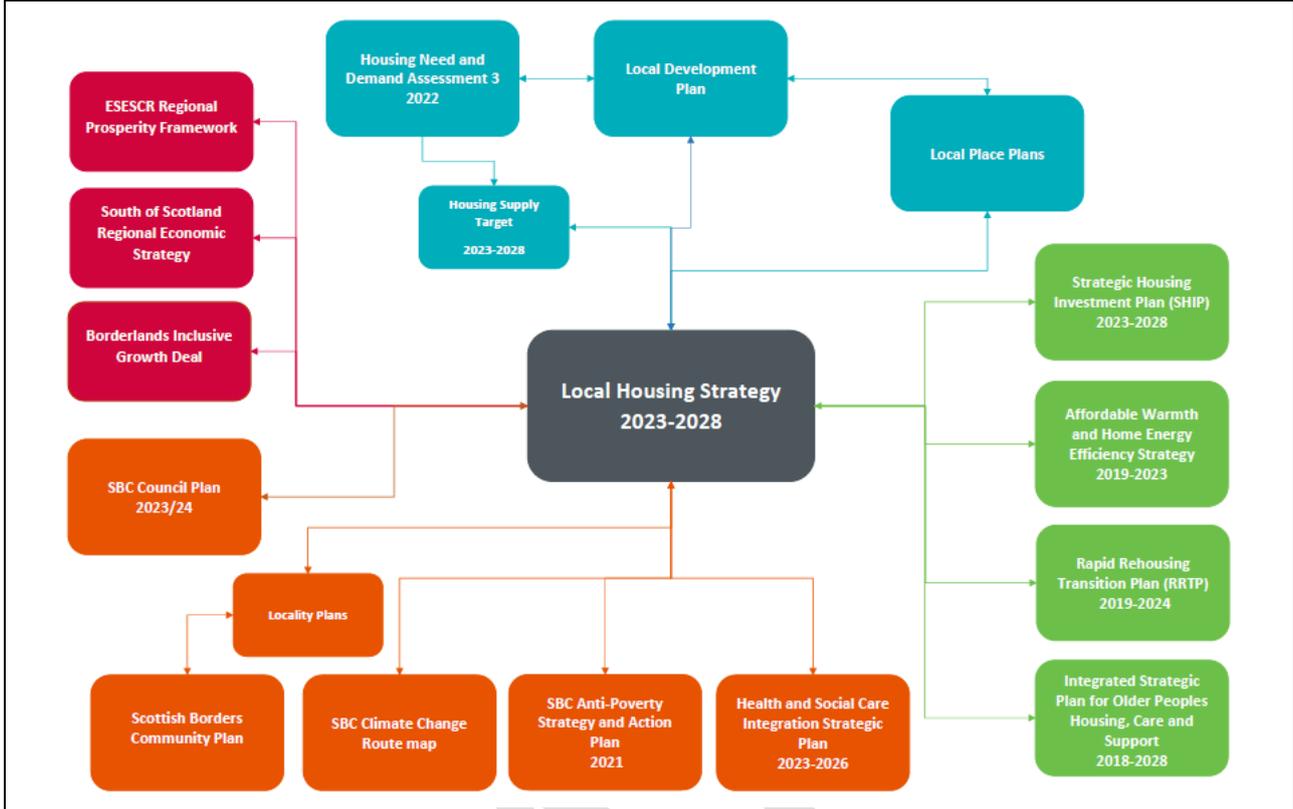


These 11 National Outcomes have a statutory basis in the Community Empowerment (Scotland) Act 2015 and align with the 17 UN Sustainable Development Goals. The Draft Local Housing Strategy 2023-28 for the Borders contributes towards all 11 National Outcomes, with a strong focus on tackling poverty, promoting good health and wellbeing, protecting and enhancing the environment and creating communities that are inclusive, empowered, resilient and safe.

2.2 Local and Regional

Figure 2 provides a useful graphic on how the Local Housing Strategy is integrated into a wide range of local policies and strategies. It is important while developing this strategy that consideration has been given to these plans and strategies to ensure there is alignment in the priorities and outcomes.

Figure 2: Local Housing Strategy 2023-2028 and related strategies and plans



2.2.1 South of Scotland Enterprise and a Team South of Scotland Approach

The establishment of South of Scotland Enterprise and a Team South of Scotland approach provides the Scottish Borders with real economic strengths and opportunities. It has particular strengths in food and drink production, manufacturing and tourism and cultural services, while its size and outlook enable strong public sector partnerships and strategic links with its nearest neighbours in Scotland and in the north of England in areas like tourism, energy, digital connectivity and natural capital. The region’s physical geography means it is particularly well placed to benefit from national transition to a net zero economy both in respect of renewable energy production and carbon storage, and from the development of future farming, and land management practice following the UK’s departure from the EU. An active further and higher education sector provides a strong base from which to develop the skilled workers of the future.

2.2.2 South of Scotland Enterprise (SOSE)

The unique opportunities and challenges facing the south were key drivers for the creation of South of Scotland Enterprise (SOSE) which assumed its legal responsibilities across the Dumfries and Galloway and Scottish Borders Council areas (which make up the South of Scotland) on 1 April 2020. The overarching aims of SOSE are to drive inclusive growth and ensure the South of Scotland benefits from a new approach that supports a diverse and resilient economy, sustains and grows communities, and harnesses the potential of people and resources.

2.2.3 The South of Scotland Regional Economic Partnership (REP)

Led by the two councils and the SOSE, partners have recently established the South of Scotland Regional Economic Partnership (REP), which brings together stakeholders, including the wider public sector and representatives from business, higher and further education and the third sector. The REP’s key purpose is shaping regional agenda for the South of Scotland and a future Regional Economic Strategy (RES). The RES will set out agreed goals for all partners to work towards, providing the direction needed to enable national

and local agencies to align and coordinate their efforts, in direct response to the needs of the area, to create jobs and to pursue a Just Transition through investment-led sustainable, green growth.

2.2.4 South of Scotland Regional Economic Strategy

The Regional Economic Strategy has recognised the centrality of tackling housing challenges to future economic success and sets out a range of relevant and interlinked activities. The following housing-related actions in the RES Delivery Plan form part of a prioritised programme of work:

- Action 2 (H) Promote flexible working practices through housing and planning policies, to support the concept of 'live here work anywhere'
- Action 6 (E) Advocate and lobby to create the right conditions for investment in new and existing housing within the region, to boost the number of new homes delivered to better align with economic and social needs and ambition.

2.2.5 The Convention of the South of Scotland Forum

The Convention of the South of Scotland, a forum composed of all public sector partners, and Scottish Government, seeks to ensure effective public sector partnership working and delivery, assessing and planning for existing and future challenges, and driving inclusive growth and regional priorities. The remit of the Convention of the South of Scotland is to:

- strengthen alignment between the Scottish Government, Dumfries and Galloway Council, the Scottish Borders Council and public agencies delivering in the South of Scotland to drive inclusive growth and to agree action to address the priorities of the area
- ensure effective partnership working and delivery across the public sector
- consider current and future challenges impacting on inclusive and sustainable economic growth; and agree actions to deliver that growth
- address any blockages and oversee progress

2.2.6 South of Scotland Indicative Regional Spatial Strategy

The two South of Scotland local authorities have developed an Indicative Regional Spatial Strategy (IRSS) seeking to align spatial strategy with a number of initiatives and strategies including the Edinburgh and South-East Scotland City Deal and Borderlands Inclusive Growth Deal, the Strategic Transport Projects Review and the emerging Regional Economic Strategy. With a focus on ways to make the area more attractive to investors, visitors and those who may wish to come and live here, the Borderlands Inclusive Growth Deal (BIG Deal) brings together the five cross-border local authorities of Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland County Council and Scottish Borders Council to promote the inclusive economic growth of the area that straddles the Scotland-England border.

2.2.7 Borderlands Inclusive Growth Deal

As part of a shared, strategic approach, the Borderlands Inclusive Growth Deal is designed as a coherent package of activity to be delivered with fresh investment in the region. Jointly funded by up to £350 million from the Scottish Government and UK Government it delivers total investment of £150 million for Scottish elements (£85 million Scottish Government and £65 million UK Government) and up to £200 million for English elements alongside local investment of a further £102.56 million. The five Local Authorities which constitute the Borderlands Partnership are Carlisle City Council, Cumbria County Council, Dumfries and Galloway Council, Northumberland County Council and Scottish Borders Council. The package of proposals aim to increase productivity; grow the working age population, and deliver a more inclusive economy.

The projects and programmes within the Deal will be delivered within four agreed themes, each with inclusive and sustainable growth at their core. The four strategic themes that provide the foundation for the Borderlands Inclusive Growth Deal are set out below:

- Enabling Infrastructure - this aims to invest in the infrastructure needed to support improvements in connectivity, helping people to access the region and addressing perceptions of poor connectivity.
- Improving Places - This aims to revitalise places across the Borderlands region to attract people to live, work and visit by investing in smaller market towns to reinvigorate and repurpose towns to support thriving and sustainable communities
- Supporting Business, Innovation and Skills to stimulate business growth to create a more diverse regional economy, recognising that innovation and skills are central to achieving this.
- Encouraging Green Growth - aims to capitalise on the green credentials of the Borderlands region and to facilitate decarbonisation, the creation of new high value jobs and supporting low carbon energy generation and carbon reduction schemes

2.2.8 Edinburgh and South-East Scotland City Deal

Edinburgh and South-East Scotland City Deal comprising the local authority authorities of Edinburgh, East Lothian, Midlothian, West Lothian, Fife and Scottish Borders, together with regional universities, colleges and the private sector, is a mechanism for accelerating growth by pulling in significant government investment.

Lowood in Tweedbank is the only strategic housing site identified in both the Borders Railway Corridor and the South East Scotland City Region Deal that is situated within the Scottish Borders. Supplementary Planning Guidance (SPG) and Design Guide (DG) was agreed by Council in June 2021. This guidance will steer future work to agree a master plan for development, help assemble infrastructure investment and implement phasing packages.

2.2.9 Council Plan

The Council Plan 2023 sets out the council's ambitions and priorities for 2023/24. It outlines what SBC wants to achieve and how this will be done. It builds on the Corporate Plan for 2018-2023 and has five outcomes:

1. Clean, green future
2. Fulfilling our potential
3. Strong inclusive economy, transport and infrastructure
4. Empowered, vibrant communities
5. Good health and wellbeing

The latest Plan includes those big developments, such as the Scottish Borders Climate Change Route Map and the Scottish Borders Anti-Poverty Strategy, which were identified in the Refresh of the Corporate Plan last summer. The latest Council Plan is being developed with some important additions;

- Sets out long-term strategic ambitions, which extend beyond the horizon of a single year (in relation to e.g. a Just Transition to Net Zero; Poverty; Low Economic Productivity and Wages; Demography).
- The vision gives rise to the actions intended to be delivered across the Scottish Borders in 2023-24. Subsequent Council Plans will build on this process, comprising steps on the road to long-term delivery of our vision for the region.
- Sets out for each of the 5 'localities' of the Scottish Borders clear ambition, action and outcomes

Over time the aim is to embed Locality Plans as an element of the Council Plan, which can truly be said to:

Speak to our 'Places' across the Scottish Borders by setting out the priorities for different communities, whether in Berwickshire, Cheviot, Eildon, Teviot & Liddesdale, or Tweeddale;

2.2.10 Community Plan and Locality Plans

The introduction of the Community Empowerment (Scotland) Act 2015 requires the Scottish Borders Community Planning Partnership (CPP) to prepare and publish a Community Plan, sometimes referred to as a Local Outcomes Improvement Plan (LOIP).

The Community Plan focuses on improving outcomes and reducing inequalities for the whole of the Scottish Borders. There are four themes supporting a range of outcomes:

- Enough Money To Live On
- Access To Work, Learning & Training
- Enjoying Good Health and Wellbeing
- A Good Place To Grow Up, Live In And Enjoy A Full Life

The Community Empowerment (Scotland) Act legislation also requires the CPP to prepare and publish more localised plans addressing local challenges and to improve local outcomes. There are five Locality Plans representing the five localities of; Berwickshire, Cheviot, Eildon, Teviot and Liddesdale and Tweeddale. The Community Plan is currently being refreshed and a new Community Plan will in place by the end of 2023.

2.2.11 Local Development Plan

The Scottish Borders Local Development Plan (LDP) was adopted on 12 May 2016 and sets out our policies on development and land use within the Scottish Borders.

The Proposed Local Development Plan 2 (LDP2) sets out land use proposals and planning policies which are intended to guide development and inform planning decisions within the Scottish Borders over the next ten years. The plan was submitted to Scottish Ministers on 14 July 2022 for examination.

2.2.12 Health and Social Care Strategic Plan

Work is currently underway in development the next strategic plan. The Scottish Borders Health and Social Care Strategic Framework has been developed to improve the outcomes of the local community, by taking an approach based on the needs of communities to prioritise areas where there will be the biggest impacts on the health and wellbeing outcomes of people in the Scottish Borders.

The Strategic Framework will set out how health and social care services are commissions and provided over the next three years to improve and support the health and wellbeing of the people of the Scottish Borders.

3. Impact Assessments

3.1 Integrated Impact Assessment

Scottish Borders Council embraces the commitments required under the Equality Act 2010 which brings the general duty to nine equality strands of age, disability, race, sexual orientation, gender reassignment, religion and belief, pregnancy and maternity, marriage and civil partnership. We view the Scottish Borders as a place where:

- everyone matters
- everyone should have equal opportunities
- everyone should be treated with dignity and respect

The Council endeavours to ensure that all services meet the needs of everyone who lives, works or visits the Scottish Borders and we will continue to work with our communities to ensure we can achieve this.

The LHS Guidance 2019 requires local authorities to ensure that equality is central to all housing and housing services delivery. The LHS should include a statement that reflects the local authority's commitment to addressing inequalities in housing and provide details on how this will be achieved. The Equalities Statement in relation to this draft LHS can be viewed at **Appendix 10**. Local authorities are expected to demonstrate how findings from an Equality Impact Assessment (EQIA) have translated into priorities and outcomes in the LHS.

Local authorities are required to give due consideration to the Fairer Scotland Duty which came into force in April 2018 (Equality Act 2010, Part 1). Consideration should be given to undertaken a Health Inequalities Impact Assessment (HIIA) to help it understand the impact that its policies are having for reducing health inequalities and a Child Rights and Wellbeing Impact Assessment (CRWIA) should be undertaken as part of a joint assessment with the EQIA with any outputs published separately.

A full equalities impact assessment has been undertaken on the Local Housing Strategy in line with Scottish Borders Council and NHS Borders Equality Policy and Impact Assessment. SBC's method for assessing impact is the Integrated Impact Assessment (IIA). IIA is a method or tool for assessing predicted effects or impacts of a policy or function on meeting the public sector equality duties to:

- eliminate discrimination
- promote equality of opportunity
- and foster good relations between those who have an equality characteristic and those who do not

It also incorporates the Fairer Scotland Duty (Socio - economic disadvantage). This duty requires us to:

- show that we have actively considered (pay due regard to) how we can reduce socio economic inequalities in the strategic decisions that we make
- publish a short written assessment on how we have done this

IIA is a tool for designing out discrimination and removing barriers to equal access and outcomes for people who have equality characteristics and experience disadvantage due to socio economic factors.

As part of the process while carrying out the IIA, SBC also undertook a Health Inequalities Impact Assessment (HIIA) and a Child Rights and Wellbeing Impact Assessment (CRWIA).

A full copy of the IIA can be found as **appendix 5**.

3.2 Children's Rights and Wellbeing Impact Assessment

Stage 1 of the Children's Rights and Wellbeing Impact Assessment (CRWIA) Screening was completed for this LHS which indicated that the LHS will have a positive indirect impact on children and young people, specifically those:

- Children and young people living in poverty, including fuel poverty;
- Children and young people with protected characteristics, or living in a household which include adult(s) with protected characteristics;
- Children and young people who live in a household with a survivor of Domestic abuse;
- Children and young people at risk of or experiencing homelessness;
- Care experienced children and young people;
- Households with a disabled parent or child;
- Children in rural areas.

While we anticipate positive indirect impacts of the LHS on children and young people, these will be considered in detail as the specific policies within the LHS are developed and implemented over the next five years.

A full copy of the CRWIA can be found as **appendix 6**.

3.3 Health Inequalities Impact Assessment

The process of exploring the impact of the LHS on health inequalities goes beyond our assessment on equalities impact and the Fairer Scotland Duty. For this LHS, partners decided to carry out a Health Inequality Impact Assessment as part of the development process. This brings a number of benefits because it takes a cross cutting approach to think about inequalities and allows us to consider our duties across a number of key areas.

There were a number of discussions to identify if there was an impact and whether or not these impacts were positive or negative, the discussions which have taken place have helped form our proposed actions and helped to contribute to the development of the LHS.

A full copy of the HIA Report can be found as **appendix 7**.

3.4 Strategic Environmental Assessment

A Strategic Environmental Assessment (SEA) is a systematic method of considering the effects on the environment of a plan or programme with the aim of helping to reduce or avoid environmental impacts. A SEA is a requirement of the Environmental Assessment (Scotland) Act 2005. The objective is to provide a high level of protection for the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans with a view to promoting sustainable development.

A screening request was submitted to SEA Gateway under Section 9(3) of the Environmental Assessment (Scotland) Act 2005. The key consultation authorities have indicated that there was no likelihood of significant environmental effects through the LHS 2023-2028.

The SEA Screening Report can be viewed in **Appendix 8**.

4. Consultation and Engagement

The Council has a duty to consult widely on the LHS and involve the wider community to ensure that equality duties are met. To build the new Local Housing Strategy Scottish Borders Council has engaged with key partners and stakeholders to:

- Define a vision for the housing system in the Scottish Borders
- Identify the main issues facing the housing system in the Scottish Borders
- Propose actions and solutions that will address these issues

Consultation events and dialogue with stakeholders identifies that housing related challenges, and their effects, are being reported more and more frequently by businesses and communities. Key issues identified include: a lack of suitable homes in the right locations; a lack of homes that are affordable in terms of social rent, or in price or in running costs; old stock with poor energy efficiency and subsequent health and net zero issues; pressures on homelessness services; and a need for greater diversity of housing types and tenures. Additionally our key workers are finding it difficult to find homes to enable us to deliver vital services and it adds to the recruitment challenges for both public and private sectors. It is important that across the Borders that the mix of our housing offer is effective, in terms of tenure and location – the right home in the right place.

A full report on the consultation and engagement on the LHS can be found in **appendix 3**.

4.1 Early engagement survey

The early engagement survey ran from 1st October 2021 to 30th November 2021. The main aim of the survey was to find out what Scottish Borders households and organisations thought were the main housing issues and priorities for the region. In total there were 330 responses (301 from individuals and 29 from organisations).

The top 3 housing issues identified by respondents were:

1. Teaching climate change, making homes more energy efficient and more affordable to keep warm
2. Limited housing options for young people and/or first-time buyers
3. Demand and affordability for home ownership

The top three housing priorities identified by respondents were:

1. Local residents are able to afford to either rent or buy a property in the location of their choice
2. Residents can afford to heat their homes
3. Homes are fuel efficient and do not damage the environment

Respondents were asked in what ways had the COVID-19 pandemic impacted upon their housing situation and/or housing within the Scottish Borders in general. There were in total 219 comments with 61% stating the COVID-19 pandemic impacted upon their housing situation and/or housing

4.2 Resident and Stakeholder Workshops and Surveys

SBC appointed Altair Consultancy and Advisory Services Ltd (Altair) to carry out resident and stakeholder engagement in relation to the development of this Local Housing Strategy (LHS). As part of the development four housing issues papers were prepared to help engage residents and stakeholder on key housing issues, these papers are as follows:

- Housing Supply and Place Making
- Condition, Climate Change and Energy Efficiency
- Particular Needs and Specialist Provision
- Homelessness

Table 1 below provides a breakdown of the two surveys and workshops that were held as part of this early engagement work.

Table 1: Early Engagement Survey and Workshops 2022		
Stage	Approach	Dates
Resident Survey	Survey hosted on SBC's website	<ul style="list-style-type: none"> • 17th July 2022 – 9th Sept 2022
Resident Workshops	Four workshops scheduled around each of the four housing issues papers	<ul style="list-style-type: none"> • Housing Supply and Placemaking: 8th Aug • Condition, Climate Change and Energy Efficiency: 2nd Aug • Particular Needs and Specialist Provision: 10th Aug • Homelessness: 3rd Aug (rearranged to 24th Aug)
Stakeholder Survey	Survey hosted on SBC's website	<ul style="list-style-type: none"> • 17th July 2022 – 30th Sept 2022
Stakeholder Workshops	Three workshops scheduled around the housing issues papers and one workshop for key housing delivery partners	<ul style="list-style-type: none"> • Key Housing Delivery Partners: 5th Sept • Condition, Climate Change and Energy Efficiency & Housing Supply and Place Making: 7th Sept • Particular Needs and Placemaking: 15th Sept • Homelessness: 13th Sept

The following cross cutting themes have been identified throughout the engagement as follows:

- The impacts of the current economic crisis
- Shortage of one bedroom homes in central locations
- The rural nature of the region
- Linking the LHS to wider infrastructure concerns
- The reducing numbers of young people living in the region
- The importance of community involvement in the delivery of the LHS (this theme was more prevalent for residents than stakeholders)

4.3 Gypsy travellers

Altair Consultancy and Advisory Services Ltd (Altair) were commissioned by Scottish Borders Council to identify the housing needs and requirements of the Gypsy and Traveller (GT) community across the region. The purpose of engagement and needs analysis was to provide an evidence base to inform SBCs approach to meeting current accommodation needs for the GT population and projected needs from 2023-2028.

This research did not include travelling show people and is focussed on the GT population. The assessment undertaken by Altair reviewed the following data sources; national and local data, surveys with households residing at Victoria Park and Innerleithen sites, a survey of those attending the St Boswells Fair and one response to an open survey.

A stakeholder workshop was held on 18th August 2022 attended by stakeholders from Scottish Government, COSLA, NHS Borders, Police, SBC (housing, planning, social care, safer communities, estates, homelessness and legal), Fire and Rescue and Education.

In summary the engagement and needs analysis undertaken concludes the following:

- It is clear that the length of seasonal provision is not enough to fully meet the needs and there is a strong message of ensuring that any future provision accommodates travelling needs.
- The inability to offer provision to those occupying unauthorised encampments has been a source of frustration in providing appropriate support to the Gypsy/Traveller community.
- The consideration of a location for a future site should address the need of the Gypsy/Traveller community to access services and amenities and be informed by the locations of unauthorised encampments, which present across the central Borders area.
- In taking further steps towards site development a thorough and robust engagement process both for the Gypsy/Traveller community and the settled community will be required.
- That in relation to future delivery of services to the Gypsy/Traveller community, adequate training is given to officers and face to face engagement techniques are prioritised.
- Consideration should be given to the different ethnic groups encompassed within Gypsy and Travellers, which is an umbrella term.

This analysis has indicated an estimated unmet need for an additional site provision of 28 pitches. Estimated additional household formation identifies an anticipated future need for 3 additional pitches

4.4 Key Worker

At the beginning of September 2022, SBC sent out a survey to a wide range of partners to find out about key workers in the Scottish Borders and if there are any accommodation issues when recruiting key workers in particular from other areas or overseas. In total there were 7 responses to the key worker questions. These responses were from; Various SBC departments, NHS Borders and RSLs.

Some of the key points from the responses were:

- Housing is an issue when recruiting key workers from out with the Scottish Borders and overseas
- More information on housing is required to help people to be better informed of their housing options
- More affordable housing options are required in the Borders, mainly in central locations – MMR, shared living (including ownership), subsidised rents
- This isn't just a housing issue but access to transport and amenities

4.5 Private Landlord Survey

To gain a better understanding of private rented sector in the Scottish Borders, from October to November 2022, SBC engaged with private landlords through an online survey. This included information on their portfolios, how they source tenants, letting practices, supporting tenants, rents and repairs and improvements. The survey sought to find out how Scottish Borders Council can improve services and ensure the support and information provided is better suited to landlord needs now and in the future. The survey will inform future service delivery and priorities, as well as this Local Housing Strategy.

In total there were 221 responses to the survey, a 6% return based on approximately 3,900 registered landlords being contacted. Common themes to come from responses from landlords are as follows:

- Concerns over recent legislation changes and perceptions that is becoming too restrictive for private landlords
- Landlords feeling powerless compared to the rights of the tenant
- Landlords indicating they want to leave the sector
- Concerns over making properties energy efficient, particularly relating to older properties and in rural areas

5. Local Context

A complex mix of factors and issues influence the operation of the local housing system in the Scottish Borders. Through detailed analysis of the local housing system and the impact of key economic and demographic factors, the LHS develops a framework for addressing housing system imbalances that require to be tackled if the housing system is to work more effectively for everyone in the Borders.

This section provides an overview of the local context. There is a full breakdown of evidence in **Appendix 2**

5.1 Population

The estimated 2021 population for the Scottish Borders was 116,020: an increase of 0.7% from 115,240 in 2020. In the Scottish Borders, 8.7% of the population are aged 16 to 24 years. This is smaller than Scotland, where 10.2% are aged 16 to 24 years. Persons aged 60 and over make up 33.5% of Scottish Borders. This is larger than Scotland where 26.2% are aged 60 and over.

The population of the Scottish Borders is expected to increase by 1% over the next 10 years. The structure of the population is also expected to change, with a pronounced increase in older people: the 75+ age group is expected to increase by 29.6% over the period 2018-2028, with 45-65 remaining the largest projected age group.

An ageing population means more people in the Borders will be living with one or more complex conditions and therefore will require more specialist housing and more support to live independently. There will also be fewer people of working age within the population to offer that support.

5.2 Households

The latest household estimate (2021) for the Scottish Borders is 55,296, a 0.9% increase from the previous year and 5.4% over the past 10 years. The 2018 household projections, suggest that number of households will continue to rise, with the projected increase for Scottish Borders around 3.7% for the period 2018-28, compared with 4.9% for Scotland as a whole.

While the population is expected to increase across the Borders by 1.7% and the number of households by 7% it is set to be an ageing population, with increasing numbers of smaller households. The numbers of one adult households and two adult households in particular, are growing, while the number of larger households is predicted to decline. Single person households are projected to increase by 14%.

The population in the Scottish Borders is ageing with the population aged 65 and over increasing faster than the population of children and younger adults. This impacts on household structure, as children tend to live in larger households and older people in smaller ones. The 2018-based household projections show large increases in the number of older adults living in one-adult and two-adult households; which is consistent with the increase in older age groups

5.3 Rural Issues

The Scottish Borders comprises 4,732 square kilometres, and is home to 116,020 people, making it the 6th largest and 7th most sparsely populated council area in Scotland (at 24 people per square km). Figures taken from the Scottish Government show that there are on average 0.12 dwellings per hectare within the Scottish Borders, the national figure for Scotland is 0.33 dwellings per hectare.

Using the Scottish Government Urban Rural Classification 2016, the Scottish Borders is characterised as a rural area, having only 5 settlements with a population in excess of 5,000. 30% of the population lives in settlements of under 500 people or in isolated hamlets

The rural nature of the Scottish Borders is one of our biggest assets with the quality of our natural environment and landscape being key drivers behind people choosing to live and work in the area. Yet, the area suffers from a significant out-migration of young people and shrinking workforce – between 2008 and 2018, the percentage of 16 to 64 years olds fell by 4%, and the proportion of the population defined as “working age” decreased from 63% in 2007 to 59% in 2018. By contrast, the number of older people continues to grow with the number of over 65s having grown by 25% over the same period; worsening the region’s dependency ratio which at 69.21 is significantly higher than the Scottish level of 55.71 (2018).

The degree of inequality in rural areas like the Scottish Borders can be overlooked: with the sparsely populated nature of our region, obscuring the extent of deprivation. Although SIMD is urban focused it does show that the Borders does have areas of particular challenge: 6% of SIMD data-zones in the Borders are in the 20% most deprived data-zones in Scotland (typically concentrated in the larger towns), while almost a quarter of the Borders data-zones are part of the 40% most deprived in Scotland.

Rurality isn’t a singular theme in the Local Housing Strategy but is a theme throughout and it forms a big part of all decision making and actions within every aspect of work.

A Rural Proofing exercise has been carried out as part of the development of the LHS and can be found as **appendix 9**.

5.4 Economy

5.4.1 Regional Economy

Prior to the pandemic, the region’s economic growth rate was greater than Scotland’s. On average the Scottish Borders economy grew by 2.4 per cent each year (2009-2019). The contraction of economic output in the Scottish Borders was estimated to be 9.4 per cent between 2019 and 2020, which matched what occurred across Scotland.

Between 2021 and 2031, the largest contributions to growth across Scotland will come from real estate and human health & social work. This reflects the size of these sectors as well as levels of growth.

5.4.2 Labour Market

- The employment rate for the working age population (age 16-64) in the region in 2020 was 79.3%, which was above the rate for Scotland (73.5%)
- More people worked full-time, than part-time, 33,500 people (70%) were in the full-time jobs in the Scottish Borders compared to Scotland where 74% of people were in full-time employment.
- Part-time employment accounted for a greater percentage share of employment in region compared to Scotland, 30% compared to 26%. Overall, there were 14,400 people in part-time employment in the Scottish Borders.
- In the Scottish Borders the largest employing sectors, and their estimated regional share of employment in 2021 were; Human Health activities (13%), Retail Trade (9%), Education (8%), Crop and Animal Production (6%) and Specialised Construction Activities (5%).

Of the key sectors in the Scottish Borders, Health and Social care, was estimated to be the largest in 2021. The sector accounted for 9,500 people. Construction was the second largest with a total of 4,800 people. Large sectors are an important source of jobs; however, regions also have sectoral strengths that make

them unique. This means that smaller sectors can be more important than their size suggest, as they are more concentrated in the region compared to the national average.

Pre Covid-19 employment in the region had decreased by 10% from 2009 to 2019. There are 5,500 fewer people in employment compared to 2009. The contraction within the region compared with 5.9% growth observed across Scotland over the same period. Overall, employment was forecast to decline by 1,300 from 2019 to 2021 in the region due to the pandemic.

5.4.3 Future Demand for Skills

In the Scottish Borders the labour market is forecast to face some challenges in the immediate term. The forecasts for the mid-term (2021-2024) however suggest there could be some jobs growth and opportunities created as a result of the need to replace workers leaving the labour market due to retirement and other reasons.

The forecasts for the long-term (2024-2031) highlights that's jobs growth is not forecast to continue in the Scottish Borders. However. It is also expected that there could be an ongoing requirement for skilled people to fill opportunities created by people leaving the labour market. This feature of the labour market, known as the replacement requirement is a symptom of demographic change strategic driver.

5.5 Tenure

Some 63% of dwellings are estimated to be owner occupied, 23% social rented sector and 14% private rented sector in the Scottish Borders. The Scottish Borders has a higher level of owner-occupied housing, a lower level of social rented accommodation but a higher proportion of private rented housing, than is the case nationally. Scottish Borders Council is a stock transfer local authority, transfer all of its housing stock to Scottish Borders Housing Association in 2003.

The general trend shows on average a stable (or now slightly reducing) owner-occupied sector while there has been an increase in private renting from 10% back in 2001 up to 14% currently. Tenure changes in the Borders evidence a shift to private renting, accompanied by a net decline in social housing by 4% over the period 2001 to 2018. Scottish Borders Council successfully transferred its housing stock to SBHA in 2003.

5.6 Housing Affordability

The affordability of housing for people, whether owning or renting, is a big issues for residents in the Scottish Borders.

Average house prices in the Scottish Borders in 2019 was £177,197. The average house prices varies across each Housing Market Area (HMA), prices in the Northern HMA are on average higher (£230,690) than elsewhere in the Scottish Borders due to its closer proximity to Edinburgh. Meaning that access to the housing market is much more challenging in some areas of the Scottish Borders.

Across the Scottish Borders, housing affordability is an issue for households on lower incomes, and a more pressing issue for households in the area compared to Scotland. In most areas, house prices are inflating at a faster rate than income. The ability for lower income households to access owner occupation in many parts of the Borders is likely to become more challenging due to the legacy of the Covid-19 pandemic and the cost of living crisis.

Table 2 below provides a summary of rent levels in the Scottish Borders. Please note that private rents vary across the region. As shown in the table, social rents are either similar or lower than the Local Housing Allowance Rate (LHA) but private rents are consistently above the LHA rate, making the private rented sector unaffordable for anyone who claims LHA.

	Shared Accommodation	1 Bed	2 Bed	3 Bed	4 Bed
Local Housing Allowance Rate	£269.27	£324.09	£423.84	£523.55	£797.81
Social Rent	£273.00	£315.00	£389.98	£452.17	£470.20
Private Rent	£328.29	£366.07	£502.60	£633.61	£1,018.29

Source: LHA – 2021/22. Social Rent – RSL data 2021/22 Private Rent – SG data Oct 2019-Sept 2020

The Scottish Borders has a low wage economy, below the Scottish average. This is also the case with household income. In reality, most households will spend between 25% and 35% of their income on housing costs which means that some household in the Scottish borders will have limited house options and access to housing due to having less income. For example, the average household income in the Scottish Borders is £21,600¹ but the average income required for private rent to be affordable is £27,312. The average income required for social rents is £19,515, meaning it is the only affordable option for households in the region.

5.7 The Cost of Living Crisis

The cost of living crisis presents serious economic and social challenges for the Scottish Borders with rates of inflation not seen in the last forty years. Energy prices have more than doubled and in November of 2022 the Scottish Government estimated that around 35% of households in Scotland are fuel-poor and 24% are in extreme fuel poverty.

The crisis is placing significant additional pressures on public and third sector services. It is already negatively affecting mental and physical health and driving up demand for health and social care services. Demand is increasing for third sector services such as food banks and advice services. Housing is a people’s biggest monthly expense and although the crisis is impacting households at every point on the income scale the resulting harms will not be evenly distributed. It is those with lower incomes and little or no savings who will be most impacted.

A key consideration for Scottish Borders Partners and this LHS will be to assess how we continue to provide housing services, additional support and continue to invest in housing in the current climate.

¹ SHCS 2017-2019

6. Housing Delivery and Sustainable Communities

Strategic Outcome 1:

More homes in well designed, sustainable communities that increase opportunity for all

Housing has an important role in not only providing a secure home to live in but in anchoring communities and places. Local people and professionals are becoming increasingly aware of the wider benefits of good, affordable housing solutions. There are clear benefits to people's health, wellbeing and wider social outcomes through having a permanent, well maintained and warm home throughout life.

6.1 Rural Housing

The Scottish Borders is predominately a rural area with 53% of the population in the Scottish Borders live in rural areas, compared with the national figure of 21%. Addressing the housing challenges a rural area like the Scottish Borders is more acute.

The legacy of Covid, impacts of Brexit, the war in Ukraine with subsequent inflationary pressures all impact on housing delivery, particularly in a rural location such as the Scottish Borders. The cost of construction materials and components are still 44.0% higher than pre-COVID-19 levels and these elevated costs could remain for as long as energy prices stay high and sterling is undervalued. There are also challenges with ongoing skills shortage which contributes to increasing labour costs, for example The Royal Institute of Chartered Surveyors' Building Cost Information Service suggests labour costs may increase by up to 8.1% in 2024.

The South of Scotland has a unique need for an innovative solution to address housing issues. Factors to consider include:

- Rural depopulation and aging population,
- Local construction sector predominantly made up of SMEs, requiring support to grow the skills base helping ensure community wealth building objectives,
- 'Live here work anywhere' ethos central to boosting working age population and flexible working in the South,
- Good quality, energy efficient, and affordable housing for all is central to the development of a wellbeing economy,
- Rural business base – both populations and places of work can be widely dispersed,
- Low wage economy reinforces the need for affordable housing,
- Rural premium cost of living (fuel poverty, greater reliance on private transport and poor public transport connectivity),
- Reported workforce issues in key sectors attributed to accommodation shortages, and
- Demand for second and retirement homes within the region impacts market demand and behaviour.

The Remote Rural & Island Action Plan will support rural and island housing policy and investment commitments by working to remove key barriers to housing delivery. While the Action Plan will be rooted in the actions, principles and vision of Housing to 2040, its development and implementation presents a new and vital opportunity for all organisations to channel their efforts, work effectively, and collaboratively to deliver more and better housing in remote, rural and island areas.

6.2 National Planning Framework 4

The National Planning Framework (NPF) is a long term spatial plan for Scotland that sets out where development and infrastructure is needed to support sustainable inclusive growth. Specifically, NPF4 will set out a spatial expression of Scottish Government's economic strategy and infrastructure investment plans through to 2050. Critically, it must also take account of the urgent and accelerating threats of climate change, and biodiversity and ecosystems loss.

NPF4 sets out a vision for what Scotland, as a place, could and should look like in 2045. It includes national planning policies and provides a plan for future development in Scotland. NPF4 sets out six overarching spatial principles:

- Just transition. We will empower people to shape their places and ensure the transition to net zero is fair and inclusive.
- Conserving and recycling assets. We will make productive use of existing buildings, places, infrastructure and services, locking in carbon, minimising waste, and building a circular economy.
- Local living. We will support local liveability and improve community health and wellbeing by ensuring people can easily access services, greenspace, learning, work and leisure locally.
- Compact urban growth. We will limit urban expansion so we can optimise the use of land to provide services and resources, including carbon storage, flood risk management, blue and green infrastructure and biodiversity.
- Rebalanced development. We will target development to create opportunities for communities and investment in areas of past decline, and manage development sustainably in areas of high demand.
- Rural revitalisation. We will encourage sustainable development in rural areas, recognising the need to grow and support urban and rural communities together.

The draft Local Housing Strategy has been informed by the spatial principles and policies set out in NPF4. Important concepts and approaches, including the '20 minute neighbourhood', the 'Place Principle', prioritising brownfield development, developing a 'fabric first' approach to decarbonising homes and communities, all feature within this draft LHS including in relation to the proposed outcomes, actions, targets and measures.

Evidence suggested the initial default estimate on the minimum housing land requirement was an underestimation of market demand as well as the affordable need for the Scottish Borders. Therefore, Scottish Borders Council worked collaboratively with the Scottish Government, taking an evidence based approach to form a locally adjusted estimate which took into consideration; past completion rates, the outcome of HND3, estimates of homelessness, hidden households and the policy drivers for the region. Neither did it take in to account the numerous policy drivers which seek to attract people to live and work within the region, help boost the economy and meet the required rise in the number of households. It was considered that the initial default estimate conflicted with national and regional policy aspirations for the Scottish Borders, including investment in the South of Scotland.

The finalised MATHLR, contained within the Revised Draft NPF4, for Scottish Borders as (4,800); existing need (350); households (3,300) and additional flexibility (1,106). Scottish Borders Council have agreed that the figures are the minimum amount of land to be identified within LDP's and that this covers all tenures.

6.3 Place Making

Place is significant in our lives. It has shaped who we are, frames what we have become and nurtures our aspirations. It is where we find the people and communities that are important to our sense of self and belonging. Having a real say in what happens to our place empowers who we are and who we can be.

The response to the Covid-19 pandemic has highlighted the importance of local community resilience and the potential of local places to act effectively and collaboratively in both identifying and addressing local needs as well as supporting our fundamental wellbeing.

Making change happen at scale is complicated and difficult. However, focussing in on a specific place, its communities and partners, provides a more manageable setting to engage and take effective action.

Scottish Borders Council has put forward a proposed framework that builds on the Place Principle agreed between CoSLA and the Scottish Government, in particular: “A more joined-up, collaborative and participative approach to services, land and buildings, across all sectors within a place, enables better outcomes for everyone and increased opportunities for people and communities to shape their own lives”.

The proposed framework aims to build upon the Council’s ambitions around enhanced community engagement and participation, commitment to community planning and the intention to strengthen the role of area partnerships. At a regional level, Place is a critical element of the South of Scotland Economic Strategy, an explicit component of the Borderlands Inclusive Growth Deal and the future direction of health and social care.

Scottish Borders Council intends to put place at the heart of our work, investing in town centres and making it easier for homes to be the heart of strong communities with housing that is well designed, without compromising on the aesthetics. SBC will take action to stem rural depopulation and help communities across the Borders to thrive.

6.4 South of Scotland Enterprise (SOSE)

Housing challenges are an increasing concern to communities and businesses across the South of Scotland. Economic development in the region needs businesses to grow and take on more people. People in turn need places to live and the provision of sufficient appropriate accommodation allows businesses to take on more workers, communities to thrive and develop, and increased spending power in the local area, which can feed back into businesses in a circular economy.

Unlike the local authorities, the South of Scotland Enterprise (SOSE) does not have a statutory remit in housing, but has an important role in helping to underpin the housing sector. This can include including promoting the development of construction capacity and skills and finding solutions to strategic issues affecting the economy, through supporting the development of innovative solutions to housing issues, for example by the use of pathfinder projects to trial new ideas and alternative models for housing supply. It has an important role in raising the profile of the housing challenge.

The work of the South of Scotland Communities Housing Trust is vital in rural areas and community-led housing regeneration is important in the South of Scotland. Recently, SOSE supported the recruitment of a Community Led Housing Co-ordinator who will work as a part of South of Scotland Community Housing to help community organisations bring empty homes back into use as Community Led Housing.

The Regional Economic Strategy has recognised the centrality of tackling the housing challenges for future success and has driven out a range of relevant and interlinked activities. The following housing-related actions in the RES Delivery Plan form part of a prioritised programme of work:

- Action 2 (H) - Promote flexible working practices through housing and planning policies, to support the concept of ‘live here work anywhere’
- Action 6 (E) - Advocate and lobby to create the right conditions for investment in new and existing housing within the region, to boost the number of new homes delivered to better align with economic and social needs and ambition.

As a result of the housing and infrastructure challenges in the South of Scotland, there is a need for regional partners to:

- a) **Recognise** the importance of suitable housing of all types and tenures across the region in meeting people's housing requirements and unlocking opportunities for social and economic development in the South of Scotland
- b) **Endorse** the approach being taken across the South of Scotland to deliver a range of strategic objectives via investment in affordable housing, particularly where aspirations have been identified in partnership with in the community
- c) **Support** the range of activities already happening in the South of Scotland, and recognise that a well-functioning housing system is a key factor in us achieving the ambition set out in the respective Local Housing Strategies and Local Development Plans as well as our Regional Economic Strategy to be a green, fair and flourishing region by 2031
- d) **Acknowledge** the interdependence between regional, Scottish and UK-level policies, and ask all partners and stakeholders to address the issues, recognise the opportunities, and play their part in addressing the housing challenges, including testing ideas through pathfinder projects in the region where appropriate

6.5 Community Planning Partnership and Locality Planning

Community planning is the process by which SBC, and other public bodies work with local communities, businesses and community groups to plan and deliver better services and improve the lives of people who live in Scotland. The Scottish Borders Community Planning Partnership (CPP) is tasked with taking this forward here in the Scottish Borders.

The Scottish Borders Community Plan highlights what the Borders-wide inequalities are and how the CPP, together and with local communities and businesses, can address those inequalities and improve outcomes. Some inequalities and outcomes are not Borders wide but much more localised to specific communities, for example rural isolation. To reflect these more localised inequalities five Locality Plans have been developed to get a better understand of the key issues within these areas and what specific actions can be identified. These locality plans are taken forward at the five area partnerships. The aims and objectives of area partnership are outlined in the Locality Plans and Action and Locality Action Plans. The partnerships are another way for local communities to have a voice in local decision making, via their Elected Members.

The CPP structure comprises of a Strategic Board, a Joint Programme Board and five locally based area partnerships. As well as a number of statutory partners, the CPP works closely with a range of other partners in the Scottish Borders.

There are five community planning localities in Scottish Borders: Berwickshire, Cheviot, Eildon, Teviot and Liddesdale, and Tweeddale. These localities align with agreed Social Work and NHS Borders localities and are part of the Health and Social Care Integration Strategic Plan.

6.6 Housing Need and Demand Assessment

The purpose of the Housing Need and Demand Assessment (HNDA) is to estimate the future number of additional housing units to meet existing and future housing need and demand by housing market area, based on a range of scenarios rather than precise estimates. The HNDA captures contextual information on the operation of the housing system to develop policies on new housing supply, the management of existing stock and the provision of housing related services.

The South East Scotland (SESplan) HNDA3 was developed throughout 2020 and 2021 and achieved robust and credible status on Thursday 28 July 2022.

The Strong Growth scenario was the preferred scenario for the Scottish Borders. The Strong Growth this scenario outlined in the HNDA3 reflects a positive outlook across the region with movement towards high real terms income growth, high inward migration, greater equality, high/ moderately high house price and rental growth. It reflects regional ambitions such as:

- More people move to Scottish Borders from Edinburgh and the Lothians, making use of the links to the City by rail, in particular to Northern HMA and parts of Central HMA.
- Tourists are attracted to the area with Tapestry opening in Galashiels, and a wider Masterplan relating to the town centre, with Destination Tweed continuing investment in biking facilities in the Tweed valley.
- Central Borders Innovation Park expands and redevelops and the expansion of Tweedbank for housing and commercial development is underway.
- High levels of investment lead to improved digital connectivity, opening opportunities for businesses in rural areas of the Scottish Borders, and the new railway station at Reston provides more development opportunities on the East Coast.

The HNDA3 in the strong growth scenario suggests that the Borders will require an additional 3,827 units over the next 20 years. A third of this requirement is for affordable housing. The figures identified through the HNDA3 process are a starting point to inform the production of the housing supply target, the housing land requirement and housing land supply figures.

6.7 Housing Supply Target

The current Housing Supply Target (HST) identified in the Local Housing Strategy 2017-22 was set in 2016. The target was informed by the outputs of SESplan Housing Need and Demand Assessment2 (HNDA2). The LHS 2017-22 identified the target as 348 new homes per year. This comprises of 128 affordable homes and 220 market homes per annum.

The affordable housing supply targets were ambitious, but achieved due to the Council and its RSL partners responding proactively and creatively to opportunities to increase the housing supply in the Borders over the last five years.

The Housing Supply Target must be reasonable, properly reflect the HNDA estimate of housing demand in the market sector, and be compelling evidence. The HST is, however, a policy view of the number of homes that each authority has agreed will be delivered in each housing market area over the periods of the development plan and Local Housing Strategy. There is a clear expectation that there will be an alignment between the HNDA and the Housing Supply Target; however, the two need not be the same. In setting the affordable HSTs Scottish Borders Council, considered the following factors:

- economic factors which may impact on demand and supply
- capacity within the construction sector
- delivery of market and affordable housing at the local level
- availability of resources
- recent development levels



- planned demolitions
- planned new and replacement housing or housing brought back into effective use

Based on the outcome of HNDA3 and aligning with NPF4 it is estimated that HST for the Scottish Borders for 2023-2028 will be 353 per annum.

The full Housing Supply Target Paper can found as **appendix 4**.

6.8 Land Supply

Scottish Borders Council (SBC) undertakes an annual Housing Land Audit (HLA), to identify and monitor the established and effective housing land supply, to meet the requirement for monitoring housing land. The annual base date for the Scottish Borders HLA is 31st March. The two key functions of the HLA are;

- To demonstrate the availability of sufficient effective land to meet the requirement for a continuous five-year supply; and
- To provide a snapshot of the amount of land available for the construction of housing at any particular time.

The most recent Draft Housing Land Audit (HLA) is 2021 and demonstrates that there are 8,746 units in the established housing land supply within the Scottish Borders. 3,538 units are classed as effective (Years 1-5) and 1,967 units are potentially effective (Years 6&7). This demonstrates that the Scottish Borders has a vast amount of land available for housing development, which includes a range of sites within all housing market areas. Furthermore, the established housing land supply also includes windfall sites, which account for approximately 20% of the supply. There are 571 windfall sites included within HLA, which is not uncommon for a rural Local Authority given the number of single houses and steading conversion developments.

An estimate of the timescale for delivery of housing projects has been continually difficult due to the downturn in the housing market. The programming of sites within the audit continues to be a reasonable expression of what can be developed within the given time periods and there is a significant degree of uncertainty beyond years 2 to 3. A large number of sites were subject to delays and stalling as a result of the COVID-19 pandemic, since early 2020. As a result, it is acknowledged that this will have impacts upon the programming of sites going forward. This has been taken into consideration in the programming.

Scottish Borders Council are also aware of the economic position regarding the lack of finance and the availability of mortgage finance for buyers. It should be noted that in recent years there are very few house builders developing sites within the Scottish Borders. The above demonstrated the direct impact upon rural areas including the Scottish Borders as a result of the current economic climate and the COVID-19 pandemic recovery.

6.9 Strategic Housing Investment Plan

Scottish Borders Council with the involvement of its key partners via the SHIP Working Group prepared the most recent SHIP for its submission in September 2022. It rolls forward the projects and planning horizons set out in the previous SHIP 2022-2027. It is updated by current information, following massive project re-programming and revision of budgets due to the impacts of closure of the Scottish construction sector due to the Covid-19 pandemic, and subsequent re-starting of the sector. However following the re-start of the construction sector there had been steady recovery across the affordable housing programme with 329 homes under construction across Scottish Borders at 31 March 2022.

The SHIP also sets how the Council and its partners have identified and prioritised projects that are capable of being delivered within the period 2023-28, and identifies where there are development constraints in

relation to particular projects. It sets out estimated timescales for project delivery and identifies a range of funding sources and resource mechanisms including Scottish Government grant, Registered Social Landlord own resources and private sector borrowing, other funding initiatives and the Council’s own resources.

The SHIP 2023-2028 sets out ambitious proposals for potentially up to 1,320 new affordable Borders homes at a total estimated investment value in the region of £268m during 2023-2028. In addition the SHIP 2023-2028 identifies Potential Pipeline Development Projects which require further work before they could potentially be accelerated into the 5 year programme, or included in future SHIPs in due course. Most of these are developer-led or privately owned sites, which draws attention to the importance of the housing market in the delivery of affordable housing.

From the 1,320 potential units, 295 are particular needs units and (22%) and 169 (13%) are wheelchair accessible houses. Table 3 provides a breakdown of the total potential units by Housing Market Area.

Table 3: SHIP 2023-2028 Planned Units by HMA

HMA	2023/24	2024/25	2025/26	2026/27	2027/28	Total	%
Berwickshire	92	99	70	53	68	382	29%
Central	121	293	386	63	0	863	65%
Northern	0	58	0	0	0	58	4%
Southern	0	11	0	0	0	11	1%
Unknown*	6	0	0	0	0	6	0%
Scottish Borders	219	461	456	116	68	1,320	100

Source: SHIP 2023-2028 *Open Market Shared Equity Scheme

The Scottish Social Housing Tender Price Index measures the movement in construction costs of social housing in Scotland. The index is based on analysing the construction costs in accepted tenders for affordable housing. Grant recipients provide tender information through the Housing Tender Return. The average is about £200k per unit (3 person equivalent) although most recent tenders returned have been significantly higher, and is an area of concern.

This SHIP is based on a number of known and assumed funding resources that the Council and its development partners will draw upon. These include Affordable Housing Supply Programme grant Allocations of 16.0m in 2022/23 and assumptions of £15.954m in 2023/24, £16.010m in 2024/25 and £16.275m in 2025/26. The SHIP also assumes use of up to £2.250m Second Homes Council Tax funding from the Council and of up to £138m estimated private borrowing by the Registered Social Landlords over the period of the SHIP to 2028.

To assist budget estimating, the Council and its partners have developed this SHIP 2023/28 on the basis of an indicative grant of £96k/unit, and RSL Private Finance contribution of £104k/unit, which illustrates the increasing pressure on individual RSL’s finite financial capacity.

6.10 Private Rented Sector

The Private Rented Sector (PRS) plays an important role in Scotland’s housing system with some 700,000 people in Scotland making their homes in the sector nationally, double the number of ten years ago. The sector plays a crucial role meeting a wide range of housing needs in the Scottish Borders with 14% of people in the region living in private rented housing. The sector is an important part of a diverse housing offer, meeting the needs of a broad range of people at many stages of life and career. There is a broad base of tenants, from those requiring flexibility in terms of employment, to students and young people setting up home for the first time, as well as options for newly formed households but also those looking for longer-term accommodation.

At the end of December 2022 there were just under 7,400 properties (over 4,600 registrations) within the Private Rented Sector in the Scottish Borders. At its peak the number of people living in the private rented sector was 16.5% (currently 14%). The ten main settlements in the Scottish Borders make up 78% of the private rented sector, meaning the majority of properties available are in more urban areas of the Scottish Borders.

As stated in section 5 under housing affordability, the private rents in the area vary across the region and much higher than social rents, meaning the sector is not a viable housing option for everyone. In the private rented sector the *'New Deal for Tenants'* is proposed as a step towards 2040 goals, including plans for a Rental Sector Regulator, development of a national system of rent controls by 2025, and ambitious energy efficiency targets. This will help to tackle some of the affordability issues in the private rented sector.

6.10.1 Private Rented Sector Regulation and Support

The Scottish Government strengthened the rights and responsibilities for private rented tenants and landlords with the introduction of Private Residential Tenancy Agreement in 2017, which provides more security, stability, and safeguards for all parties. This was updated to take into account the Covid-19 pandemic restrictions.

It is a legal requirement for landlords to register with the Council's Landlord Registration Scheme, which provides assurance that legal standards have been met for letting property and that a "fit and proper person" test has been undertaken on all registered landlords.

The regulation of letting agents and introduction of a letting agents' Code of Practice by the Scottish Government, also aim to give tenants and landlords confidence in the standards and service that they should expect; and also provide mechanisms for both landlords and tenants to challenge situations where poor practice is evident.

The First-tier Tribunal for Scotland (Housing and Property Chamber) was formed to provide support for dispute resolution. This deals with determinations of rent, or repair issues in private sector housing; provides assistance in exercising a landlord's right of entry; and helps to resolve issues that arise between homeowners and property factors.

SBC provides a liaison and support service for landlords and tenants and enforcement is only applied as a last resort. Key engagement activities include:

- Liaising with landlords in relation to prescribed information and providing guidance on legislation relating to letting properties. Rental properties are being improved as a result and landlords also gain a better understanding of the obligations when letting in the private sector.
- Landlords are becoming increasingly aware of the need for energy efficiency and proposed future energy standards affecting the rental market. Advice and support is offered through our liaison service.
- To address repairing standard issues, advice is provided to landlords following property inspection.
- In support of the Ukraine crisis, where homes or accommodation is being offered by the community, properties have been inspected using the Scottish Government's Quality Assurance Housing Checklist.
- Throughout the pandemic Officers have continued to support landlords by providing the latest Scottish Government Guidance; information on financial help available and how to go about daily landlord activities, including what checks should be completed and how to undertake viewings.

Landlord Registration activity demonstrates that in the Scottish Borders Landlords tend to be long-term, with knowledge of legislation and their obligations.

6.10.2 Private Landlord Survey

At the end of 2022 SBC carried out a survey on private landlords to get a better understand of the needs and challenges landlords face and to find out about their practice, 6% of registered landlords who were contacted (approximately 3,900) replied to the survey. Some of the key finding of this survey included:

- 41% said they had been landlords for 10+ years, with a further 28% saying they had been landlords for between 5-10 years
- 50% of responses had only 1 property, followed up by 21% who said they had 2 properties. 86% of total responses said they had less than 5 properties.
- More than 70% of landlords who responded own property exclusively in the Borders
- 22% of landlords tend to be 'accidental' and 39% said for other reasons including; renting while out of the country, renting out farm cottage and investing for their pension
- 57% of landlords responding said they manage their own properties, while another 37% use an agent
- Nearly half of landlords responding, with 44%, said that they are in contact with tenants at least quarterly, while a further 31% said they were in contact monthly. Only 2.7% are in contact less than once a year.
- Most landlords inspect their properties regularly and plan ahead for improvements, with 40% saying they inspect annually, and another 29% inspecting every 6 months.
- 44% said they had plans to install some kind of energy saving measures, where 56% said they did not. The most common reasons for not installing measures were; measures too expensive, need financial incentive, no return on investment and listed building so installing measures is difficult
- 70% of landlords who responded were aware of reforms in the private rented sector.
- 43% said they were very likely or fairly likely to sell part of their portfolio in the next 5 years, while 45% said they were not at all likely or not very likely to do so.

The sector recognises the importance of ensuring that tenants have certainty about rents and an ability to stay in their homes, as well as deserving a good quality, energy efficient home. However, the unintended consequences of recent legislative changes appear to cause concern to landlords, including the impact of the Cost of Living (Tenant Protection) (Scotland) Act 2022 with a freeze on rent increases and no evictions until September 2023 and as well as the investment required to meet minimum energy efficiency standards. This was raised in the private landlord survey where 43% of landlords responding said they were very likely or fairly likely to sell part of their portfolio in the next 5 years. There is early evidence of this locally, with almost 600 fewer properties registered in November 2022 than in March 2021.

The LHS will continue to focus on improving the affordability, condition, and operation of the sector and further enhancing tenancy management in line with national legislative developments and guidance. Private renting remains a major element of the local housing system and a significant tenure for local households in need, particularly where alternative options are often restricted.

6.11 Young People

Young people's routes to independent housing are becoming more difficult due to a wide range of factors. Young people are increasingly squeezed out of the housing market and face a more drawn-out process of moving towards independent living. Affordable housing in the private and social rented sectors is in short supply. Young people can face a number of significant life changes between the ages of 16-25, including leaving home, moving into further education, seeking employment, moving on from a period spent in care, involvement with youth justice services, becoming parents, some may also have a variety of complex support needs.

The Scottish Borders has a lower proportion of young people in the region compared to nationally and housing is an issue for young people, something that was seen as a housing issue and priority from the early engagement strategy.

The Housing Needs and Aspirations of Young People's Study identified a number of key priorities and outcomes to help address some of the issues young people have and identified a number of key actions, these will be taken forward in this LHS.

6.12 Town Centres

One of the ambitions in Housing to 2040 is *'Driving forward with a place-based approach through investment in town centres and placing housing at the heart of communities, including committing to stemming rural depopulation'*

As part of the Borderlands Place Programme there is a focus on town centres and there is ambition that all towns and their centres are economically vibrant and resilient to change. The key objectives are to:

- Attract new businesses to our towns and town centres
- Increase and retain our working age population
- Raise the standard of the physical environment in our towns and town centres
- Increase the number of people living in our towns and town centres
- Deliver new jobs and opportunities for economic and social participation
- Increase the number of visitors who spend time and money in our towns and town centres

There are currently four stages to this work:

- Stage 1: Town Prioritisation and Selection Process
- Stage 2: Development and endorsement of Place Plans
- Stage 3: development and endorsement of Borderlands Town Investment Plans (BTIPs)
- Stage 4: Contracting, delivery, performance management and monitoring

As part of stage one, four towns have been identified in the Scottish Borders; Hawick, Galashiels, Jedburgh and Eyemouth. Workshops took place in each of these towns in 2022 with key partners and members of the community. Further Workshops have been held in early 2023 with some of the towns starting to establish Town Teams.

6.12.1 Town Centre Living

Place towns and town centres are at the core of NPF4, limiting new out of town development and encouraging a town centre first approach. Town Centre Living (TCL) is a key policy aspiration for the Scottish Government, local authorities and a wide range of other public, private and third sector bodies. It builds upon strong foundations of strategic place planning and supports key principles around inclusion, wellbeing and sustainability. The independent report 'A New Future for Scotland's Town Centres' was delivered by the Town Centre Action Plan Review Group and published in February 2021. The vision developed by the Independent Review Group is that:

"Towns and town centres are for the wellbeing of people, planet and the economy. Towns are for everyone and everyone has a role to play in making their own town and town centres successful."

The revised Town Centre Action Plan sets out the response to a broad range of recommendations proposed in the Review. It sets out government's response both national and local as enablers of positive change whilst recognising the limits of what can be achieved if government were to act in isolation.

Scottish Futures Trust (SFT) commissioned analysis that identified a range of 'push' and 'pull' factors that influence people's views around housing choice. These factors combine and influence people's perception about the attractiveness of a place, and their opinions of what it would be like to live in. They include:

- proximity to places of work and study;
- the quality of the physical environment and access to green spaces;
- the range of services and facilities, including public transport choices;
- housing quality and choice, including cost, size, type and tenure; and
- negative issues – for example pollution, crime and perceptions of safety

While there are a number of barriers to town centre living (funding gaps, lack of evidence of demand and time for, and process of, obtaining consents) there are a number of good examples in Scotland that SBC and partners can learn from.

6.13 Empty Homes

Nationally, bringing empty homes back into use continues to be a key priority for the Scottish Government. Scottish Government commitments regarding Empty Homes include:

- Committed continual funding for the Scottish Empty Homes Partnership which is hosted by Shelter Scotland to support local authorities and to encourage private sector long-term empty homes back into use;
- Working with local authorities to audit empty homes in their areas and determine those that should be brought back into use;
- Giving local authorities the powers they need to regulate and charge owners appropriately for homes lying empty and to ensure that they have the mechanisms to bring empty homes back into productive use;
- Establishing a new fund for local authorities that will bring empty homes back into residential use and be able to convert suitable empty commercial properties in town centres to provide housing;
- Shifting of policy focus to help people renovate, adapt, or improve the energy efficiency of homes rather than help them to buy;
- Continuation of the Rural and Islands Housing Fund to increase the supply of affordable housing including bringing empty properties into use or the conversion of commercial and non-domestic properties into houses.

There are 1,737 long term empty homes in the Scottish Borders (as of January 2023), this figure has remained steady for over ten years but has started to increase in the past couple of years. There are many reasons why a property becomes empty. On a regional level an area may have low demand, or an oversupply of certain properties. Individual factors relating to the property can explain long term vacancy rates including the death of the owner, with new owners not forthcoming or a breakdown in relationship; a reluctance to rent out the property; being unable to afford to bring a property back into habitable condition; and repossession.

By working to support renovation of suitable empty homes and returning them back to use, SBC can help to breathe new life into old homes, improving the quality of housing stock and improving the quality of life in the communities with empty stock. SBC have a dedicated Empty Homes Officer working to actively engage with owners of Empty Homes across the Scottish Borders. The Officer has an active case load of 186 empty homes, and has been making connections with owners, neighbours and communities being affected by empty homes.

The Empty Homes Officer can support owners with a range of practical options to assist them make informed choices about the best outcome for them and their property. Effective solutions can vary, and the main options include the following:

- Builder Merchant Discounts – a range of suppliers offer preferential rates or discounts for empty homes owners undertaking works
- VAT reductions for qualifying properties undergoing renovation – this can significantly reduce costs and enable works to go ahead.
- Matchmaker Scheme – This is a free service which aims to match owners who wish to sell, with potential purchasers looking to buy
- Support Levy Discretions - The Council utilises the legislative powers afforded under the Council Tax (Variation for Unoccupied Dwellings)(Scotland) Regulations 2013 and 2016 to charge double Council Tax on long term empty dwellings under specified circumstances, and subject to certain exemptions. The primary aim of the double charge is to encourage owners to engage and take action to bring homes back into use.

Whilst there is a suite of tools available to assist empty homes owners to take action, dealing with these properties is challenging, particularly when properties have been empty for a significant period of time; are in serious disrepair; and where ownership is difficult to determine or owners do not engage.

Understanding the issues around why homes become empty, the burden of renovation cost is often cited as a reason why action is not being taken. To help address that an Empty Homes Grant Scheme has been launched by SBC, offering financial assistance to bring properties back into, primarily affordable, use.

This is a discretionary scheme and will be allocated on a first come first served basis. During the period 2022/23 16 applications have been received. 4 of these have been approved.

Benefits for owners, neighbours, the community and Local authority:

- Environmental and Climate benefits
- Help reduce carbon emissions caused by housing and housing construction
- Improved property condition & increase in property value
- Increased revenue & reduced debt recovery costs
- Reduces crime, vandalism & anti-social behaviour
- Improved health and well-being
- Increase the supply of affordable housing & choice of tenure
- Reduce pressure/ constraints on planning & new build homes
- Help revive and revitalise town centres, villages and rural communities
- Local residents take pride in their community
- Improved energy efficiency and reduced utility costs
- Reduced Complaints & Enforcement Action
- Improved energy efficiency and reduced utility costs
- Rejuvenates local economy & employment opportunities
- Improves outlook of area

6.13.1 South of Scotland Community Housing

South of Scotland Community Housing (SOSCH) provides long-term support to community organisations relative to the planning and delivery of community-led housing. SOSCH get involved with a community at the very start of a housing conversation, providing support all the way through to delivery and beyond. This work is inclusive of Housing Needs and Demand Assessment, project development (including business planning and funding packages), delivery and housing management.

In the summer of 2022, SOSCH recruited a Community-Led Housing Co-Ordinator for South East Scotland. A key part of the role is to support community organisations bring empty homes back into use as community led housing. The work of the South of Scotland Communities Housing Trust is vital in rural areas and community-led housing regeneration is important in the South of Scotland.

6.13.2 Short Term Lets

In recent years there has been an increase in the number of short term lets which has led to strong debates on the positives and negatives of short term lets. For many, short-term lets using Airbnb and similar platforms have enabled cheaper, more flexible travel, but for others – particularly in tourist hotspots there are concerns that they make it more difficult to find homes to live in. Some of the positive impacts of short-term lets on communities includes local economic benefits associated with tourism and increased household income for hosts. However, negative impacts include the impact on communities' quality of life, reduced availability of residential housing and increased strain on local public services.

While robust statistics are not yet available for short-term lets, the Scottish Government in 2019 commissioned research into the impact of short-term lets on communities in Scotland. The research provided a snapshot figure of properties advertised through active Airbnb listings by local authority area in May 2019. 570 properties were listed, which is 1% of total housing stock in the Scottish Borders. While data will become available following the introduction of the licensing scheme for short-term let, the figures are indicative of how many dwellings in the Borders may be used as short term lets.

In the early engagement survey carried out in 2021, 44% of respondents felt that second homes and holiday lets were a big issue in the Scottish Borders. There were concerns how this was impacting demand for housing and how this was affecting communities, in particular rural communities.

6.13.3 Vacant and Derelict Land

SBC undertake the Scottish Vacant and Derelict Land Survey (SVDLS) annually, in conjunction with all local authorities in Scotland. The purpose of the SVDLS is to establish the extent and state of vacant and derelict land in Scotland. Requested by the Scottish Government and managed by the Scottish Government Communities Analytical Services, the survey has been operating since 1988. The data collected provides an invaluable source of information relating to vacant and derelict sites and assists in reinforcing and justifying national policy established to bring about the re-use and regeneration of these land resources.

The classifications of sites, included in the survey, are derelict sites, vacant land and vacant land and buildings. Derelict sites comprise previously developed land not ready for development without rehabilitation, including abandoned sites, and can be located anywhere within the Borders. Vacant land comprises previously developed land (including just as far as concrete slab base), without requirement for any demolition, which falls within settlements only and has an intended use within the Local Development Plan. Vacant land and buildings is similar to vacant land but where the site also features non-derelict buildings, which either are scheduled for demolition, or are a minor part of the site in relation to the vacant element, and the site boundary cannot easily be redrawn to omit the building.

National Planning framework 4 (NPF4), Scotland's National Policy, has a specific policy covering vacant and derelict land; policy 9's intent is *"to encourage, promote and facilitate the reuse of brownfield, vacant and derelict land and empty buildings, and to help reduce the need for Greenfield development."* Policy 9 is linked to several other policies: policies 7 Historic Assets and Places, 12 Zero Waste, 18 Infrastructure First, 21 Play, recreation and Sport, 25 Community Wealth Building and 27 City, Town, Commercial Centres. Policy 9 also relates to housing policies, Quality Homes (policy 16) and Rural Homes (policy 17).

Our proposed Local Development Plan has several policies that relate to vacant and derelict land, PMD5, ED5 and IS13. These policies relate respectively to infill development, regeneration and contaminated land. Vacant and derelict land is an important provision for housing land; for example, in the 2022 SVDLS survey in Scottish Borders, 8 sites had been taken up, 6 of these sites were in the process of being developed for housing.

6.14 Build to Rent

Build to Rent PRS (BTR) offers an opportunity to complement existing housing delivery models and help to increase the overall rate of delivery of housing. BTR can contribute to the creation of well-designed, sustainable places, quickly and at scale. It can provide high-quality, purpose-built rented accommodation that will enhance the attractiveness of Scotland, for new and different developers and long-term investors at scale. It can also support labour market mobility by providing homes for people moving into areas for work.

While the Scottish Government wants to encourage a growing BTR sector, lower rents in the Scottish Borders makes it more difficult to deliver BTR homes or encourage BTR operators to develop homes in the Scottish Borders.

6.15 Self-Build

Self-provided housing is an important element of future housing supply. It can include self-build (where a person builds their own house or appoints their own builder), custom-build (where a person tasks a house builder to tailor a home to their preferences before it is built) and collective build (where a group of people design and build several homes together). It can be an affordable option for housing delivery, with the flexibility to support the development of accessible housing.

The Local Housing Strategy looks for opportunities to encourage and promote self or custom builds. As with many other rural areas a significant proportion housing completions are self-build units in the Borders and partners will continue to look for opportunities and sites to promote this form of build, as well as monitor the numbers of self-build completions. The number of self-builds is monitored through NB2 completions (Private Sector New Build). Over the past five years the number of self-builds in the Scottish Borders have been decreasing from approximately 35% (2011/12) of private new build completions to 18% of new build completions in 2022/23. While this provides us with an approximate number of self-builds, SBC will be looking to develop a register on people interested in self-build and develop a mechanism to monitor the number of self-build projects.

Access to appropriate information, advice and support is key to support those who may be considering a self-build option, and where initially there may appear to be a number of barriers to progressing. The Scottish Government, and other organisations, have a number of useful guides and helpful information available on their websites, however there is more that we can do locally to support this activity. Through development of the LHS, Scottish Borders Council will commit to reviewing how it makes information accessible and available by preparing a self-build communications plan and seek to establish a register of interest in self build.

6.16 Key Issues and Challenges

- How is the population & household profile projected to change and the impact this will have on housing supply
- The Scottish Borders has an ageing population and reducing household sizes – meaning a greater need for the right type, size of stock in the right places
- Lack of access to affordable housing
- Decreasing Private Rented Sector - The private rented sector plays a significant role in the Scottish Borders. Continue to work with landlords and tenants to ensure this sector continues to thrive
- Limited housing options for young people and/or first-time buyers
- Need for greater diversity of housing types and tenures
- Supporting housing development in more rural areas and communities
- Uncertainty and impacts of COVID-19 and the UK's exit from the EU
- Delivering housing in a challenging financial landscape where there are inflationary pressures, increasing tender costs, increasing cost of finance and mortgages which is adding to the challenge.
- House prices and private rents vary in different parts of the Borders and a low wage economy means housing options are limited for many residents
- Perception from larger developers is that the region is a challenging market with insufficient market demand, lower end value and a longer time to sell. Traditionally, both sale prices and rates of sale are lower than other parts of Scotland, particularly the central belt, adding to costs and making development less attractive.
- Housing needs to be considered in the wider context, including transport and digital connectivity, childcare, and employment opportunities. Ensuring that there is the appropriate infrastructure around new homes such as schools, shops, and employment opportunities
- Supporting community led housing developments
- The number of empty homes in the Scottish Borders continues to be at similar levels but has started to increase in the past couple of years
- Need to make better and more effective use of existing stock – e.g. empty homes
- There are some areas of the Scottish Borders being low demand creating some challenges
- Town centres in the Borders have been declining, there is a need to make town centres a great place to live - making better use of vacant/ derelict sites and repurposing existing buildings (high costs associated with derelict or brownfield sites)
- Increase in short term lets and second home usage

6.17 Current Progress

- HND A3 received robust and credible status in 2022. The preferred scenario for the Scottish Borders being strong growth
- Revised Draft NPF4 is in place with the finalised MATHLR for the Scottish Borders is 4,800
- The Housing Supply Target for affordable housing has been met over the period of the LHS 2017-2022
- Strategic Housing Investment Plan for 2023-2028 was submitted to Scottish Government in October 2022
- Establishment of Community Place Planning Team at SBC
- The Borderlands initiative set down the challenge in 2022 for us to take a 'whole town' approach to placemaking. Borderland Place Workshops were held in Hawick, Galashiels, Eyemouth, Jedburgh in 2022
- Recruitment of an Empty Homes Strategy & Policy Officer in the summer of 2021
- Launching an Empty Homes/ Property Grant Scheme
- Work on the regeneration of Beech Avenue area in Upper Langlee. Galashiels.
- The Conservation Area Regeneration Scheme (CARS) In Selkirk, Jedburgh and Hawick
- South East Scotland City Region Deal - A new Regional Housing Board was established in 2019 as a means of better engaging the housing sector and harnessing its potential contribution towards the wider City Region Deal objectives.
- Well established working relationships with RSLs, delivering social rented housing for people in the region

6.18 Key Actions for Delivery

- Increase the supply of affordable housing
- Deliver alternative tenure housing to meet a broad range of needs
- Increase construction capacity and skills to support delivery of more homes
- Implement revised planning policy and practice to ensure it is directive in shaping existing and new places
- Supporting the delivery of housing regeneration in communities (including town centres and rural settlements)
- Support the development and implementation of Place Plans
- Reduce the number of empty homes

Successfully tackling these issues is key to our success and provides us with significant opportunity. To unlock economic opportunities in the Borders it is essential that people are able to find the homes they need, both for those already in the region and to attract new people, helping to tackle the need for more working age people.

Matching housing development to economic opportunities is important. Construction, new-build, refurbishment and retrofit, contributes across our ambitions to be a green, fair and flourishing region – from our net zero ambitions, through community wealth building, delivering thriving places and tackling poverty and inequality.

The proposed actions in relation to Housing Delivery and Sustainable Communities will support those ambitions.

7. Specialist Housing, Particular Needs and Independent Living

Strategic Outcome 2:

People have access to homes which promote independence, health and wellbeing

Having access to the right housing plays a crucial role in addressing some of the key health challenges in Scotland and the Scottish Borders. Housing can help to contribute to the positive health outcomes of people who have mental or physical health needs.

The Scottish Borders has an ageing population which will have a big impact on housing services in the future. The main impacts are on changing demands for housing supply and the housing stock; in supporting people to live independently and on adaptations to housing stock. Wherever possible, independent living will be supported in a person's own home through appropriate care, support, adaptations or technology.

7.1 New Accessible Housing Standard

The new Housing Standard will apply to all tenures and is an important element of Housing to 2040, which will set the path for how Scotland's homes and communities should look and feel in 2040. The new standard will create a single set of quality and accessibility standards, no matter whether a home is owned or rented.

Part of Housing to 2040 is to review Housing for Varying Needs. Once complete, the review of Housing for Varying Needs will inform the introduction of building standards in 2025-26 to underpin a new Scottish Accessible Homes Standard, which all new homes will need to achieve by law, regardless of tenure.

7.2 Guidance on the Provision of Equipment and Adaptations

The new (2023) guidance outlines the responsibilities of all relevant agencies, with the aim of supporting partnerships, across Scotland, to deliver a more equitable and accessible approach to the provision of equipment and adaptations. The overall aims of the guidance are to:

One of the overarching principles is:

"Adaptations should be seen as one of a number of possible solutions available, and it may be that housing support, or re-housing could be a better option for long term needs"

- Remove barriers in the systems promoting seamless pathways which are consistent and equitable across the country;
- Ensure services evidence that the service user, and unpaid carer, are at the centre of provision.
- Enable choice and control for service users and unpaid carers as partners in the process of assessment and support planning.
- Focus service provision on supporting the achievement of successful outcomes for the individual, and where relevant, their unpaid carer.
- Promote a consistent approach to the assessment for, and provision of, equipment and adaptations, which promotes prevention and early intervention, and supports self-management.
- Ensure that service users and unpaid carers have access to up to date and relevant information on equipment and adaptations.
- Promote good practice and effective partnership working in relation to equipment and adaptation provision.

There are a number of key actions in the guidance grouped under a number of headings:

- Contribution of Equipment & Adaptations
- Assessment & Provision

- Prevention, Early Intervention, and Self-management
- Unpaid Carers
- Moving & Handling
- Postural Management
- Hospital Discharge
- Children & Young People
- Care Homes
- Prisons
- Wheelchairs
- Communication Aids
- Technology Enabled Care
- Sensory Impairment
- Integrated service pathways for equipment provision
- Community equipment Store service models
- Health & Safety
- Recycling
- Adaptations and Housing Solutions

SBC has been involved in the consultation on the draft guidance and will continue to be actively involved in future development of the guidance and will review and update processes in line with the updated guidance over the course of 2023-2024

7.3 Need and Demand for Specialist Housing

7.3.1 Current stock

The following information is based on data collected from the Housing Associations operating in the Scottish Borders. There are currently four locally based and five national RSLs. There are only two who do not provide any specialist housing.

- 16% of social housing in the Scottish Borders is classed as specialist housing
- 15% of re-lets are for specialist housing
- 22% of potential new affordable supply provision is for particular needs housing
- There are 26 Care Homes in the Scottish Borders
- There is very limited information on specialist provision available in the private sector.

7.3.2 Demand

The follow bullet points provides a snap shot on the current demand for specialist housing in the Scottish Borders. This clearly indicates a growing need for specialist housing and support for people living in the Scottish Borders.

- There has been a 9% increase in the number of households with a long-term sick or disabled person from 2007-09 and 2017-19.
- An estimated 13%-15% of homes in the Scottish Borders have some form of adaptation for a person with a health or mobility issue, most frequently handrails, specially designed / adapted bathrooms or showers, ramps and door entry systems.
- Somewhere between 1,600 and 2,300 households contain at least one person that has to use a wheelchair, with a central figure of 2,000.
- There is an identified need for around 1,000 dwellings to be adapted to meet a range of mobility issues, this likely to be an under-estimate when considering projected household growth in the Scottish Borders
- Between 2009 and 2019, care home bed numbers in Scottish Borders increased by just 1%, despite a 20% increase in the population aged 75 and over.
- Demographic modelling indicates that there would be a need for 187 additional care home beds within the Scottish Borders by 2030. This represents an annual increase of between 14 and 20 care home admissions per year
- The number of new referrals to Adult Social Services has increased significantly from 2016 to 2021

- The number of people using Self Directed Support (SDS) has increased from 2,360 in financial year 2017/2018 to 3,005 in 2020/21.
- Scottish Borders has a high percentage of people aged 18-64 years receiving social care services
- There is a lack of recent data to quantify the care and support needs of unpaid carers, although the information that is available suggests that the number of unpaid carers has increased since the 2011 Census. The Scottish Borders percentage of population providing unpaid care currently sits at 9.1%

7.4 Health and Social Care Partnership

The Scottish Borders Health and Social Care Partnership is a legally integrated partnership between the Scottish Borders Council and NHS Borders, enhanced and overseen by the Health and Social Care Integration Joint Board. In addition, our Health and Social Care Partnership extends to Primary Care Partners, Non-Statutory Social Care Providers, Unpaid Carers, Service Users and our wider communities.

The Scottish Borders Health and Social Care Integration Joint Board plans and directs the delivery of health and social care services for the people of Scottish Borders. It is a commissioning body that was created in 2015 in order to improve health and wellbeing outcomes, and the experience for people of the Scottish Borders. It works in close partnership with communities and its delivery partners, and commissions against its budget in line with the strategic objectives and ways of working set out in the Strategic Framework.

The Health and Social Care Integration Joint Board includes members from the Communities (including the Third Sector, People who represent the interests of service users, Unpaid Carers, and Staff), NHS Borders and the Scottish Borders Council. The IJB has a range of responsibilities and legal duties as outlined in the Public Bodies (Joint Working) (Scotland) Act (2014). The Health and Social Care Integration Joint Board is supported to develop and monitor the delivery of our Strategic Framework by its Strategic Planning Group and its Audit Committee.

7.5 Wheelchair Accessible Housing

Scottish Borders Council commissioned consultants to develop a wheelchair housing study. In January 2020 the finalised report was published “A space to live – Wheelchair accessible housing in the Scottish Borders”. The final report identified a wide range of issues and challenges which will need to be addressed at national as well as at a local level by Scottish Borders Council and partner agencies.

The total potential number of new affordable units in the SHIP 2023-28 is 1,320, of these 295 are particular needs units and (22%) and 169 (13%) are wheelchair accessible homes.

Wheelchair Housing Target:

**20 homes per annum
15 being provided by RSLs**

7.6 Integrated Strategic Plan for Older People’s Housing, Care and Support 2018-2028

Partners in the Borders have produced an Integrated Strategic Plan setting out a vision for enabling older people to have greater choice of housing, support care that meets their long-term needs. It is focused on enabling independent living but proposes an investment and service framework which tackles the logistical and market challenges experienced in the Scottish Borders. It proposes investment in housing for older people, technology-based services, and additional people capacity as a means of ensuring future needs can be met. Over the period up to 2028 partners will look to invest close to £130m to enable:

- 400 extra care houses (including 60 in a new retirement campus)
- 300 new build houses suitable for older people for sale and in the rented sector

- Existing housing, refurbished or remodelled - 300 houses in the social rented sector
- Housing support on site to be offered to 300 more older households across housing sectors
- Over 8,000 adaptations and small repairs to enable people to stay in their own home
- A minimum of an additional 20 specialist dementia spaces to meet the need identified in the emerging Dementia Strategy
- Investment in telecare / telehealth for over 800 households.

Extra Care Housing is primarily for older people and provides purpose-built, accessible fully self-contained properties where occupants have their own front doors and access to care and support services 24 hours a day. In 2016 six extra care housing developments across the Scottish Borders were approved by Council for delivery.

Proposed Project Delivery
211 Extra Care Housing units
2020/21 – 2027-28

The first 30 flat development completed was Longfield Crescent, Duns by Trust Housing Association which completed in March 2021, with Eildon Housing Association completing its 39 flat Wilkie Gardens development in Galashiels in November 2021. Following Covid related reprogramming, the next development is now underway at the former High School Kelso which is being converted and remodelled by Eildon Housing Association to form 36 flats. Current information estimates that this will complete in summer 2023.

7.7 Scheme of Assistance (Disabled Adaptations)

The timely provision of adaptations can make a significant difference to the outcomes for an individual in relation to where they can live and the level of independence they have within their daily environment. These modifications can be critical in acting as preventative measures. They can help to reduce the number of emergency hospital admissions through falls and other accidents, and also reduce the need for home care or long-term admission to a care home. For children, adaptations can support functional, social & emotional development and can provide an improved quality of life for the whole family.

The scheme of assistance is a system of financial and non-financial help that local authorities can provide for private housing which:

- is in disrepair or below the tolerable standard, or
- needs to be adapted because a person is disabled

Information on the disrepair aspect of Scheme of Assistance can be found in section 9 on page 68. A major adaptation involves permanent changes to the structure of a person's home. These works are subject to mandatory grant provision and are prioritised for financial assistance by the Council. These include:

- Provision of standard amenities which can include an extension to provide any or all of the standard amenities;
- Provision of structural adaptations with the exception of extensions, to provide living accommodation.

7.8 Care and Repair

Under the Scheme of Assistance, SBC provides advice and grant funding to people with disabilities in the private housing sector to carry out adaptations to their home. To assist Scottish Borders Council have commissioned a Care & Repair Service through Eildon Housing. The Borders Care and Repair Service provides an adaptation service and handyperson service. Households can access the service if they meet the following criteria:

- a homeowner 60 years of age and over
- a tenant 60 years of age and over
- a disabled homeowner or tenant of any age

Through the adaptation service, the team can advise on improvements required in the home to meet a physical need. Assisting with major adaptations, for example; level access showers, stair lifts and access ramps.

The handy person service carry's our jobs including; fitting locks and smoke alarm, replacing tap washers and unblocking sinks, fitting light bulbs and hanging curtain poles and fitting grab rails or handrails. The service also provides advice on home improvements, for example; roof repairs, damp works, electrical rewiring and window replacement

In 2011 there was a significant move to the development of a 'One Stop Shop' model for all adaptations in the Borders, which was achieved through an agreement with each of the four larger Registered Social Landlords (RSLs) who all operate locally in the Scottish Borders. This provides a consistent adaptation service to all people in the Borders regardless of tenure. Through the One Stop Shop approach, Care and Repair effectively spend the funding awarded from the Scottish Government national budget, referred to as Stage 3 funding, for each of the RSLs.

Between 2017 and 2022, Care & Repair have project managed 1,615 minor adaptations and repairs, and 335 major adaptations over the five year period of the last LHS. There have been 18,846 visits by a handyperson. Between 2017 and 2022, there were 485 major adaptations carried out by the four main RSLs in the Scottish Borders supported by over £1.7million in capital funding.

7.9 Supported Housing

7.9.1 Care Homes

As of March 2022, there were 26 registered care homes in the Scottish Borders, the majority of which cared for people aged 65+. A modelling exercise was undertaken by Public Health Scotland to advise on demand for and commissioning of care home beds in Scottish Borders for next 10 years (to 2030). Demographic modelling indicates that there would be a need for 187 additional care home beds within the Scottish Borders by 2030. This represents an annual increase of between 14 and 20 care home admissions per year. However, past experience suggests that care home demand will not increase proportionately to demographic change.

Studies show that fewer older people enter care homes in rural areas compared to urban area and this may be related to closer family support networks. This suggests older people in the Borders manage to remain at home longer than in other areas.

7.9.2 Adult Social Care

Adult Social Care refers to the support and care assessment and provision given to all adults, including older people. According to Care Inspectorate data, there are 43 care at home and housing support services registered, employing a total of 793 staff. The third and independent sectors are collectively the largest employer of social care staff comprising of 67% of the staff delivering care to people living in their own homes and 83% of the beds provided in care homes. The remaining 33% of staff are employed by the Scottish Borders Health and Social Care Partnership, in the Scottish Borders Council.

Most care at home services are delivered by the organisation SB Cares. Until 1 December 2019, SB Cares was registered as a Limited Liability Partnership wholly owned by Scottish Borders Council, although

Councillors have since approved the recommendation to bring the partnership back into full ownership of the Council.

7.9.3 Self-Directed Support

Self-Directed Support (SDS) is an approach to social care that allows individuals more control and choice over the support they receive. The number of people using SDS has increased from 2,360 in financial year 2017/2018 to 3,005 in 2020/21. Since 2016, on average most people received option 3 (76%), followed by option 1(17%) then option 4 (7%). Less than one percent of people used Option 2.

7.9.4 Care at Home

As Scotland policy agenda moves away from institutional settings and congregate environments, the provision of care and support is paramount to ensure individuals can live at home for as long as they want. Individuals may require care and support at different points in their life, or not at all. The levels of care and support required to enable the following groups of people to live independently at home providing they would prefer to do so:

- Older People - people are living longer, leading to a higher incidence of frailty, dementia and co-morbidities.
- Individuals with short-term or long-term disabilities/conditions – this covers a range of individuals including those who have multiple and complex needs and require 24/7 care, to individuals who require weekly housing support or peer worker input.

In 2021, there were an average of 1,367 Home Care clients each month and 549,018 hours of care work delivered. Most Home Care clients are over the age of 65.

7.9.5 Technology Enabled Care

Technology Enabled Care (TEC) aims to empower people to better manage their health and wellbeing using digital solutions. It consists of equipment to support people to remain safe and independent at home or in a community setting. Equipment can range from personal alarms and devices to activity pattern monitors. A TEC assessment is available for anyone with a social care need. The number of people receiving community alarms in the Scottish Borders, clearly showing a big spike in 65 years and over receiving a community alarm from 2018/19 to 19/20 (1,637 to 2,564), although this reduced significantly in 2021/21 to similar previous levels. .

7.9.6 Unpaid Carers

Unpaid Carers are defined as people who care without pay for a family member, friend or neighbour, who, because of a long-term illness, disability or neurological difference, could not manage without this support. The illness can be a physical or mental health condition or an addiction. People can become carers at different ages and stages of life, and they do not have to live with the person they care for. Many carers find themselves juggling paid work with unpaid caring responsibilities, including parents of children with additional support needs.

The numbers of unpaid carers in each Health and Social Care Partnership area are difficult to identify exactly and data can only be sourced from the Scottish Health Survey and the 2011 Scotland Census. According to the Census 2011, 9% of the population of the Scottish Borders are unpaid carers. The Scottish Government estimates the number of unpaid carers living in Scotland to range between 700,000 and 800,000 each year. Carers Scotland estimates that there are 759,000 adult carers in Scotland, including 29,000 young carers, suggesting the number of unpaid carers has been increasing which is likely to be linked to the ageing population.

The number of children aged 4-15 in Scottish Borders who act as a carer for someone may be (if the situation in Borders is similar to that for Scotland) roughly 760, translating as around 4% of all children in this age group. This is somewhat higher than the 187 carers aged under 16 who were counted via the 2011 Scotland Census.

7.10 Care Villages

Plans to develop two new care village facilities for the Borders were agreed in March 2022. More than £22.5m has been allocated to cover the cost of two care villages, one covering Central Borders in Tweedbank and the other in Hawick. The intention is to provide an innovative new model of residential care, designed specifically to better support the changing needs of older people alongside providing high-quality care and support through proactive early intervention and preventative action aimed at those with complex needs, frailty and dementia. The concept of the care village model supports unique needs, lifestyles and personal preferences for living, care and well-being for people living mainly with dementia and frailty. 24-hour care would be delivered by trained professionals.

Tweedbank Care Village

The plan for the care village in Tweedbank includes 60 beds in Tweedbank care home, 8 unit for particular need (Tweedbank Young Person Complex Care Development) and 8 units for particular needs (Tweedbank Adult Complex Care).

Hawick Care Village

The plan for the care village in Hawick includes 60 beds within the residential care and hub, 40 units for Extra Care Housing and 12 units for amenity housing.

7.11 Learning Disabilities

People with learning disabilities have a significant, lifelong, condition that starts before adulthood, which affects their development and which means they need help to understand information; learn skills; and cope independently. The number of people with learning disabilities is growing in Scottish Borders and there is an increase in the complexity and number of health and support needs requiring input from the Health and Social Care Partnership from both younger people living with more complex health conditions and people living longer into older adulthood.

In 2021, there were 702 people known to the Health and Social Care Partnership with a learning disability, of whom 101 have a diagnosis of a learning disability and autism (14%). This is likely to be an underestimation of both population statistics. The Scottish Government cites that around 32.7% of people with a learning disability also have a diagnosis of autism.

30 adults with a learning disability are placed in support arrangements out of the Scottish Borders and of these, 8 people are a priority to return to the area when appropriate accommodation and support can be established.

In 2022 there are 96 young people between the ages of 14-18 identified to the learning disability service, where transition to adulthood support is needed. There are currently 229 tenancies within the Scottish Borders for people with learning disabilities, with currently with approximately 25 vacancies. There are 75 people seeking a move, 25 of whom are deemed as urgent.

7.11.1 Coming Home

The Coming Home Implementation report from the working group into Delayed Discharge and Complex Care which makes recommendations of actions to be taken at national and local levels to reduce the number of delayed discharges and out-of-area placements for people with learning disabilities and complex

care needs. The vision identified in that report is that “The human rights of everybody with complex care needs are respected and protected and they are empowered to live their lives, the same as everyone else”.

The Scottish Government have provided one-off capital funding of £350k for the Borders to support the aim of bringing people back to their “homelands” by March 2025. Scotland’s ambition is that as many people as possible are cared for in a domestic setting, however it is unlikely that suitable homes already exist or will become available within a reasonable or predictable time period to meet the identified needs. As a consequence, for those for whom housing is the appropriate outcome, it is likely that bespoke solutions in the form of individual dwellings or some arrangement of shared accommodation will be required.

Initial scoping work undertaken by the Health and Social Care Strategic Partnership identifies 22 people who may need to be considered in relation to this, including those in transitions. Seven of these are young people. A programme board has been established to oversee related activity and monitor progress against delivering the aspirations of the Coming Home Report.

There are several potential projects currently being considered which could potentially support upwards of 14 of the identified individuals to date and the project board is actively exploring further options to identify appropriate housing solutions and support which would meet the needs of all 22 individuals and their families, as well as prevent any future out of area placements. A report will be presented to the Integrated Joint Board before summer 2023 to update on progress and activity.

7.12 Gypsy/ Traveller and Show People

Gypsy/Travellers are recognised as a distinct ethnic group by the Scottish Government. There is a large body of evidence, both in Scotland and in the UK, which shows a lack of access to culturally appropriate housing which is a major contributory factor in poor health, education and societal outcomes experienced by Gypsy/Travellers.

While there is a lack of reliable accurate data to show the number of Gypsy Travellers, national estimates would suggest that 1.5% of Scotland’s population of Gypsy/Travellers reside in the Scottish Borders.

Currently, there is no legal requirement for local authorities to produce assessments of accommodation need for gypsy and travellers. However, local housing strategies set out council’s plans and priorities for housing and housing related services, including those for the gypsy and traveller community.

SBC recently commissioned consultants to carry out engagement work with the Gypsy Traveller community in the Scottish Borders, this was part of the early engagement work of this LHS. The key aim of this work was to identify the housing needs and requirements of the Gypsy and Traveller community in the region. The assessment was undertaken by conducting a review of the following data sources:

- 2011 census data
- Information from SBC regarding pitch provision and supply
- Information from SBC regarding authorities encampments
- Information from key stakeholders and neighbouring authorities
- A survey of house households residing in site based accommodation across the Scottish Borders
- A community survey of those attending the St Boswells Fair
- One response to an open survey made available on SBC’s website and advertised on Twitter and Facebook

The findings of the analysis has indicated an estimated unmet need for an additional site provision of 28 pitches. Estimated additional household formation identifies an anticipated future need for 3 additional

itches. The estimated identified need in the analysis undertaken should be taken as a starting point, but also as confirmation that provision, in some form, is required.

This had led to short working group who have been working on a project plan to identify any site provision in the Scottish Borders which led to a “call for sites” in February 2023. Responses to this are due by the 14th April 2023.

7.12.1 Travelling Show People

Travelling Show-people are defined by their occupation, which centres around travelling to provide fairground rides and amusements throughout the summer months and settling on a permanent residential base in winter months

The Housing Need and Demand Assessment considered the needs of travelling show people, but the data available is limited. The HNDA engaged with the Scottish Showmen’s Guild who indicated 400 member businesses, totalling over 2,000 Showpeople in Scotland. The Guild suggested that around 80% of these are based in the Glasgow area when not operating shows. Local data would suggest there are two sites in the Scottish Borders that accommodate Travelling Show people.

At the time of developing the HNDA (2021/22) the Guild did not identify any accommodation needs which are not currently being met via existing arrangements for temporary accommodation for Travelling Show-people in the Borders, however this will be reviewed as part of the formal consultation of this LHS.

7.13 Key Workers

The LHS identifies key workers based on the definition from the ‘*Affordable Housing for Key Workers’ Project Group August 2015*’: A ‘key worker’ should be defined as a public sector employee who provides an essential service. (As well as workers in the public sector, it was noted that this definition could also apply to low paid employees in the private sector/ service industries who are also providing essential services.)^[1]

Housing is a key issue reported by other sectors in the Scottish Borders, in particular Health and Social Care, but also raised by wider communities and businesses. Key issues reported include a shortage of suitable stock in the right locations and challenges with affordability. As part of the LHS development process we need to explore collaborative actions to help ensure that people, particularly key workers, are able to find the homes they need to take up those opportunities.

While housing needs to be considered in the wider context of transport, employment opportunities and other issues it is important that the Local Housing Strategy communicates an understanding of, and provides evidence in relation to, the housing related challenges being faced by employers across the region, and looks to identify solutions to these.

As mentioned in section 4.4 (page 20), at the beginning of September 2022, SBC sent out a survey to a wide range of partners to find out about key workers in the Scottish Borders and if there are any accommodation issues when recruiting key workers in particular from other areas or overseas. This has resulted in a number of discussions and pathfinder projects that will be identified in the action plan.

^[1] <https://www.gov.scot/binaries/content/documents/govscot/publications/factsheet/2017/10/affordable-housing-for-key-workers-project-group-report/documents/affordable-housing-key-workers-project-group-report-pdf/affordable-housing-key-workers-project-group-report-pdf/govscot%3Adocument/Affordable%2BHousing%2Bfor%2BKey%2BWorkers%2B-%2BProject%2BGroup%2BReport.pdf>

7.14 Key Issues and Challenges

- There has been a lot of focus in recent years on national and local policy on specialist housing and people with specific needs
- The impact of updating the housing for varying needs – how will this impact future housing delivery in both the social and private sector?
- Lack of local data on the needs of households in the Scottish Borders. In order to plan for the future, we need to be able identify the current situation
- There is quite a range of specialist housing types. There has been a move from traditional housing models such as sheltered housing to retirement housing and extra care housing.
- An ageing population puts more pressure on housing. The main impacts are on changing demands for housing supply and existing stock; supporting people to live independently and on adaptations to housing stock
- An increase in the number of households with a long-term sick or disabled person means an increase in demand for specialist housing provision and adaptations.
- There is a lack of information on specialist housing in the private sector. It is not only the role of the social rented sector to meet the needs of households
- Clearly identifying housing's role in the locality planning within health and social care partnership
- The lasting legacy of Covid-19
- There has been a lot of focus on specialist housing for older people, need to ensure there is an adequate supply and access to specialist housing for young people

7.15 Current Progress

- The “Integrated Strategic Plan for Older People Housing, Care and Support 2018-28” identifies a number of developments for older people across Borders that are “no longer fit for purpose”.
- Wheelchair housing annual target of 20 homes with proposed delivery being divided into 15 by Registered Social Landlords with the balance provided by the private sector.
- 69 units of extra care housing have been delivered in the past five years, in Galashiels and Duns. Work has also started on the former Kelso High School to convert it into 35 additional flats, which are expected to be completed in early 2023
- Increased partnership working with the Health and Social Care Partnership to embed housing in the new Strategic Framework 2023-2026
- Commissioned work on wheelchair housing, young people, Gypsy Travellers and key workers to gain a better understand of housing need and aspirations within these groups

7.16 Key Actions for Delivery

- Work in partnership to deliver more accessible homes across tenures
- Increase the supply of wheelchair housing
- Provide information, advice and assistance on housing options and adaptations to meet particular needs across tenures
- Review the Scheme of Assistance ensuring the new Guidance on the Provision of Equipment and Adaptations is reflected
- Strengthen joint working with partners in HSCP, NHS, RSLs and others to deliver appropriate housing solutions for individuals with complex needs
- Strengthen joint working to support key worker and employer led housing opportunities
- Identify land and funding opportunities to more effectively meet the needs of the Gypsy and Gypsy Traveller community

Successfully tackling these issues is key to delivering more housing and services for people with particular needs and to help support people's health and wellbeing. Ensuring we have the right housing in the right locations to meet people's changing needs is a key focus of this LHS and the proposed actions in relation to independent living and health and wellbeing will support those ambitions.

DRAFT

8. Fuel Poverty, Energy Efficiency and Climate Change

Strategic Outcome 3:

Improved energy efficiency of homes and a reduction in fuel poverty while supporting a Just Transition to Net Zero through decarbonising domestic heating and energy

8.1 Housing to 2040

Housing to 2040 sets out the key housing challenges, priorities and actions required over the longer term. The 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. This has been identified under a number of actions:

- Align the work set out in Housing to 2040 with the draft Heat in Buildings Strategy so both work together to deliver our statutory targets for climate change and fuel poverty, and the milestones in between, in a fair and just way.
- Aim for all new homes delivered by Registered Social Landlords and local authorities to be zero emissions by 2026.
- Adapt and retrofit existing homes to improve their energy efficiency and decarbonise their heating systems.
- Modernise housing construction, particularly through offsite construction.
- Build the strong local supply chains needed to decarbonise Scotland's homes and contribute to green recovery.
- Grow the skills needed to deliver energy efficiency and zero emissions heating systems and support an increase in the use of offsite construction.

8.2 Just Transition to Net Zero

For the benefit of the environment, people, and prosperity, Scotland is transitioning to a net zero emissions. As part of the global effort to fight the climate emergency, Scotland has set an ambitious target to become 'Net Zero' by 2045, five years ahead of the rest of the UK. The interim target of 70% reductions by 2030 is less than 10 years away.

Scotland's 2018-2032 Climate Change Plan was updated in December 2020. It sets out the Scottish Government's pathway to the country's new and ambitious targets set by the Climate Change Act 2019. To meet Scotland's targets, a rapid transformation across all sectors of our economy and society is required. It is a key strategic document on our green recovery from COVID-19.

SBC declared a climate change emergency response in 2020 and this will be a key theme and core consideration through all aspects of SBC activity, including the LHS. SBC are committed to decarbonisation, and this is part of declaring a climate change emergency and offering climate change commitment. Electrification of heat and move away from reliance on fossil fuels and towards cleaner greener energy and with measures to help reduce energy use and raise positive behaviour change in how people use energy. The national requirement for all LAs to develop their own LHEES will support this transition and commitment to carbon reduction.

In June 2021, SBC developed the Climate Change Route Map for the Scottish Borders showing a pathway to climate change resilience and to Net Zero GHG emissions for the Scottish Borders, over a 25-year time horizon.

8.2.1 Heat in Buildings

The Heat Networks (Scotland) Act 2021 was passed by the Parliament on February 2021. The Act sets out how provisions of the Heat Networks Scotland Act 2021 and wider policy will contribute to increasing heat networks in Scotland. It aims to accelerate the deployment of heat networks in Scotland through the introduction of a regulatory system aimed at boosting confidence in the sector. The Scottish Government's aim is that low carbon technologies such as heat networks will supply heat to 35% of domestic and 70% of non-domestic buildings by 2032.

In October 2021 the Scottish Government published its Heat in Buildings strategy outlining its aims to transform Scotland's buildings and the systems that supply their heat, ensuring a transition to net zero emissions and addressing fuel poverty commitments. The Heat in Buildings Strategy, which updates both the Energy Efficient Scotland Route Map and the Heat Policy Statement, sets out how The Scottish Government aims to achieve that ambition.

Through this strategy and the Programme for Government Scottish Government committed to consulting on the following proposals and introduce primary legislation thereafter.

Minimum Energy Efficiency Standard:

- EPC C (or equivalent) in private-rented homes by 2028
- EPC C (or equivalent) in owner occupied homes by 2033
- EPC B in social rented homes by 2032 (non-legislative).

Prohibition of Direct Emissions Heating Systems:

- End use in new build homes warranted from 2024.
- End use in all tenures of existing domestic housing from 2025 and by 2045.
- Phase in requirement at regulatory trigger points

From 1 April 2024 onwards, the Scottish Government will bring in regulations to prohibit the use of direct emissions heating systems in new buildings, which will ensure that new buildings applying for a building warrant in Scotland must meet their space and hot water heating and cooling demand by only using New Build zero direct emissions heating systems.

Heat in Buildings Strategy is also committed to reform EPCs to ensure that they drive the energy efficiency and heat decarbonisation measures needed for our net zero objectives. SG intend to consult in the coming months on final proposals for EPC reform.

The Scottish Government committed to £1.8 billion of capital funding to help promote rollout of energy efficiency and zero emissions heat measures. A large share will focus on households in fuel poverty. Scotland's homes and workplaces must transform, so they are warmer, greener and more efficient. Reducing emissions from our homes and buildings is one of the most important things we can do to help end Scotland's contribution to climate change.

The established fabric first approach is critical to the transition, reducing demand for energy, making homes warmer and easier to heat, and preparing them for zero emissions technologies. This will likely be delivered through retrofit schemes such as EES:ABS and the maintenance and improvement schedules of the RSLs and supported by building of new homes and buildings.

Heat Networks in the Borders

All local authorities are required, within the Heat Network act and the LHEES, to identify potential areas or opportunity zones for Heat Networks, to help meet the national targets. Heat Networks are more efficient and viable in energy dense areas with good numbers of nearby properties that can be served by the network, and with larger energy users (Anchor Loads), to help balance and sustain the network.

The Scottish Borders has challenges due to the rurality, sparse population and limited suitably dense enough areas with enough properties. As such it is likely that new build developments, rather than retrofitting into existing properties, will present as the best opportunities for Heat Networks. Through the Local Housing Strategy, the LHEES, the Local Development Plan and working with key stakeholders such as RSLs, SBC will look to identify and progress Heat Network opportunities and potential projects. SBC will continue to liaise with Scottish Government and work with them to achieve, support and develop Heat Networks to achieve the targets outlined.

8.2.2 National Public Energy Agency

The Scottish Government has launched a national public energy agency to scale up the delivery of climate-friendly heating and improve energy efficiency across Scotland's homes and buildings. The National Energy Agency has been proposed for some time and will be a central source of advice, guidance and knowledge for the Scottish energy landscape where LAs and organisations get support and guidance from government. This will support and facilitate the massive changes and aspirational targets that have been set around decarbonisation. The agency will oversee and co-ordinate support and funding programmes to help people, businesses and the public sector access the most appropriate advice, guidance and investment streams to:

- accelerate transformational change in how we heat and use energy in homes and buildings
- aid public understanding and awareness
- coordinate delivery of investment

This will include dedicated funding for innovation, a programme of engagement with industry and ongoing support for skills and training. There will be an early focus on building public understanding of the changes needed in how people heat and use energy in their homes, as well as acting as a centre of expertise for green heat projects and co-ordinating the delivery of investment programmes. An independent strategic board has been established to support, advise and oversee the agency, with a marketing campaign highlighting the Home Energy Scotland service going live in November 2022.

The Scottish Government has committed at least £1.8 billion for green heat and energy efficiency programmes over the course of this parliament, with the aim for more than one million homes and non-domestic buildings to run on zero direct emissions heating systems by 2030. This includes:

- Energy Efficient Scotland (Heat in Buildings) Area Based Schemes;
- Warmer Homes Scotland Scheme;
- Home Energy Scotland Advice Service
- Home Energy Scotland Loan and Cashback
- Business Energy Scotland Advice Service
- SME Loan and Cashback
- Heat Networks Fund
- Social Housing Net Zero Heat Fund
- Green Public Sector Estate Decarbonisation Scheme

One of the key benefits will include a dedicated government team to offer support and to develop working relationships with as we look to deliver the LHS and the LHEES which both set out our regional approach to addressing both fuel poverty and climate change.

8.2.3 Future Standards for New Builds

The new energy standards form part of improved building regulations and build on earlier improvements introduced in 2010 and 2015. The new standards, which were applied from December 2022, also support plans for all new buildings to have zero emissions heating systems from 2024.

The new energy standards will also apply to newly built non-domestic buildings and form part of plans to reduce emissions across Scotland's building stock by more than two thirds by 2030.

Key elements in the new standards include:

- Improved performance targets which will reduce emissions from new homes by an aggregate of 32% and new non-domestic buildings by an aggregate of 20%.
- The introduction of a new energy target for new buildings to set and report on performance of decarbonisation as new buildings are decarbonised
- A focus on reducing energy demand, including improved fabric insulation in new homes to reduce heating needs
- Changes to make connection to low-carbon heating solutions such as heat networks easier

8.3 Affordable Warmth Strategy and Energy Efficiency Strategy

The Affordable Warmth and Home Energy Efficiency Strategy (AWHEES) is a multi-agency Strategy designed to support the provision of warm, energy efficient homes for everyone in the Scottish Borders. The Strategy involves key partners within the Scottish Borders Council (SBC), as well as wide array of stakeholders spanning the full breadth of the energy efficiency and fuel poverty agenda. Covering the period 2019-23, it contains a Vision, Priorities and an Implementation Plan. It has run in parallel with the LHS and been supporting key pillars. The AWHEES was a core part of the LHS 2017-2022 and helped delivery priority 2 of the LHS.

Vision:
**More people live in energy
Efficient and affordably
warm homes**

Along with existing commitments and priorities carried through from AWHEES development and inception, it is imperative that the AWHEES has climate change Just transition to Net Zero at the core of its aims and delivery.

The three main priorities within the AWHEES are:

1. To collectively work with partners to improve affordable warmth and energy efficiency in homes
2. To explore wider measures to better manage and increase warmth in the home
3. To ensure the AWHEES provides opportunities for all in the Scottish Borders

There have been a number of key achievements made throughout the three years of the strategy. A key output has been the creation of the Scottish Borders Home Energy Forum. The Forum comprises organisations representing housing providers, statutory bodies, advisory groups, bodies associated with energy, affordable warmth, health and income maximisation, and representative Officers of Scottish Borders Council.

The Forum has acted as a catalyst for building collective support for ongoing Strategies including Energy Efficient Scotland: Area Based Schemes (EES:ABS) and Energy Efficiency Standard for Social Housing (ESSH) 1 & 2, with upcoming funding opportunities being discussed proactively. It has continued to offer a

platform to promote and facilitate measures and schemes that target alleviating fuel poverty and increasing energy efficiency in households.

The Forum provides a strong position to deliver, and monitor progress against delivery of strategic outcome 3 of this LHS. It will continue to work closely to also deliver against Scottish Government targets, as well as targeting efforts to work collectively on issues of fuel poverty and energy efficiency.

Across a varied range of commitments and deliverables the previous LHS, and supporting AWHEES, have progressed core priorities, including:

- Increase in EPC ratings across all tenures and wards
- Insulation levels (cavity wall, solid wall and loft) have all increased
- Increase in EESSH compliance within Social Housing Sector
- Establishment of Construction Forum to support local supply chain and build on outputs of Home Energy Forum
- Two years extension to the Warm & Well programme offering support advice and income maximisation to Borders households, particularly those in Fuel Poverty
- Increase spend and allocation on EES:ABS
- Development and introduction of renewable technologies into EES:ABS

8.4 Local Heat and Energy Efficiency Strategies (LHEES)

The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 creates a duty on a local authority to prepare and publish a local heat and energy efficiency strategy and delivery plan by December 2023.

All Local Authorities are required to develop, publish and deliver an LHEES. An LHEES identifies what needs to be done to change buildings and relevant local energy infrastructure by 2045 to fulfil the Scottish Government's objectives and local priorities relating to heat and energy efficiency in buildings. The Strategy will reflect national and local priorities, policies and wider strategies. It will take into account and interact with local and national factors, such as the timing of planned infrastructure upgrades, access to resources and funding, major projects, decisions over the gas grid and community engagement. It will cover a period of up to 15-20 years with detailed actions set out in shorter term Delivery Plans. Building on this LHS the LHEES will provide a framework and delivery programme for local authorities to reduce energy demand and decarbonise heat supply across all sectors: Domestic, Non-Domestic & Public Buildings.

SBC participated in a Local Heat and Energy Efficiency Strategies (LHEES) pilot for Peebles in 2018/19. The LHEES pilot project proved to be an interesting and worthwhile undertaking and allowed officers to gain a greater understanding of the process involved in undertaking an LHEES. Previous experience and activity in relation to this LHS will inform development. SBC appointed consultants to support development of the LHEES ahead of delivery phase commencing in 2024. To focus the delivery SBC will recruit a dedicated LHEES Coordinator in 2023.

To effectively deliver the LHEES it is key that regional stakeholders are involved as every building is in scope regardless of use, tenure or ownership and to meet the targets required there will need to be significant and sustained development across the national and local supply chain. There will need to be growth in the manufacturing sector and within skills and training. Scottish Borders Council is already working with Borders College and South of Scotland Enterprise and other local stakeholders to explore how this activity can be supported. Groups such as the Borders Construction Forum meet regularly to share opportunities and insight.

8.5 Fuel poverty

8.5.1 Fuel Poverty Act

The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act was passed by Parliament with unanimous support in June 2019 and received Royal Assent on 18 July 2019. It sets statutory targets for reducing fuel poverty, introduces a new definition which aligns fuel poverty more closely with relative income poverty and requires Scottish ministers to produce a comprehensive strategy to show how they intend to meet the targets. The 2019 Act establishes a new definition whereby a household is considered fuel poor if:

After housing costs have been deducted, more than 10% (20% for extreme fuel poverty) of their net income is required to pay for their reasonable fuel needs.²

8.5.2 Fuel Poverty

Three main factors influence whether a household is in fuel poverty:

1. Household income – the cost of heating a property forms a greater proportion of total income for those on low incomes
2. Fuel costs – the prices of different types of fuels varies considerably; in some areas/ properties consumers are unable to choose an economical type of heating systems. Even with high levels of investment in energy efficiency measures, the recent increases in fuel prices have pushed many families back into fuel poverty
3. Energy efficiency – thermal quality of the building and the efficiency of the heating source impact on heating costs

A fourth factor has also been identified as a cause of fuel poverty:

4. How people use their heating systems and live within their home.

While this fourth factor is not unique to fuel poor households, the absence of energy efficiency behaviours can affect an increased vulnerability to, and entrench people within, fuel poverty. Vulnerable households can also find it more challenging to develop strategies to tackle fuel poverty themselves and participate in support programmes. Fuel poverty is a particular issue facing households in the Scottish Borders. In the Scottish Borders, 29% of households are fuel poor in comparison with 24% nationally. Fuel poverty is exacerbated by a number of factors affecting properties and households in Scottish Borders, including the following:

- 11% of dwellings in Scottish Borders have an F or G energy efficiency rating
- 33% of dwellings in Scottish Borders were built before 1945 (30% Scotland)
- 35% of Scottish Borders dwellings are off the gas grid³
- The Scottish Borders has a lower wage economy
- 53% of the population in the Scottish Borders live in rural areas (21% Scotland)

Fuel poverty is exacerbated by not only the type of housing but the rural nature of the area, the low wage economy and the higher level of older people living in the Scottish Borders.

² Fuel Poverty & extreme Fuel Poverty reference is: (Source: Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019)

³ Energy Saving Trust - Home Analytics Scotland V3.8

Table 4: Levels of Fuel Poverty and Extreme Fuel Poverty		
	Fuel Poverty	Extreme Fuel Poverty
Scottish Borders (SHCS)	29%	14%
Scottish Borders (HAnalytics)	28%	16%
Scotland	24%	12%
Source: Scottish House Condition Survey 2017-19 Energy Saving Trust - Home Analytics Scotland V3.8		

8.5.3 Cost of Living Crisis and Energy Price Cap

The 'cost of living crisis' refers to the fall in 'real' disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. The impacts on the UK economy following the Covid pandemic and the Ukraine war has resulted in an unprecedented increase in energy costs, and the wider costs of living. This in turn has had an impact on poverty and in particular fuel poverty and extreme fuel poverty. The crisis is having an impact on households in the Scottish Borders. As the region is an area that already has higher than average levels of fuel poverty the cost of living crisis will only make this more profound.

As per revised definitions, the fuel poverty rate in Scottish Border is at 29%. The increase in energy prices will have a huge negative impact pulling a large number of people into fuel poverty, and pushing others into extreme fuel poverty. Applying the new "fuel poverty" definitions over the increased energy costs show this increased spend on heating and energy and could potentially mean that the real fuel poverty figure to be nearer 40-50%.

The current energy price cap (£2,500 for a typical household) remains in place until 31 March 2023 and is likely to remain in place for a further three months, this will be followed by a new price cap of around £3,000 until 31 March 2024. Ofgem update the level every three months to reflect inflation and changes in underlying costs. Further announcements from Ofgem are expected in May and August 2023. These are welcome buffers against true fuel costs but they remain significantly higher than the typical cost for energy in winter 2021 which was £1,277 (December 2021).

Although we have previously been seeing a slow, gradual reduction in levels locally of fuel poverty, the recent increases in fuel costs, the uncertain energy market and the resultant cost of living crisis will see an increase in households in poverty and in particular fuel poverty. For an average household, energy costs have doubled in the space of a year, meaning the average household will pay around £2,000 more per year for energy.

Ensuring housing and homes are as energy efficiency as possible is the easiest and most direct way to reduce energy consumption. The housing stock across the region presents challenges due to the age and construction type. SBC along with partners will continue to work to mitigate against this rise through the delivery of energy efficiency schemes targeting households most at risk and making affordable warmth achievable for more households.

There has been a considerable amount of work going on across SBC and partners to mitigate against the impact of the cost of living crisis with a dedicated website offering a wide range of information and advice (Financial support and advice, help with rising energy costs and help with access to food). SBC have been working with community and voluntary groups to create a network of Warm Spaces throughout the region. The Warm Spaces Initiative includes community centres, libraries and clubs which all offer a warm and welcoming space, free to anyone struggling to heat their home.

8.6 Energy Efficiency Programmes – Area Based Schemes

Scottish Government funding for private home energy efficiency improvements is known as the Energy Efficient Scotland Area Based Scheme (EES: ABS). The funding enables investment in: external and internal

wall insulation; cavity wall insulation; loft insulation; and underfloor insulation. As well as offering insulation and fabric first measures the scheme will also aim to deliver more renewable technology in off gas grid areas, such as Air Source Heat Pumps and Solar PV and Battery Storage systems. Intend to continue to offer a blend of insulation and renewable technology.

The Council works in partnership with Changeworks to deliver Energy Efficiency Programmes – Area Based Schemes (EES:ABS), building on the strong relationships established over previous years. This partnership allows the Council to benefit from the expertise required to maximise the effectiveness of this project and to build on the successful outcomes delivered to date. The schemes follow an area based approach with focus on the most fuel poor area and households, drawing on a range of data including index of multiple deprivation, child poverty, the Scottish House Condition Survey, heat mapping and local knowledge.

Table 5 below provides a summary of the funding that SBC has received from Scottish Government over the past nine years and number of measures installed across the number of properties supported.

Table 5: Investment in EES: ABS in the Last 9 years			
Households assisted by EES: ABS	EES: ABS investment levels	Measures installed	Households supported
2015/16	£1.5	311	311
2016/17	£1m	1,256	1224
2017/18	£1.23m	735	623
2018/19	£1.34m	428	387
2019/20	£1.35m	100	81
2020/21	£1.72m	195	176
2021/22	£1.78m	192	116
2022/23	£1.8	220 (forecast)	170 (forecast)
2023/24	£1.82		
Source: SBC and Changeworks monitoring data			

The EES:ABS continues to be a core delivery channel for addressing fuel poverty and promoting affordable warmth across the region. The funding allocated to SBC for EES:ABS has steadily increased. EES:ABS has provided varied insulation schemes and the continuing need to offer Infernal Wall Insulation given the regions housing stock (i.e. older, solid walled properties that are unsuitable for cavity insulation).

As part of a commitment to decarbonisation, and increasingly electrification, of heating there has been and will continue to be a focus on delivering renewable technologies in the region. Starting in 2019/2020 and each year since, there have been projects installing Air Source Heat Pumps, Solar Photovoltaics and Battery Storage.

Renewable technology and insulation which enables more economic use of heating energy are both key factors in supporting climate change mitigation within the region. The 2022/23 EES:ABS scheme saw a successful funding application of £1.8 Million for the region and we are approaching the final delivery stages of the current scheme year. Looking ahead to 2023/24, SBC have been allocated £1.82 million to deliver the next EES:ABS cycle which is an increase on the previous years.

8.6.1 Energy Company Obligation (ECO) 4 and Flexible Eligibility

As part of the conditions of the EES:ABS grant, Local Authorities are required to outline how they will support Energy Company Obligation (ECO) 4 and ECO flexible Eligibility and to publish a Statement of Intent (SOI). SBC recently published our ECO 4 SOI and are reviewing ECO Flexible Eligibility mechanisms to fully understand and realise how ECO can be maximised in our region whilst ensuring the protection of consumers. At present the council will only accept referrals from approved delivery partners.

8.7 Registered Social Landlords (RSLs)

8.7.1 Energy Efficiency Standard for Social Housing (ESSH)

Registered Social Landlords across the Borders have their own targets known as Energy Efficient Standards for Social Housing (ESSH) which was introduced in 2014. The Energy Efficiency Standard for Social Housing (ESSH) aims to improve the energy efficiency of social housing in Scotland. It will help to reduce energy consumption, fuel poverty and the emission of greenhouse gases. RSLs are now considering the further, and higher, standards required for ESSH 2 which are:

'All social housing meets, or can be treated as meeting, EPC Band B (Energy Efficiency rating), or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology and necessary consent.'

In addition, no social housing below EPC Band D should be re-let from December 2025, subject to temporary specified exemptions.

Enhanced ESSH 2 standards will require that new builds are constructed to higher standards and utilise renewable low or zero carbon heating systems. Retrofitting properties to meet the standard will require new and innovative solutions to increase EPC ratings and thermal comfort and efficiency of properties. Some of the measures being considered and installed include EnerPhit retrofit standards, modern high efficiency storage heating systems (Quantum) and renewable zero carbon heating systems such as Heat Pump technology and Solar PV and battery storage. Longer term RSLs asset plans and potential Heat Network opportunities will be considered alongside the council's Local Development Plan and LHEES.

**Current ESSH Standard
Compliance:**

92%

(Aug 2022)

In Housing to 2040, the Scottish Government made a commitment to seek the agreement of the social housing sector to bring forward the review of the Energy Efficiency Standard for Social Housing post 2020 (ESSH2) to begin in 2023, with a view to strengthening and realigning the standard with net zero requirements so that social housing leads the transition to zero direct emissions buildings. Due to a number of pressures that RSLs face in the current climate (inflation, rising energy bills, rent freeze and cost of materials) has resulted in a 'Temporarily put on hold', which means:

- a) The 2020 ESSH milestone, or ESSH1, continues to apply. The ESSH1 milestone, which social housing should meet since the end of December 2020, continues to apply.
- b) Landlords are not required to show progress towards ESSH2 milestones. Landlords are not required to show that stock meets or is progressing towards ESSH2 milestones in reporting their performance for the years ending March 2023 or 2024.
- c) SHR has paused collection of ESSH2 data

Within these constraints and temporary hold, action is still needed to progress towards net zero to meet climate change targets and to reduce fuel poverty. Whilst the review is underway social landlords should continue to invest in energy efficiency measures, continue with planned investment and continue to draw on support available for example through the Social Housing Net Zero Heat Fund which will provide £200 million of grant support over the length of this Parliament.

8.7.2 Green Homes Pilot - Eildon Housing Association

Eildon Housing Association have been leading on the Green Homes Pilot with Construction Scotland Innovation Centre (CSIC) and supported by SBC, where a variety of modern energy efficient building techniques and styles are being utilised in their projects and post installation studies will be completed. The

project aims to determine a new-build comparison program with different home types that can be monitored as they are designed and built and thereafter.

There are four projects each with a different build methods. Costs design and post-construction building performance will be monitored to determine comparisons between each for Eildon HA and the tenants. This project is being managed in partnership with CSIC and Glasgow School of Art (MEARU)

This has seen new build energy efficiency properties such as Passivhaus, standard installations (at Westruther) new build homes completed already by Eildon at St Boswells to Passivhaus standard utilising air heat recovery heating systems. Westruther is one of four developments which will see up to 50 new green homes built using different building methods. This pilot will compare construction costs, time to build and the experience of tenants living in the homes.

The insight and learnings from these buildings and the various nuances of each construction type will be shared to allow better understanding of merits and suitability for future housing in the region. Evidence will be provided by ongoing output of monitoring and evaluation of the scheme / scheme successes.

8.8 Energy Performance Certificate – Regional Assessment

Part of addressing fuel poverty, increasing housing standards and delivering council strategies relies on improving the EPC rating of properties. This is a standard assessment measure used nationally to define standards.

Whilst the energy efficiency of Scotland’s homes is improving, around 55% of properties are still rated below the recommended minimum Energy Performance Certificate (EPC) rating of ‘C’. SBC has lower than the Scottish average EPC rating and has a medial average of D. Local strategies are focussing on addressing this. (Source: - Home Analytics Scotland V3.8)

Currently the EPC average scoring for the localities across the Borders, split by tenure, as shown in table 6 below.

Table 6: EPC rating by Tenure and Locality				
Locality	Compliant with EPC C or higher (by 2040)			Compliant with EPC B (by 2032)
	Owner Occupied	Social Housing	Privately Rented	Social Housing
Berwickshire	26%	62%	19%	21%
Cheviot	35%	82%	22%	14%
Eildon	32%	72%	24%	13%
Teviot and Liddesdale	25%	77%	24%	4%
Tweeddale	34%	65%	22%	8%

Source: Energy Saving Trust - Home Analytics Scotland V3.8

Since the previous LHS (2017-2022) there has been steady and consistent improvements made as shown in the below table 7 which is based on the most recent Home Analytics data. The table shows the average increase for the Scottish Borders and in particular the increase in the social rented sector. The improvements reflect the uplift in EPCs required by the Energy Efficiency Standards for Social Housing legislation - EESSH 1 and EESSH 2 and ongoing stock improvement and maintenance, and new builds being to a higher energy efficiency standard.

The key drivers are continuing energy efficiency home improvements through insulation and upgraded heating, either through 5 years of EES:ABS & Warmer Homes Scotland schemes are for householders paying for the measures themselves.

Improvements across the private rented sector have seen the lowest increase, but has still shown an increase. EES:ABS is available to some landlords and there are EST loans available also to support home energy efficiency improvements in this sector. Lack of regulation, such as the delayed Minimum Energy Efficiency Standards, may also have slowed improvements.

Table 7: Current compliance with Energy Efficient Scotland EPC ratings, by locality and tenure type, presented as % of stock			
Averages - EPC C or higher	2018	2023	Increase
Owner Occupied	24%	30%	6%
Social Housing	42%	72%	30%
Private Rented	19%	22%	3%

Source: Home Analytics v3.8 (Feb 2023)

8.9 Decarbonisation in South of Scotland

The South of Scotland’s first Regional Economic Strategy prioritises creating and sustaining high quality, affordable housing. The strategy also commits to using community wealth building as a tool for delivering an inclusive economy that centres on wellbeing. The decarbonisation of housing stock in Scotland is a key priority for the Scottish Government in its efforts to address the environmental crisis and net zero by 2045.

The recent ‘Roadmap to Decarbonisation: Retrofit of social housing stock in the South of Scotland’ Report recognises the challenges faced in achieving this ambition are considerable and identifies how these challenges play out in the South of Scotland, and how they are being addressed through the partnership work of South of Scotland Enterprise (SOSE), working with an emergent collaboration of registered social landlords (RSLs) and their partners.

The report sets out opportunities that taking forward energy efficiency measures in housing stock could have in:

- Developing the local construction and retrofit supply chain;
- Creating more than 2,200 jobs and £122m in direct gross value added;
- Tackle the impact of rising energy costs and impact of fuel poverty; and
- Contribute to net zero targets.

Rural economies like the South of Scotland face particular challenges in terms of delivery of retrofit. Without additional government support, they risk falling further behind urban areas which benefit from more buoyant labour markets and developed supply chains.

The challenges also presents a huge economic opportunity for the region and community wealth building to make sure that retrofit work is done in a manner that benefits the local economy.

8.10 The Energy Efficiency (Private Rented Property) (Scotland) Regulations 2019

Draft regulations to set minimum energy efficiency standards of EPC E, rising to EPC D were withdrawn as a direct result of the impact Covid-19 had on the sector. It has been proposed that the regulations will be in force from 2025, with a backstop date of 2028 for PRS properties, and for all owner occupied properties by 2033. The Scottish Government is also committed to prohibiting direct emissions heating systems in all homes by 2045.

The proposed energy efficiency standard will likely be predicated on it being technically feasible and cost effective to install measures, as it is recognised that some properties may be more constrained in terms of technology options available, or limited by location, impact on the fabric of historic buildings, property type or, space.

This will also likely impact on 'landlord registration' activity as it is initially intended that the 'exemptions register' will align with landlord registration activity.

8.11 Key Issues and Challenges

- Old stock with poor energy efficiency (with subsequent health and net zero implications)
- There is a current skills gap to be addressed to ensure that energy efficiency works can be carried out, supporting the delivery of fuel poverty measures and joint climate targets
- Constrained local supply chain
- Supporting people as they seek to make their homes more energy efficient.
- More focus to support efforts to reduce carbon emission and address climate change.
- To provide affordable warmth and healthy homes for everyone living in the Borders
- The impact of the cost of living crisis and how to mitigate against these
- Current technologies and their suitability for homes in the region

8.12 Current Progress

- SBC declared a climate change emergency response in 2020
- Establishment of the Warm and Well Borders Project
- Establishment of the Borders Home Energy Forum
- The Affordable Warmth and Home Energy Efficiency Strategy (AWHEEs) 2019-2023 was implemented
- SBC participated in a Local Heat and Energy Efficiency Strategies (LHEES) pilot for Peebles in 2018/19
- Each RSL has prioritised investment towards meeting EESSH
- Significant investment in EES:ABS
- Development of the Climate Change Route Map in 2021

8.13 Key Actions for Delivery

- **Work with partners to improve energy efficiency across all tenures**
- **Develop the Local Heat and Energy Efficiency Strategy for the Scottish Borders**
- **Support a public engagement strategy for heat in buildings**
- **Work with partners to develop the skills and supply chain required to deliver energy efficiency and zero emissions heating systems**
- **Explore wider measures to better manage energy and increase warmth in the home**
- **Adapt and retrofit existing homes to improve their energy efficiency**

Successfully tackling these issues is key to our success and provides us with significant opportunity. To meet the targets set by Scottish Government, to ensure everyone can live in a home that is energy efficient and reduce fuel poverty is essential for people living in the Scottish Borders. The Cost of Living Crisis has hit the Scottish Borders harder than other areas so it is key we have the right actions in place to meet our ambitions of being greener and helping those most in need.

The proposed actions in relation to energy efficiency, fuel poverty and Just Transition to Net Zero will support those ambitions.

9. Private Sector House Condition

Strategic Outcome 4:

Communities are regenerated through improving the quality and condition of housing and the built heritage.

9.1 Housing to 2040

Housing to 2040 aims to take action so that all homes, no matter their tenure, are required to meet the same standards. As a longer term target, the Scottish Government is working to harmonise differing housing quality standards. 'Tenure-neutral' space and quality standards for new homes, ensuring the same quality, safety standards and levels of consumer protection are proposed

The aim is to ensure that there will be no margins of tolerance, no exemptions and no "acceptable levels" of sub-standard homes in urban, rural or island communities, deprived communities or in tenements. This will mean existing homes will keep pace with new homes, with no one left behind.

9.2 House Condition

The Scottish House Condition Survey is the largest single housing research project in Scotland, and the only national survey to look at the physical condition of Scotland's homes as well as the experiences of householders. The SHCS measures disrepair for a wide range of different building elements ranging from aspects of roofs and walls to chimney stacks, internal rooms and common parts of shared buildings like access balconies and entry doors.

The housing condition profile is worse in the Scottish Borders compared to Scotland and suggests that the majority of homes (74%) have some element of disrepair.

	Scottish Borders	Scotland
Disrepair to critical elements	56	53
Urgent to critical elements	25	20
Disrepair	74	71
Urgent Disrepair	31	28
Extensive Disrepair	2	6
Damp*	4	3
Condensation	9	8
Below Tolerable Standard	2	2

Source: Scottish House Condition Survey 2017-2019
*Information on damp is not available in the SHCS 2017-19 so data from the 2015-2017 survey

Disrepair is reported in two categories; Critical elements and non-critical elements. Critical elements refers to disrepair to building elements whose condition is central to a dwelling being wind and weather proof, structurally stable and safeguarded against further rapid deterioration. Non-critical elements relates to any damage to a non-critical element (such as skirting's and internal wall finishes, staircases, boundary fences or attached garages) which requires some repair beyond routine maintenance.

The SHCS reported that 56% of all dwellings had disrepair to 'critical elements' of their fabric, higher than the national average, almost half of which were in need of urgent attention. These cover building elements critical to ensuring weather tightness, structural stability and preventing further deterioration of the property. The building elements highlighted above will in many cases be affected by water ingress, which

by definition is dampness. Consequently whilst the 'dampness' % ages above seem 'low' disrepair likely caused by water ingress is potentially high.

9.2.1 Damp and Condensation

A build-up of moisture in the home can cause a range of problems and can potentially damage the fabric of the building if allowed to continue. Penetrating damp is usually the result of a defect in the building fabric, such as damage to the walls or roof, water ingress due to damaged seals on doors or windows or damp as a result of leaking plumbing. Rising damp is the result of defective or missing damp proof coursing, leading to water leaching into the building fabric.

Condensation is moisture that forms on cold surfaces and where there is limited air movement. The moisture is often created in kitchens and bathrooms but can cause damp or mould in other rooms. It's important to try to reduce condensation in the home as it can lead to mould and cause damp, which can affect the health of occupants. Day to day activities like drying clothes, cooking and taking a shower add moisture to the air inside your home. Mould can develop on walls, ceilings, furniture, curtains, and cushions and even on clothing stored in wardrobes and drawers.

Any condensation, rising or penetrating damp recorded in the SHCS can cover anything from a small damp patch or area of condensation on a single wall in one room (caused for example by ineffective ventilation whilst cooking) to prevalence throughout a dwelling, so does not indicate a serious housing quality issue in all cases.

A new briefing on tackling damp and mould in the social housing sector has recently been published. The non-statutory guidance recognises that issues of damp and mould are often multi-layered, and solutions can include both tackling problems with the property and supporting tenants with any issues that may affect the experience of living in that home, particularly with the rising cost of energy and other living costs. While this guidance impacts the social rented sector this will provide help and guidance in the private sector as well.

9.2.2 Tenement Maintenance Flatted Properties (tenements)

The Scottish Law Commission has accepted a Law Reform Project to look at tenement maintenance and mandatory owners associations. Research by Diffley Partnership on Building Reserve Funds was published in February 2023

Scotland needs to address a re-emerging disrepair issue particularly within flatted housing stock. Simply, much of Scotland's private housing is deteriorating because of a lack of regular and ongoing property maintenance and repair. And while house prices may, in certain places, be at an all-time high, that provides no reflection of the actual condition of the property being purchased. The Scottish Parliamentary Working Group with the purpose of establishing solutions to aid, assist and compel owners of tenement properties to maintain their buildings, produced recommendations for mandatory Owners Associations, Building Reserve Funds and Building Surveys.

While the Scottish Borders has a lower proportion of flatted properties (24%, compared to 36% nationally) it is important to consider findings which has general agreement that maintenance and repair of tenements in Scotland needs addressing by a combination of central and local government, professionals, third sector and the general public.

9.3 The Tolerable Standard

The Tolerable Standard is a basic level of repair a property must meet to make it fit for a person to live in. The tolerable standard criteria are detailed in section 86 of the Housing (Scotland) Act 1987. The criteria states that the dwelling house should:

- be structurally stable
- be substantially free from rising or penetrating damp
- Have satisfactory provision for natural and artificial lighting, for ventilation and for heating.
- have satisfactory thermal insulation
- Have an adequate piped supply of wholesome water available within the house.
- have a sink provided with a satisfactory supply of both hot and cold water within the house
- Have a water closet, or waterless closet
- have a fixed bath or shower and a wash-hand basin
- Have an effective system for the drainage and disposal of foul and surface water.
- have a supply of electricity, and where supplied it complies with the relevant requirements
- Have satisfactory facilities for the cooking of food within the house.
- Have satisfactory access to all external doors and outbuildings.

The tolerable standard was amended by the Housing (Scotland) Act 1987 (Tolerable Standard) (Extension of Criterion) Order 2019, to include two new elements relating to smoke and heat alarms, and carbon monoxide alarms. And came into force in February 2021.

- satisfactory equipment installed for detecting fire, and for giving warning of fire or suspected fire
- satisfactory equipment installed for detecting, and for giving warning of, carbon monoxide present in a concentration that is hazardous to health

According to the Scottish House Condition Survey (SHCS) 2019 survey, those dwellings which were below tolerable standard (BTS) across Scotland most commonly did so because they were:

- Not free from rising/penetrating damp (13,000 or 33% of BTS dwellings);
- Not satisfactorily insulated (8,000 or 21% of BTS dwellings);
- Or had unsatisfactory provision for lighting, ventilation or heating (8,000 or 21% of BTS dwellings).

Whilst there is likely to be similar reasons for failure in the Scottish Borders; another predominant factor which contributes to properties being BTS, relates to a property 'having an adequate piped supply of wholesome water within the house'. Due to the number of private water supplies (1,600 private water supplies serving almost 4,000 domestic properties), this could result in property failing the defined tolerable standard. The age of dwellings is also pertinent with older stock pre 1919 most likely to be BTS which is replicated across Scotland.

9.4 Repairing Standard

The private rented sector is often reported to have higher levels of disrepair and poorer energy efficiency than owner-occupied, or social rented homes. As outlined in the 'A Place to Stay, A Place to Call Home: A strategy for the Private Rented Sector in Scotland, 2013', there can be different reasons for this such as the older age profile of the private rented stock and under investment in properties by some landlords.

On 1 March 2019, The Repairing Standard was updated to clarify existing legislation and introduce some new elements to the standard. Where these requirements constitute a new element, private landlords were given 5 years to bring housing up to the standard. Therefore, these requirements are due to come

into force on 1 March 2024. On the 1st March 2023, the Scottish Government issues new statutory guidance for landlords. New measures that need to be in place from 1 March 2024 are as follows;

1. Safe Kitchens. The repairing standard will be amended to include a requirement to have safely accessible food storage and food preparation space in a private rented house.
2. Fixed Heating System. The repairing standard will be amended to specify that there must be a fixed heating system in a private rented house.
3. Safe Access to Common Parts. The repairing standard will be amended to specify that where a private rented house is a flat in a tenement, the tenant must be able to safely access and use any common parts of the tenement, such as common closes.
4. Consent to Work on Common Parts. Section 16 of the Housing (Scotland) Act 2006, which deals with exceptions to the landlord's repairing duty, is amended to make it clear that a private rented house which is a flat in a tenement does not fail the repairing standard if work otherwise needed to comply with the standard cannot be carried out because a majority of owners in the tenement have refused consent to carry out the work.
5. Safe and Secure Common Doors. The existing duty to ensure fire safety in private rented houses will be amended to specify that common doors must be secure and fitted with satisfactory locks.
6. Residual Current Devices. The existing duty to ensure that installations for the supply of electricity in a private rented house are in a reasonable state of repair and in proper working order will be amended to specify that these must include a residual current device
7. Other Fuels. The existing duty to ensure that installations for the supply of gas and electricity in a private rented house are in a reasonable state of repair and in proper working order will be extended to any other type of fuel.

9.5 Scheme of Assistance

The private sector is the biggest tenure in the Scottish Borders with a large percentage of the population either owning their own homes or renting privately. One of the key challenges in this sector is to ensure everyone is living in good quality homes. Good quality housing makes an important contribution to many aspects of a successful Scottish Borders including supporting local economies, improving individual's health and well-being and by making communities safer.

The Councils Scheme of Assistance (SoA) was introduced under the duties and powers set out in the Housing (Scotland) Act 2006, and sets out the strategy of support for owners to address properties which are Below Tolerable Standard (BTS) and in disrepair. The Scheme of Assistance promotes the Scottish Government principle that homeowners have the primary responsibility for maintaining and repairing their own homes. The Scheme of Assistance offers:

- Information and advice for private sector housing residents on home repairs, maintenance, improvements and adaptations.
- Common repairs work, engaging with and bringing together multiple owners to resolve complex repairs.
- Working with Building Standards to deliver enforcement work
- Financial help to cover some (or all) of the costs of eligible major adaptations.
- Information and advice to support empty homes owners to bring them back into use.

Officers work closely with private owners, landlords and relevant partners, to address issues of poor property condition, common repair works, and, where applicable, the use of enforcement powers. Assistance ranges from provision of advice and information; to financial support to undertake disabled adaptations, common repair works, and bring empty homes back into use. The SoA provides a platform to take a practical approach to encourage and help owners to carry out repair and improvement works to their homes.

9.6 Enforcement

SBC has worked closely with landlords, developing new processes to improve services for landlords and have actively engaged with them throughout the pandemic. The council has provided relevant and up to date advice on the SBC website along with support from the Private Sector Liaison and Enforcement Officer, who has been on hand to advise local landlords. SBC will continue to support landlords moving forward, for example keeping landlords up to date with proposed changes within the sector.

Scottish Borders Council's use of enforcement powers, beyond landlord registration and repairing standards, fit into the wider Scheme of Assistance process of assisting owners to maintain and improve the condition of their properties. Where voluntary action does not occur and where enforcement action is necessary, consideration will be given corporately to the use of this as well as all other powers available to the Council. The Enforcement Team, within Planning and Housing Services, help determine the most appropriate corporate approach to take when enforcing private property conditions; Issue Notices or carrying out works and recharge costs. The Enforcement Team, working collaboratively with officers across a range of services, will consider:

- the nature and scale of the problem;
- evidenced actions to date;
- professional judgement of officers involved;
- effect on the wider community;
- the impact that not taking action may have; and
- the available resources

The above list is not exhaustive but outlines a number of areas where consideration will be given.

Local Authority Powers Contained within the Housing (Scotland) Act 2006 include:

- Work Notice: Can be issued on a house which is identified as sub-standard; the appearance or repair adversely affecting amenity of area; or is adjacent or associated with a house falling into either of the above two categories. Can be issued on any non-residential premises only where it forms part of or adjoins a building containing housing which is either sub-standard or affecting the amenity of the area and the work is needed to deal with that housing.
- Demolition Notice: Where a house has been identified as being in a state of serious disrepair and ought to be demolished.
- Acquisition of houses to be demolished/ for the purposes of improving the amenity of an area: S.40 permits a local authority to acquire a house and site (by agreement or compulsorily) prior to demolition, as authorised under s.35. S.95 (1)(d) permits a local authority to acquire land or premises (by agreement or compulsorily) for the purposes of improving the amenity of a predominantly residential locality.
- Maintenance Order: Requires the owner(s) to prepare and submit a plan, for approval, to the local authority outlining the maintenance of the house(s) to a reasonable standard. The plan must cover a period of 5 years. In respect of maintenance of common parts, owners can be required to appoint a property manager and open maintenance accounts. Local Authorities can enforce the order if owners do not comply with it.

Powers contained within other Legislation include:

- Dangerous Building Notice: Under s. 29 of the Building (Scotland) Act 2003 Local Authorities must take steps (including where necessary demolition) to protect the public if the condition of a building places the public or other buildings at risk.

- Closing Order: Under Part 6, Housing (Scotland) Act 1987, a local authority may, in certain circumstances, including BTS housing, make a closing order prohibiting the use of a house for human habitation.
- Demolition Order: Under Part 6, Housing (Scotland) Act 1987, a local authority may, in certain circumstances, issue a Demolition Order on a property.
- Abatement Notice: Under the Environmental Protection Act 1990 s.79 (as amended) an Abatement Notice can be served by Local Authorities if any premises are in a state classed as prejudicial to health or a nuisance.
- Flats - Management & Maintenance of Common Parts: Tenement (Scotland) Act 2004; where title deeds are silent or unworkable, this Act governs any decisions about maintenance and appointing a 'factor' or property manager. It involves majority decisions although there is also a positive duty to maintain the shelter and structure, with a power to carry out works necessary to comply with the duty without agreement where necessary.
- Property in Disrepair – Defective Building Notice: Building (Scotland) Act 2003; under s. 28, Local Authorities can issue a Defective Building Notice if it has defects requiring rectification to bring it into a reasonable state of repair. Includes provisions for Local Authorities to carry out and recharge for works if not complied with.
- Civic Government (Scotland) Act 1982: Buildings in Need of Repair S.87 (3); Common Stairwells, Back Courts and Close Lights S.90 – 92; Maintenance of Privately Owned Open Spaces S.95; Local Authority Powers to gain entry carry out work and recharge costs S.99 and S.100.

9.7 Approved Trader Scheme

Approved Trader schemes are currently in operation in 17 out of the 31 Trading Standard Local Authorities in Scotland (Clackmannanshire and Stirling operate a joint service) having been started by Dundee City Council in 2005.

The Schemes are essentially local business partnerships that aim to:

- increase consumer confidence
- help protect citizens from doorstep crime
- promote good practice within local business

Approved Traders are vetted by the Local Authority Trading Standards team and the schemes are supported by Police Scotland and consumeradvice.scot. All members of the scheme agree to trade fairly and sign up to a Code of Practice. The code covers:

- transparent procedures for quoting and carrying out work
- only charging a fair and reasonable price
- dealing with complaints promptly
- The scheme give traders
- a higher profile and exposure
- the ability to showcase official reviews and feedback of their work from genuine customers
- a webpage to the 'go to' list of Trading Standards vetted traders

Scottish Borders Council are in the final stages of setting up an Approved Trader Scheme which will hopefully be up and running by summer 2023.

9.8 Under One Roof

Under One Roof provides impartial information to the more than half a million tenement flat owners, and related professionals, on issues related to tenement management, maintenance, and retrofit.

It seeks to improve the lives of tenement flat owners by promoting the upkeep of their buildings, and by working with local and national government, and housing professionals, to make this upkeep easier and more affordable.

SBC currently provides funding towards Under One Roof and will be looking to work more closely with the charity.

9.9 Built Environment: Conservation and Enhancement

Conservation of the built fabric and heritage assets (listed buildings and non-listed buildings within a conservation area) is an active process of maintenance and managing change. This requires a flexible and considered approach to get the best out of assets, and a thorough understanding of the heritage asset itself. In relation to the Built Heritage, generally the risks of neglect and decay are best addressed through ensuring the asset remains in active use that is consistent with their longevity and regular maintenance is undertaken.

The original use is often the best use for preserving character but ensuring heritage assets remain used and valued may well require sympathetic changes to be made from time to time. Housing policies, such as this LHS, as well as housing related advice and support in terms of maintenance, repairs and energy efficiency improvements, have a key role to play in supporting those aspirations and reducing the risk of urgent and expensive repairs.

National Planning Framework 4 states, within Policy 7 for 'Historic Assets and Places', that the policy outcomes should ensure:

- The historic environment is valued, protected, and enhanced, supporting the transition to net zero and ensuring assets are resilient to current and future impacts of climate change.
- Redundant or neglected historic buildings are brought back into sustainable and productive uses; and
- Recognise the social, environmental, and economic value of the historic environment, to our economy and cultural identity.

Additionally, Policy 9 a) encourages the reuse of vacant derelict land and buildings and Policy 9 d) support development proposals for the reuse of existing buildings, taking into account their suitability for conversion to other uses, and also states that given the need to conserve embodied energy, demolition will be regarded as the least preferred option.

Historic Environment Policy for Scotland (HEPS) is Historic Environment Scotland's overarching policy to support and enable good decision-making about changes to the historic environment. This policy takes accord of the Scottish Government's National Outcomes HEPS sets out a series of principles and policies for the recognition, care and sustainable management of the historic environment. It takes into account principles that the UK and Scottish governments have agreed to in international charters and conventions on cultural heritage and landscape. There are a number of policies which encourage conservation of the built environment. Policy HEP 5, in particular, "Decisions affecting the historic environment should contribute to the sustainable development of communities and places", is applicable to this LHS.

Housing to 2020 also identifies where improvements can be made and states that "There should be a mix of regulation and monitoring alongside education, advice and support across all tenures and care must be taken to ensure we can marry climate ambitions with heritage and maintaining the aesthetics of older buildings".

As such it is important to recognise the importance of preserving the built environment in the LHS, and specifically in policies or actions which support the improvement and repair of buildings but also in

delivering strategic outcomes 1 and 3 of this LHS; “Improved energy efficiency of homes and a reduction in fuel poverty while supporting a Just Transition to Net Zero through decarbonising domestic heating and energy and “More homes in well designed, sustainable communities that increase opportunity for all”.

A conservation area is defined in the Planning (Listed Buildings and Conservation Areas) (Scotland) Act 1997 as “an area of special architectural or historic interest, the character of which is desirable to preserve or enhance” and Local Authorities (Planning) are responsible for designating conservation areas. The Scottish Borders currently has 43 conservation areas and their designation takes into account the particular characteristics of a place. This includes its buildings, but also its layout and the spaces, trees and landscape within the area and its surrounding setting. As such, every conservation area is unique and contributes to the distinctive character and ‘sense of place’ in the Scottish Borders.

9.9.1 Conservation Area Regeneration Schemes (CARS)

Scottish Borders have a successful track record of applying for significant funding including Conservation Area Regeneration Schemes (CARS), funding, where HES is the principle funder. Over the last 5 years, significant programmes of regeneration works have been undertaken in Selkirk and Jedburgh. These projects have enabled a number of properties in serious disrepair to be removed from Historic Environment Scotland’s national register of Buildings at Risk.

The most recent CARS scheme for Hawick Town Centre was launched in autumn 2020. The scheme is centred on the Hawick High Street and aims to stimulate a total of £4.5m of investment through the use of £1.5m of public investment over the next five years.

9.9.2 Conservation Area Appraisal and Management Plan

SBC has a duty to review its conservation areas and formulate proposals for their preservation and enhancement ‘from time to time’. These statutory duties are fulfilled through publishing a Conservation Area Appraisal and Management Plan.

The Conservation Area Appraisal and Management Plan helps owners, planners, Scottish Borders Council and others with an interest in the area find out about the history and identify the character of the area, and to decide what and how that special character can be preserved and enhanced. The final document should be used to help guide proposed changes in the area, and will be used to help determine planning applications. SBC is committed to a programme of CAAS and MPs and the first one for Newstead was approved for consultation in March 2023. It is hoped to bring these forward in tranches with Hawick CAA and MP planned as the next priority.

9.9.3 Building at Risk Register

The Building at Risk Register is a register created by Historic Environment Scotland, which records buildings across Scotland which are considered to have an architectural or historic importance but are at risk of being lost if no action is taken. They are usually a listed building, or are of an unlisted building within a conservation area. They may be long term vacant, poorly maintained, been affected by fire or the elements or structurally unsound. The aim of the Building at Risk Register is to bring together potential restorers and redevelopers with buildings and sites that are considered at risk or under threat.

Within the Scottish Borders, there are currently 140 buildings on the register. These can range from monuments, ancillary buildings, farms, mills, premises and dwellings. Of the 140 registered buildings, 20 buildings are currently undergoing restoration. There are currently 23 buildings listed which are dwellings and are being investigated by the Empty Homes Officer.

9.10 Missing Shares

Responsible homeowners with shared responsibility for common repairs are often unable to progress essential repairs and maintenance due to other owners being unwilling or unable to contribute their share of the costs. This often leads to lengthy delays or repair works not being undertaken, resulting in further deterioration of the property.

Under the Housing (Scotland) Act 2006 a local authority can consider paying a missing share where the majority of owners have agreed to carry out necessary common repairs and maintenance but they cannot progress the repair because either an owner is unable or is unwilling to pay or it is unreasonable to require the owner to deposit the sum in question or where the owner cannot be identified or found by reasonable inquiry. This can hold up much needed repairs. The adoption of the missing share approach is a pro-active measure rather than having to wait and be reactive after building failure.

If essential repairs are not carried out then the Council can, should it wish, issue statutory notices on the property owners to enforce necessary repair works. The lack of suitable repair and maintenance can lead to serious disrepair and ultimately to a building becoming dangerous, when the Council may be required to take direct action to secure public safety.

In 2019 Scottish Borders Council agreed to pilot a Missing Shares Scheme in the Scottish Borders. Initially Covering the Hawick Conservation the Missing Shares scheme operates in tandem with the Scheme of Assistance and primarily supports activity through the approved Hawick Conservation Area Regeneration Scheme. Progress in the delivery of the missing shares scheme has been hampered by Covid-19, in light of this the scheme has been extended until the 31st March 2025 to mirror the duration of the Conservation Area Regeneration Scheme.

9.11 Key Issues and Challenges

- The Scottish House Condition Survey suggest that the majority of homes in Scottish Borders have some element of disrepair. Furthermore, housing quality levels are poorer in the Scottish Borders than Scotland. What can be done to help support private home owners to repair and maintain their properties?
- Understanding the quality of housing stock and the requirements for improvements across the region
- Co-ordinating activities across departments within in SBC to ensure best and most efficient use of legislative interventions
- Emerging legislation and the impact this will have
- The impact of the new Repairing Standards
- How to address the poorer house conditions in the Scottish Borders. Look to develop new mechanisms to help support landlords and homeowners
- React to new legislation from Scottish Government that will focus on all housing (new and existing) being to a set housing standard.
- Support measures to address climate change under strategic outcome 3.
- Linking in with a wide range of policies and strategies. This strategic outcome links in with Strategic Outcome 1 empty homes, place making

9.12 Current Progress

- Through Scheme of Assistance, helping private sector households to address house condition, maintenance and repairs
- Work closely to support private landlords in the region
- Deliver training to private landlords on good practice and keeping them up to date
- Missing shares pilot in the Hawick Conservation Area
- Review and development of website content
- Review and development of guidance notes
- Working to introduce the shared repair app
- Working to introduce a Trusted Trader Scheme
- Working in partnership with Under One Roof with the aim to provide a local forum on common repair

9.13 Key Actions for Delivery

- **Provide holistic advice and assistance to owners/tenants to undertake house condition/ energy improvement/home safety works and co-ordinate or explore funding options.**
- **Provide supporting and assistance to owners and landlords to meet existing and future house condition standards in private housing.**
- **Review the Scheme of Assistance**
- **Developing a Below Tolerable Standard (BTS) Housing Strategy which supports a partnership approach**
- **Review the Missing Share Pilot**
- **Ensure activity in relation to repairs, maintenance, energy efficiency improvements and conversion are sensitive to the built heritage**

Successfully tackling these issues is key to our success and provides us with significant opportunity. It is important to ensure everyone has a good quality home, no matter what tenure they live in. Good quality housing and buildings not only impact us individually but also impacts on the community.

The proposed actions in relation to house condition will support those ambitions.

10. Preventing and Tackling Homelessness

Strategic Outcome 5:

Homelessness is prevented wherever possible and a range of housing options are provided so people can secure a suitable and sustainable housing outcome as quickly as possible

10.1 Ending Homelessness Together

The Scottish Government's Ending Homelessness Together Action Plan sets out a range of actions in response to the recommendations of the Homelessness and Rough Sleeping Action Group (HARSAG) and will transform how those at risk of homelessness receive help. Ending Homelessness Together has a focus on eradicating rough sleeping, supporting the most vulnerable households and reducing time spent in temporary housing.

Preventing homelessness is about more than finding somewhere else to live. National and local government will continue to work in partnership with the third sector and other public bodies in their approach to homelessness prevention. This means targeting support to people at risk of homelessness much sooner. It means considering people's circumstances in the widest sense, including their wellbeing, health and social care, employment and welfare needs. It means having local approaches to suit local circumstances.

There are five approaches to ending homelessness:

1. Embed a person-centred approach
2. Prevent homelessness from happening in the first place
3. Prioritise settled homes for all
4. Respond quickly and effectively whenever homelessness happens
5. Join up planning and resources to tackle homelessness

The shared ambition of national and local government is:

"Everyone needs a safe, warm place they can call home."

10.2 The impact of Covid-19 and the Cost of Living

Work and life changed dramatically in 2020/2021 due to the Covid-19 pandemic which brought into sharp focus how closely our home, health and wellbeing are connected. It has also forced faster progress on tackling homelessness, and it is important we protect that progress and ensure there is no backwards movement as we move further into the period of recovery from the pandemic. Borders Homelessness and Health Partnership (BHHSP) members have been on the front line of the crisis and have worked closely throughout the pandemic to ensure that tenants, customers and those at risk of homelessness have continued to receive the services and support they require. Homelessness services were delivered by telephone wherever possible, however, given the vulnerable nature of many homeless households, face to face access and support was retained where required.

Early actions in response to the pandemic were focused around ensuring homeless or potentially homeless households within the Scottish Borders had suitable accommodation available to them that allowed them to comply with the imposed lockdown measures. Some of the impacts Covid-19 has had on homelessness services, include:

- 29% increase in the 'Homeless Queue' - the number of applicants assessed as Homeless or TWH open to homelessness services on the 31st March 2020 compared to 31st March 2022. This had been reducing prior to the pandemic.
- 30% increase in the number of households residing in temporary homeless accommodation. (31st March 2020 compared to 31st March 2022)
- 21 % reduction in available RSL housing stock in 2020/2021 when compared to 2019/2020 (data from 4 main RSL's)

Although there has been a reduction in homeless presentations over the last 12 months to March 2023⁴, partners recognise that this may continue to fluctuate as inflationary pressures and the cost of energy and food continue to impact and so the LHS considers additional actions which may be required to mitigate against the ongoing impacts of these across several of the strategic outcomes.

10.3 Homelessness Population

In the Scottish Borders, the number of homeless applications has remained steady since 2011/12 as a result of a proactive approach to prevention through the delivery of the Housing Options approach. In 2022/23, there were 682 applications made under the Homeless Persons legislation in the Scottish Borders, which is in keeping with the 686 applications received in 2020/21 and 682 in 2021/22 but lower than the 770 applications received in 2019/2020. The rate of homeless applications in the Scottish Borders decreased during the pandemic but the number of applications in 2022/23 is expected to rise to similar levels as per pandemic. Homelessness in the Scottish Borders accounts for 2% of homelessness in Scotland as a whole.

Key headlines on the homeless population in the Scottish Borders are as follows:

- Nearly 60% of homeless assessments are single people
- 21% of homeless assessments are single parents
- 31% of homeless assessment included households with children (216 households)
- 22% of homeless assessments were young adults aged 16-24 (149 households)
- 34% of homelessness assessments were the result of a relationship breakdown

Reducing homelessness (the homelessness queue) will be key to the success of achieving rapid rehousing as it will bring flexibility and opportunities for new ways of working. Although many factors influence the homeless queue, reducing the queue can be achieved in two main areas. Increasing the focus on homeless prevention activities will reduce the number of new applicants joining the homeless queue and increasing the number of households receiving a housing solution that are already in the queue will also reduce the queue overall.

10.4 Rapid Rehousing Transition Plans

The Homelessness & Rough Sleeping Action Group (HARSAG) was set up by the Scottish Government in October 2017 to produce short and long term solutions to end homelessness and rough sleeping. The cornerstone of recommendations was a transition to a Rapid Rehousing approach. The Scottish Government gave Local Authorities and their partners a 5 year timescale for transformation to "Rapid Rehousing by default" and requested that all Local Authorities submit a 5-year Rapid Rehousing Transition Plan (RRTP) for the period 2019/20 – 2023/24.

Scottish Borders Council developed a five-year Rapid Rehousing Transition Plan (RRTP) working with key local partners in December 2018. Rapid Rehousing Plans link into Local Housing Strategies and Strategic Housing Investment Plans and offer each local authority and key partners an opportunity to re-assess how

⁴ This will be confirmed end of March 2023.

permanent and settled housing options are secured for every potentially homeless and homeless household.

The vision for Rapid Rehousing in the Scottish Borders is:

- Homelessness is prevented wherever possible but where homelessness cannot be prevented a settled, mainstream housing outcome is secured as quickly as possible.
- When temporary accommodation is needed it will be mainstream, furnished accommodation within a community, and time spent in it will be minimal, with as few transitions as possible.
- Housing First will be the first response for people with complex needs and facing multiple disadvantages. We will work in collaboration with Health and Social Care Partnership, and other relevant services, to ensure tenancies are supported and sustained.

Rapid Rehousing is a key component of a whole-system approach whereby the responsibility for tackling homelessness lies not just with Local Authorities but with housing providers, Health and Social Care Partnerships and the broad range of organisations that provide support.

The Covid-19 emergency has delayed the full application of resources and has consequently impacted on the development of the Borders RRTP. In order to support the work of the RRTP additional development resources have been appointed to compensate for time lost as a result of the delays.

The development and implementation of the Scottish Borders RRTP has been led by the Borders Homelessness and Health Strategic Partnership (BHHSP). The BHHSP includes senior officers from the Scottish Borders Council and NHS Borders with responsibility in homelessness, health and social care, public health, Drug and Alcohol Partnership, social work, property management and housing strategy, and senior officers from the 4 locally based Registered Social Landlords (RSLs) who own the majority of the social rented housing stock in the Borders, Berwickshire Housing Association, Eildon Housing Association, Scottish Borders Housing Association (SBHA) and Waverley Housing.

Despite the pressures arising from the pandemic, RRTP achievements so far include:

- Introduction of a Housing Intervention fund to improve the housing options available to applicants who are in need of intervention due to rent arrears and who often face the prospect of being homeless.
- Introduction of a Homeless Intervention fund which is accessible by front line workers within the homelessness team to use in the prevention or resolution of homelessness. Given the varying and complex reasons for homelessness, any application which demonstrates a contribution to the prevention or faster resolution of homelessness is considered.
- The launch of a two year Housing First pilot
- A temporary increasing the % of RSL let's allocated to homeless households to support reducing the 'homelessness queue'.
- The introduction of a Crash Pad within the homelessness temporary accommodation stock to improve the management and efficiency of the temporary accommodation stock.
- Recruitment of Private Rented Sector Development Officer
- Formalised relationships with Link Housing who have joined the section 5 protocol and offering SBC first refusal on 100% of their lets in the Scottish Borders
- Working closely with RSLs on their revised allocation policies
- Supporting vulnerable individuals who face barriers to digital inclusivity
- Continuing to build on existing local joint pathway arrangements with partners
- Improving Housing Options and Support in the Private Rented Sector (PRS)

10.4.1 Improving Housing Options and Support in the Private Rented Sector (PRS)

A temporary Private Rented Sector Development officer has recently been appointed and will take up post in April 2023. The development officer will embed homelessness prevention principles into the private rented sector in Scottish Borders by taking forward the private sector elements of Rapid Rehousing Transition plan.

The two year temporary post, funded by Ending Homelessness Together funds, will be crucial resource to improve prevention activities for households threatened with homelessness from the private rented sector and improve housing outcomes to the private rented sector in Borders.

The post holder will provide staff with technical, operational support, advice and comprehensive training on the PRS and contribute to policy and strategic change, improvement and development. This includes creating positive relationships with private landlords and other key council departments (i.e. Housing Strategy and Environmental Health) to assess, plan, deliver and evaluate new ways of working.

10.5 Housing First

A two year Housing First pilot was launched within the Scottish Borders in October 2021, the pilot aims to support 30 households during this time. Although many people see homelessness as a housing issue, for many of the Housing First cohort homelessness is symptomatic of a greater range of challenges.

Housing First provides ordinary settled housing as a first response for people with complex needs, recognising that a safe and secure home is the best base for recovery, it offers personalised, open-ended, flexible support for people to end their experience of homelessness and address wider needs. Secure tenancies are provided by four locally based RSL's; Berwickshire Housing Association, Eildon Housing Association, Scottish Borders Housing Association and Waverley Housing. Housing First support is provided by Cyrenians. The positive benefits of having a secure base in housing can be felt in sectors such as employability, substance use, health and community justice. Additionally, the impact of a positive relationship with a Housing First support worker can act as a conduit to making better use of relationships with other professionals

Referrals for the pilot are currently identified by the SBC's Homelessness Team to address the outstanding demand for this support in that domain, however, referrals may be considered from other sources when supply has met this demand.

Cyrenians will complete a formal evaluation of the pilot project in 2023. There is already a significant volume of research and evidence available on the Housing First model so this evaluation will focus on factors specific to the Borders pilot project. Evaluation will include consideration of impact on other services, as far as is possible given data sharing limitations. Evaluation will not include detailed savings analysis but it will include indicative figures for potential medium/long term savings.

All partners are in agreement that early indications are that project is valuable and is making a significant contribution to helping to keep vulnerable people safe, albeit on a small scale at the moment. It is recognised that future funding options need to be considered now if looking to continue beyond pilot period and these need to be scoped out to inform what is required in the medium to long term to retain the project.

It should be noted that Housing First has real potential to contribute to wider longer-term savings for the public purse, this is only possible if all partners actively contribute the necessary upfront financial and staff resources to be feasible beyond the initial pilot project.

10.6 Homelessness Prevention and Housing Options

Homeless prevention has been a major aspect of the national housing agenda for more than a decade, with national policy focusing on the delivery of a Housing Options approach to preventing homelessness in Scotland and delivering national housing outcomes. A commitment to the delivery of person-centred, preventative services which target early intervention and personal choice is now the bedrock of Scottish Housing Options policy.

Within the prevention model, the Council recognises homelessness as a complex issue that encompasses health, employment, education, offending, finance, relationships and families.

Housing to 2040 is based on the principles of social justice, equality and human rights and demonstrates a continued focus on Ending Homelessness, including the introduction of a new cross-public sector homelessness prevention duty. It is recognised that homelessness is not a standalone issue and a multi-agency approach is required to achieve a rapid rehousing approach. Public services must work together to help prevent the cycle of crisis and homelessness, not least due to the cost to the individual but also due to the cost to the public purse.

The recommendations in the final report of the Prevention Review Group, Preventing Homelessness in Scotland published in early 2021, provided the framework for the 2021/22 Scottish Government Prevention of homelessness duties consultation. It includes a number of recommendations that cut across 3 overarching principles:

- Responsibility to prevent homelessness should not rely solely or primarily on the housing/homelessness service but be a shared public responsibility.
- Intervention to prevent homelessness should start as early as possible. In many cases this will be before issues have escalated to a point where homelessness appears imminent.
- People facing homelessness should have choice in where they live and access to the same range of housing outcomes as members of the general public, with any necessary protections to mitigate further risk of homelessness. Housing outcomes should be comparable across the prevention and homelessness duties.

The new duties will be introduced through the new Housing Bill expected toward the end of 2023 and will expect a range of public bodies and landlords to prevent homelessness, particularly by asking and acting on a risk of homelessness, as well as responsibilities relating to strategic and joint planning. It is also envisaged that existing homelessness legislation will be changed to ensure homelessness is prevented at an earlier stage, including a proposal to extend the duty to take reasonable steps to prevent homelessness up to six months before, to maximise the housing options available to people and to prescribe what reasonable steps may include.

Health and social care services, children's services, police and other public bodies will therefore have a legal duty to 'ask and act' to prevent homelessness under Scottish Government proposals and will represent the biggest change to Scotland's homelessness legislation in almost a decade. Task and Finish groups are currently exploring opportunities for implementation and legislative changes are expected in 2023.

10.7 Specific Groups

There is clear evidence that particular groups are at higher risk of homelessness and significant government focus has been on supporting these groups, including people leaving prison, young care leavers, and women (with accompanying children) experiencing domestic abuse. The expectation is that local authorities should develop specific pathways for each of these groups to prevent them from entering the homelessness system. In addition to the Covid-19 impacts on demand for temporary accommodation, some of the wider pressures in the Scottish Borders include:

10.7.1 Young People

Young peoples' routes to independent housing are becoming more difficult due to a wide range of factors. Young people are increasingly squeezed out of the private housing market and, consequently, are more likely than in previous years to face a more drawn-out process of moving towards independent living. Affordable housing in the private and social rented sectors is in short supply.

The Scottish Borders ranks 12th out of the 32 local authorities for number of young people assessed as homeless as a proportion of the population, it is 16 per 1,000. The number of young people presented as homeless has remained steady over the ten years to 2021/22 but has started to fall since then.

10.7.2 Housing Options for Care Leavers

Home and Belonging Initiative is a fund that was originally managed by the Life Changes Trust aimed at supporting young people with care experience as they move on from care and into their own home. The Initiative has also taken in the context of increasing focus on the work of The Promise Scotland. The Promise Scotland has been set up to deliver the recommendations from the Independent Care Review, to make sure the needs of young people with experience of care are met and that every child grows up loved, safe and respected, and able to realise their full potential.

For young people who have experienced care, the Housing Options Protocol for Care Leavers in the Scottish Borders was developed and implemented in partnership between Scottish Borders Council and the four locally based Registered Social Landlords in 2017/2018. The protocol seeks to ensure that the priority accommodation and support needs of care leavers are recognised in order that their needs for suitable housing are met in a planned and sustainable way. Key partners continued to support the 'Youth Homelessness Prevention Pathway: Improving Care Leavers Housing Pathways' to ensure that the housing needs of our care leavers are met in a planned coordinated way.

10.7.3 Prison Leavers

The Scottish Borders Council Homeless Service is the interface point for people leaving prison who have no fixed address. SBC's Homeless Service is the interface point for people leaving prison who have no fixed address. Over the past five years there have been on average 27 assessments carried out each year.

The 'Sustainable Housing on Release for Everyone' standards (SHORE) were launched nationally in 2017. The standards are designed to ensure that people leaving prison can access services and accommodation in the same way as people living in the community.

An information sharing protocol which was adopted in 2019/2020 between the Scottish Prison Service (SPS) and Scottish Borders Council and has improved information sharing arrangements contributing to the aspirations of SHORE, allowing for earlier intervention both in terms of the prevention and resolution of homelessness.

During 2022/2023 a multi-agency SHORE working Group was established and work began on developing processes around admission into custody. The group will consider what actions can be taken prior to custody and around bail. This is a challenging area that is not covered in the SHORE standards, however, the working group were keen to explore what could be done to improve housing and support outcomes at this time. The group are currently exploring options around piloting dedicated Bail Supervision and Home Leave accommodation. The next steps for the group will be to consider options around release from custody.

10.7.4 Mental Health

An operational protocol has also been established between NHS Borders and the Homeless Service to identify patients at the earliest opportunity, who have been admitted to acute in-patient mental health services and are homeless or threatened with homelessness. This protocol seeks to embed a proactive, inclusive, planned approach to safe patient discharge, promoting positive outcomes and patient care for those experiencing homelessness and poor mental health through collaborative person centred support planning.

10.7.5 Veterans

The number of applications and assessments of veterans has remained at the same level over ten year, although it dropped to 10 in 2021/22. While Veteran homelessness is quite low compared to other specialist groups it is important to ensure that SBC and partners are aware of any need and provide the right housing options advice.

The Scottish Borders Community Taskforce (Firmbase) is the main vehicle for progressing veteran's issues in Scottish Borders.

10.7.6 Women experiencing domestic abuse

On average 64 women presented as homeless following incidences of domestic abuse each year in the Scottish Borders (over a ten year period). In 2021/2022, 43 women presented as homeless due to domestic abuse within the household.

'Improving housing outcomes for women and children experiencing domestic abuse' is the report of a Scottish Government working group in December 2020 highlighting six areas which, acted on together, could significantly reduce domestic abuse related homelessness. These areas are:

- Preventing homelessness for women and children experiencing domestic abuse: a human rights approach
- Making women's homelessness visible: a gendered response to domestic abuse and homelessness
- Strengthening the role of social landlords in responding to domestic abuse
- Protecting women's and children's rights to remain in their home
- Providing housing that meets women's and children's needs
- Protecting all women's rights: no recourse to public funds, domestic abuse and homelessness

The BHHSP is committed to carrying out a review to *'Improving the Housing Outcomes for Women and Children Experiencing Domestic Abuse'*, this work was initiated in 2021 and then delayed due to Covid related and other impacts and is currently being rebooted.

10.8 Resettlement Programme

The Scottish Borders like other parts of Scotland and the United Kingdom participate in the resettlement of refugees. These are Home Office led schemes and differing levels of funding are available depending upon the arrival route. Scottish Borders Council have staff, including some volunteers, to support these families.

10.8.1 Vulnerable Persons Resettlement Scheme (Syria)

Since 2015 the Scottish Borders has hosted 9 Syrian families. They spend 60 months on the scheme supported by Scottish Borders Council and can thereafter apply for leave to remain. The most recent arrivals have approximately 24 months left on the scheme. The council provides a full range of support

including language classes to enable families to fully integrate into the local communities, participate in education and employment. This is intended to support a move from reliance to independence.

A number of other resettlement schemes have come together to be known as the UK Resettlement Scheme.

10.8.2 Afghan Resettlement

This is a three year scheme and is similar to the Vulnerable Persons Resettlement Scheme (Syria). The majority of arrivals expressed an interest in the larger urban cities of the United Kingdom and no new arrivals into the Scottish Borders are imminently expected. Although three families initially came to the Scottish Borders they have since moved to be near other family members.

10.8.3 Ukraine Displaced Persons

There are three visa routes with this scheme, a family visa scheme, UK Homes for Ukraine Scheme and Scottish Super Sponsor Scheme. The family scheme involved a United Kingdom based person hosting a Ukraine family member in their home. The UK scheme involved a match being made between a United Kingdom based host and a Ukrainian person. The Ukrainian person can't travel until a match is made and agreed. The Scottish Government issued approximately 30,000 visas for the Super Sponsor Scheme, this was accompanied by an appeal for hosts in the community.

At present the Scottish Borders has 114 Ukrainian people in hotels (52 family groups) and 138 with hosts in the community. The number of families accommodated in the Scottish Borders is controlled by the Scottish government and depends upon availability of suitable accommodation across Scotland, which is currently in hotels and ship-based accommodation. Hosts receive a good will payment and are expected to host for 6 months at least (this does not apply to the family scheme). Refusals to take hosted offers and breakdowns in hosted situations are common.

Applications to Registered Social Landlords and other private landlords are being made by Ukrainian families in the resettlement scheme to enable them to move on from hotels and hosted arrangements.

The Scottish Government have commissioned two ships to house people arriving from Ukraine such is the demand for accommodation. The decommissioning of the two ships for Ukrainian displaced persons in March 2023 and June 2023 will increase demand for settled housing and the Scottish Borders will be expected to take a proportion of those moving on from accommodation on the ships. This will likely put additional pressure on existing capacity of Registered Social Landlords and private tenancies.

10.8.4 Asylum Dispersal

All parts of the United Kingdom participate in the Unaccompanied Asylum Seeking Children dispersal. The Scottish Borders have been receiving these children for some months. Children and Families social work take the lead on this programme.

Scotland receives approximately 6.9% of the total United Kingdom arrivals. Of the 6.9% of asylum seekers coming to Scotland many are expected to be housed within Scottish Borders. Originally the allocation for the Scottish Borders was 96 people but this has now been adjusted to 48 people. This is a rolling figure so the number could be adjusted up or down. The Mears Group are responsible for finding accommodation for asylum seekers on behalf of the government. They are currently in discussions with SBC. This is a long-term commitment.

10.9 Temporary Accommodation

SBC have a duty under the homelessness legislation to provide suitable temporary accommodation if there is a reason to believe an applicant is homeless, this is provided until all duties have been discharged following the homelessness presentation. Although the Scottish Borders has experienced fewer statutory homeless applications through 2020/2021 and 2021/2022 this did not translate into a lesser demand for temporary accommodation and 2022/2023 saw statutory homeless presentations rising to similar level of pre pandemic.

SBC have experienced continued high demand for temporary accommodation after Covid in line with the national trend. In meeting this unprecedented demand SBC have increased temporary accommodation stock levels to 150 temporary accommodation units as at 23rd February 2023. This is in contrast to the aims and objectives outlined within RRTP, however SBC remain committed to the reduction in temporary accommodation numbers and use. The impacts of the pandemic continue to be longer lasting than anticipated and the unprecedented demand for temporary accommodation continued throughout 2022. As the key priority was to deliver front line services the full application of resources allocated to the RRTP could not be implemented which, consequently, had a significant delaying impact on many actions within the Scottish Borders RRTP.

In line with National pressures SBC have experienced consistent challenges around managing void properties. These include supply-chain delays for materials, service and trade shortages and the impact of increased pressure on utility companies.

SBC have an excellent record in not having to utilise bed & breakfast accommodation, however during the height of the demands on temporary accommodation, bed and breakfast accommodation was used, with x number of placements. These placements included xxx of out of area placements due to a lack of local Bed and breakfast facilities. While SBC have utilised bed & breakfast accommodation within the period due to these pressures this has been kept to a minimal level.

SBC continue to provide a flexible model of temporary accommodation, which has resulted in successfully flipping some properties to allow homeless households within temporary accommodation to transition this into their permanent home resulting in a reduced impact for these households. SBC will continue to monitor the temporary accommodation stock and residents to allow further flipping of tenure in this way.

A Crash Pad Pilot was established within the temporary homeless accommodation portfolio become operational in April 2021. The Crash Pad is a self-contained property that can accommodate households on a short term basis (one or two nights), this provides very short term use for homeless households to enable a quicker process to allow full assessment of housing requirements, both for temporary and permanent accommodation. The aim of Crash pad is to make more efficient use of the wider temporary accommodation stock and reduce Scottish Borders Council's risk of breaching the Unsuitable Accommodation Order.

10.10 Housing Support

The provision of housing support has been recognised as important in preventing homelessness and repeat homelessness. The Housing Support Duty came into force on 1 June 2013 and places a requirement on local authorities to complete a housing support assessment for people who are unintentionally homeless or threatened with homelessness and they have 'reason to believe' need the housing support services prescribed in the regulations.

The Housing Support Service forms part of the Council's Homelessness Service and consists of an internal Housing Support team and a commissioned service. Housing Support offers accessible, flexible and

personalised support to individuals in critical need to enable them to secure, establish, manage and maintain their home. The team's objectives are to:

- Prevent homelessness through the provision of person centred housing support
- Prepare individuals/households for independent living, and help them maintain their housing independence
- Assist and support households towards securing suitable, affordable, sustainable permanent accommodation
- Support households regardless of accommodation status i.e. in temporary accommodation, at home and no fixed abode
- Promote the health, wellbeing and social integration of homeless households

The Housing Support team provided vital service provision to supported people throughout 2021/2022. 265 referrals were received during the reporting period. 83% of cases have been closed due to interventions being successfully completed. There were 415 cases open within Housing Support Services during 2021/22.

The service sought the views of our partners in 2021 in order to improve practices, identify service development opportunities and contribute to improvement planning. The survey in cooperated different areas of service delivery, accessibility, communication, partnership working, quality of service and responsiveness. 94.4% agree or strongly agreed that the Housing Support team provide high quality support.

10.11 South East Housing Options Hub

It is important that SBC continues to contribute to the work of the Hub so opportunities for collaborating with other Hub authorities on priorities identified within the LHS can be considered.

The East Housing Hub consists of local authority representatives from Edinburgh, East Lothian, Falkirk, Mid Lothian, Scottish Borders and West Lothian who meet on a monthly basis. The East Hub has developed a strong shared focus to take forward various work strands to progress the development of the Housing Options approach, embedding Rapid Rehousing, sharing best practice and working together on joint projects, including:

- Development of the housing options training toolkit in partnership with the other Housing Options Hubs
- Stakeholder and awareness raising events during the development of RRTPs
- Procurement of training and guidance on trauma informed practice, housing and homelessness rights of foreign nationals and domestic abuse?
- The development of Young People's tenancy sustainment videos created in partnership with young people who have lived experience of homelessness.
- Collaborating on homelessness/ housing options responses during the COVID-19 pandemic
- Finding solutions to embed legislative changes into frontline practice

It is important that SBC continues to contribute to the work of the Hub so opportunities for collaborating with other Hub authorities on priorities identified within the LHS can be considered.

10.12 Key Issues and Challenges

- The length of time households are homeless
- The supply and demand for a range of properties including, one bedroom properties, housing for larger families
- High demand for accommodation in the Eildon Locality
- The low supply of accommodation in the Tweeddale locality
- Impact of Covid and the lasting implications which includes implementing the RRTP
- Increasing reliance on temporary accommodation throughout the pandemic which has continued beyond the pandemic
- Implementing the new Prevention Duties which represents the biggest change to Scotland's homelessness legislation in almost a decade. Public bodies will have a legal duty to identify anyone at risk of homelessness and either take action themselves or refer on to more appropriate help.
- Local connect suspension and the potential for unintended negative impacts including with regard to risk management, multi-agency public protection arrangements, complexity of case management, continuity of support and strategic planning
- The complex support needs, beyond housing support, of the homeless population and difficulties in accessing support
- Accessibility and affordability of the private rented sector particularly for single people and/or people on low incomes
- Demand on services due to support for the Ukrainian Crisis and Support
- Demand on services due to the Resettlement Programme
- Young people continue to make up the largest proportion of homeless assessments

10.13 Current Progress

- Developed the Rapid rehousing Transition Plan (RRTP) for the Scottish Borders
- Re-established the Borders Homelessness and Health Strategic Partnership (BHHSP). The key focus of the partnership is on the implementation of the Rapid Rehousing Transition Plan (RRTP)
- Improving pathways for specific groups who are homeless or threatened with homelessness, these include, prison leavers, care leavers, and women and children experiencing domestic abuse
- Two year Housing First pilot was launched
- Recruiting a Private Rented Sector Development Officer

10.14 Key Actions for Delivery

- **Continue to Implement Rapid Rehousing**
- **Improve access to housing for homeless or potentially homeless households across all tenures**
- **People who experience homelessness reach a settled housing outcome as quickly as possible**
- **Ensure homeless households can access the right support at the right time**
- **All partners actively contribute to preventing homelessness**

Successfully tackling these issues is key to our success and provides us with significant opportunity. We need to improve the choices people have for an affordable home that meets their needs in the Scottish Borders and prevent and end homelessness whenever we can.

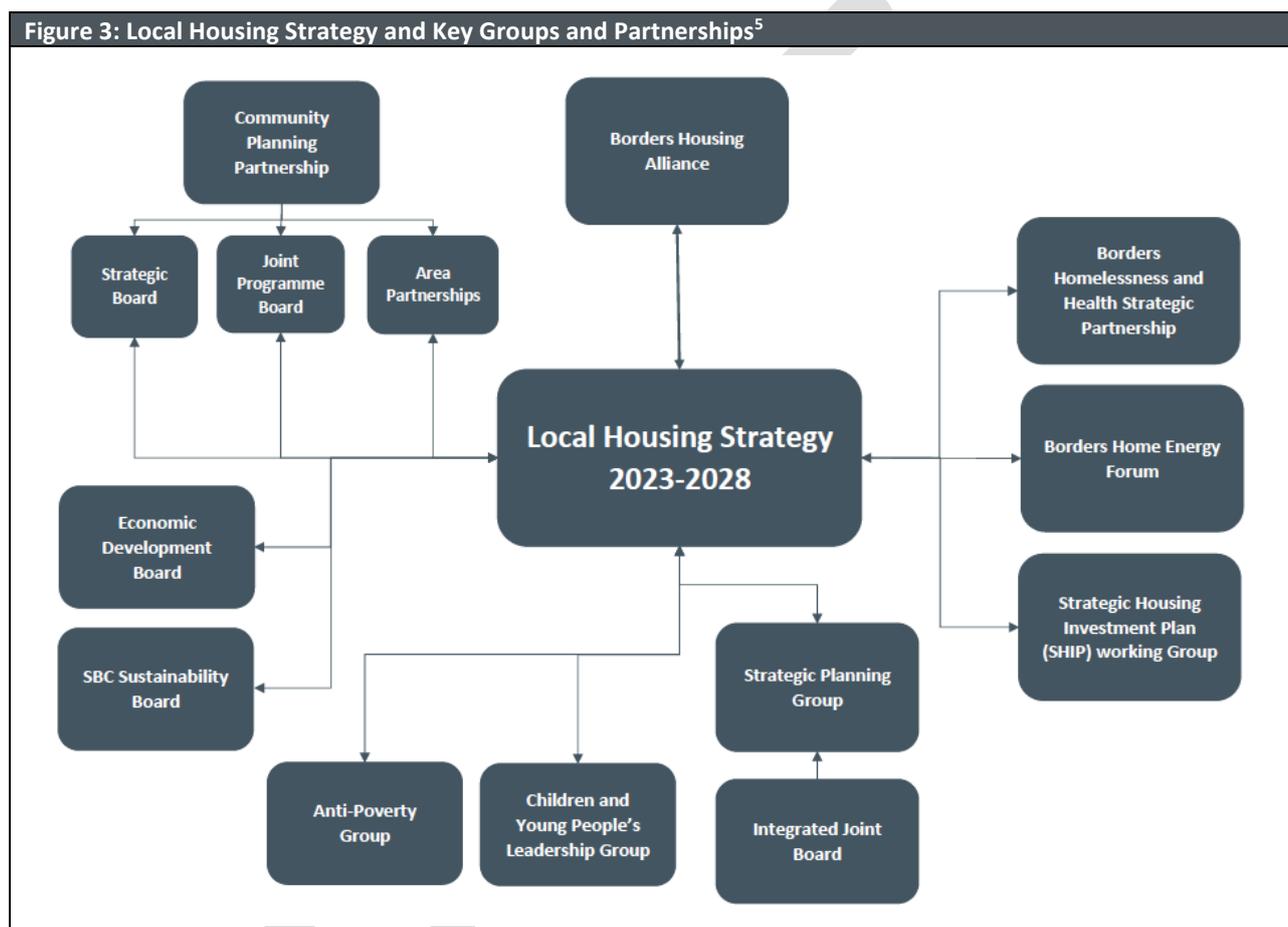
The proposed actions in relation to tackling and preventing homelessness will support those ambitions.

11. Delivering LHS Outcomes

11.1 Implementation

The outcomes in the LHS can be best delivered through a managed network of strong partnership relationships. The LHS is monitored through the Borders Housing Alliance who have direct responsibility for the LHS but have a network of groups to co-ordinate a partnership approach to monitoring the strategy.

Figure 3 provides a useful graphic on how the Local Housing Strategy is integrated into a wide range of different groups and partnerships.



11.2 Monitoring Progress

The outcomes framework is presented at a strategic level. It clearly sets out the outcomes for the LHS, together with the key strategic actions, key performance indicators and targets that underpin its successful delivery. Following the finalisation of the LHS, a more detailed action plan will be developed that will link a range of strategies and outline on an annual basis how the strategic actions and outcomes will be delivered. The LHS will be monitored annually against the action plan, to ascertain progress and to enable remedial actions to be instigated promptly should they be required to ensure milestones set out are achieved, and that services/partners are on track to deliver specific LHS objectives.

The LHS strategic outcomes and any related plans and strategies will be reviewed annually. In addition to strategic monitoring, partners will be responsible for monitoring of their operational functions as they

⁵ There are current discussions around the Governance Structure and as a result this flow chart may need amended

relate to the LHS outcomes; for example, housing management, housing investment/capital programme, and homelessness.

Appendix 1 provides a more detailed Outcome and Action Plan that will be used as the template for monitoring the LHS on an annual basis.

11.3 Resources

Whilst the Local Housing Strategy sets out an ambitious framework for action, investment and partnership to meet housing need in the Scottish Borders, it also must be set in the context of the likely resources available to support implementation.

Strategic Outcome	Resources
1. More homes in well designed, sustainable communities that increase opportunity for all	Scottish Government AHSP Grant RSL Private Sector Borrowing 2 nd Homes Council Tax Levy Commuted Sums Edinburgh and South-East Scotland City Region Deal Regional Prosperity Framework Borderlands Inclusive Growth Deal Private Funding Scottish Borders Council Empty Homes Grant Housing Infrastructure Fund The Vacant and Derelict Land Fund Regeneration Capital Grant Fund (RCGF) Rural Housing Fund SG Charitable Bond Programme
2. People have access to homes which promote independence, health and wellbeing	Scottish Government AHSP Grant Health and Social Care NHS Borders Public Works Loan Board Mental Health Service Learning Disabilities Service Private Funding SG Gypsy Traveller Accommodation fund
3. Improved energy efficiency of homes and a reduction in fuel poverty while supporting a Just Transition to Net Zero through decarbonising domestic heating and energy	Regional Prosperity Framework Borderlands Inclusive Growth Deal Energy Efficient Scotland: Area Based Scheme (EES:ABS) Warmer Homes Scotland Energy Saving Trust Scotland Grant and Loan
4. More people live in good quality homes and the built heritage of the Borders is preserved	CARS Missing Shares Private funding RSL capital funding EST Private Landlord Loan funding
5. Homelessness is prevented wherever possible and a range of housing options are provided so people can secure a suitable and sustainable housing outcome as quickly as possible	SBC General Funded Homeless Service Scottish Government RRTP Funding Ending Homelessness Together funding Scottish Welfare Fund Partnership Working Voluntary Organisations

11.3.1 Affordable Housing Supply Programme

The Council has been previously used borrowing and on-lending from Public Works Loan Board in order to progress affordable Housing delivery via the National Housing Trust Round 1 and Local Authority Variant

initiatives. The Council still supports affordable housing delivery through use of available Second Homes/ Council Tax and Affordable Housing Policy Developer Contributions. There are a number of other funding resources that the Council and its development partners can draw upon including Affordable Housing Supply Programme Funding, Open Market Shared Equity Scheme, Rural Housing Fund, RSLs Private Finance Borrowing and Scottish Water Grant Funding. Berwickshire and Eildon Housing Associations secured around £4.6m Charitable Bond funding for the first time in 2017-18 in lieu of Scottish Government Grant which was used to deliver developments at The Glebe Chirnside, High St Selkirk and Howdenburn Jedburgh. The Scottish Government has added an additional £25 million of funding to its Charitable Bond programme, taking the total investment to boost the number of affordable homes in Scotland to £105m.

Most Recently, in July 2019, Eildon Housing Association secured a £40m investment from the Pension Insurance Corporation, which is this Lender's first such private placement with a Scottish RSL. Eildon Housing Association has indicated that it may consider "front –funding" projects, in order to ensure project delivery. During 2021/21 Scottish Borders Housing Association secured a £58m loan facility from the Royal Bank of Scotland, which is intended to support a development programme of up to 300 new homes over 7 years.

In 2021/22 the Council used £0.727m from its Second Homes / Council Tax Budget, to directly assist affordable housing delivery in Scottish Borders. This was used by the Council to acquire the Melrose Road site Galashiels and subsequent "back to back sale" to Eildon Housing Association, plus a previously agreed grant contribution towards gap funding costs of the Kelso Extra Care Housing development which is under construction. The Council has also used £0.013m towards costs of employing an Empty Homes Officer.

The Council has been deliberately building up an available balance being held in the Second Homes Council Tax budget in anticipation of it being used to assist delivery of extra care housing developments to augment Affordable Housing Supply Programme grant funding from Scottish Government's More Homes Division and Private Finance contributions from both Eildon Housing Association and Trust Housing Association. The Council has also committed to provide grant of £0.750m to Eildon Housing Association towards costs of delivery 36 Extra Care flats which are under construction through conversion and remodelling of the former High School building in Kelso. In 2021/22 the Council paid grant of £0.262m towards the project, with the balance claimed in May 2022. It is envisaged that the Council will also be required to grant assist RSLs to deliver future Extra Care Housing projects. These Extra Care Housing developments are high cost projects, and the specification contains elements which are not eligible for Affordable Housing Supply Programme grant funding. In order to ensure best value is achieved, lessons learned from Dovecot Court Peebles has helped informed the designs going forward for Todlaw Duns, Langhaugh Galashiels, High School Kelso, Stirches Hawick and High School Eyemouth in due course. A site has yet to be identified for the proposed Peebles development.

During 2021/22 the Council agreed to make a £0.120m grant contribution to the Etrick and Yarrow Community Development Company's, 5 home, Kirkhope Steading project in 2022/23, and also a £0.200m grant contribution to Eildon HA's, 64 home, former Earlston high school site project in 2024/25. The Council's Second Homes Council Tax budget has finite annual income which will be a key determinant of both the level of financial support available to assist construction of individual developments, and the potential programming of these grant contributions to dovetail with construction activity and provision of complementary Scottish Government Affordable Housing Supply Programme grant and RSL private funding.

The Council made no grant contributions from its Affordable Housing Policy Developer Contributions - Housing Market Area balances, to assist affordable housing and project delivery in 2021/22. See figures provided in Scottish Government SHIP Tables.

Table 9 below illustrates the estimated £268.226 of total investment required to deliver the potential affordable housing projects identified in this SHIP 2023/28. This has been developed on the basis of

financial analysis and the most recent experience of Borders RSL projects, using an AHSP assumption of £96k/unit, and RSL Private Finance assumption of £104k/unit.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
	2023/24	2024/25	2025/26	2026/27	2027/28	
AHSP new build	21.024	45.312	43.872	11.136	6.528	128.872
AHSP remodelling	0	0	0	0	0	0
RSL Private Borrowing	22.776	48.464	47.528	12.064	7.072	137.904
Extra Care 2 nd C/Tax	0	0.200	0.750	0.750	0.750	2.45
Rural Housing Fund	0	0	0	0	0	0
Other Private borrowing	0	0	0	0	0	0
Totals	43.8	93.976	92.15	23.95	14.35	268.226

* Figures are rounded up

11.3.2 Projected Available Resources

The resources needed to deliver the LHS are shared across a number of partners including the Scottish Government, RSLs, the independent sector, private sector and public bodies such as the Health and Social Care Partnership in the Scottish Borders. In terms of public sector resources, it is difficult to predict levels of future available funding, particularly given current economic uncertainty around public. Table 10 below will set out the various resource options that the Council’s relies on to deliver the LHS. This will be further developed through the consultation period, based on agreed priorities, with resources clearly identified in the finalised strategy later this year.

Council General Fund Spend Category	Total Projected Expenditure 2023-2028
Homelessness & Temporary Accommodation	
Housing Support Services	
Private Sector Housing (incl. SOA)	
Gypsy Travellers	
Community Safety	
Total General Fund Expenditure	

11.3.3 Projected RSL expenditure

As well as substantial General Fund investment in the delivery of housing and related services, the four main RSLs in the Borders will also invest heavily both in terms of stock improvements but in the delivery of frontline services. Over the next five years, RSL are projected to spend over £453m.

Investment over next 5 years: 2023 - 28	Total projected expenditure 2023 - 28
Housing management	£52,837,448
Housing maintenance	£69,830,000
Housing support	£16,325,023
Planned maintenance: SHQS	£73,423,000
Planned maintenance: EESSH	£11,129,000
Disabled adaptations	£1,890,000
New build housing investment	£226,409,000
Regeneration or wider role activity	£2,125,000
Total projected expenditure (2023-28)	£453,968,471

⁶ Calculations were done on the basis of grant of £96k per unit and assumed private borrowing of £104k per unit. Figures were rounded up for modelling purposes.

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