

Housing to 2040

(Previously housing beyond 2021)

Report on stakeholder engagement in 2018



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Ministerial Foreword



by **Aileen Campbell MSP**, Cabinet Secretary for Communities and Local Government

The Scottish Government's ambition is that everyone in Scotland should live in high quality energy efficient homes that are affordable and that meet their needs. We want to support our most disadvantaged communities and create great places that are sustainable and promote wellbeing. And we want this to be sustainable for the future.

In our [Programme for Government 2018-19](#)¹, we committed to work on a vision for how our homes and communities should look and feel by 2040 and the options and choices to get there.

This is a time to reimagine a housing system and create a vision for housing between now and 2040. To do that, we need to build on the wisdom across the wide and varied housing sector – tenants and residents, academics, councillors, councils, housing associations, third sector, landlords, lenders and house builders. And we need to hear from the whole of Scotland: rural, urban and island Scotland and communities of interest that face particular challenges when it comes to housing.

Housing is embedded in so much that we want to achieve. It has a vital role to play in meeting many of our aspirations, including eradicating child poverty and homelessness, ending fuel poverty, tackling the effects of climate change and promoting inclusive growth.

This is why we must ensure we have a housing system that works for us all, is dynamic and nimble enough to adapt to future changes and challenges and also anticipates those challenges and is resilient in the face of them.

¹ <https://www.gov.scot/publications/delivering-today-investing-tomorrow-governments-programme-scotland-2018-19/>

This document sets out what we have heard so far and what our next steps are. That includes the Minister for Local Government, Housing and Planning and I engaging with stakeholders and the public over the summer. I want to hear directly from communities across Scotland about what's important for them, their children and grandchildren, when it comes to their future in Scotland.

We need to challenge ourselves about what our vision is for housing in Scotland in 2040, and be ambitious in our aims. And we need to work together to ensure this is a shared vision for Scotland so that we can put a route map in place that will stand the test of time.

This is an exciting opportunity for housing policy for Scotland and I want everyone to play their part in creating the homes and communities of 2040.

I sincerely look forward to working with you and learning from you along the way.

A handwritten signature in black ink that reads "Aileen Campbell". The signature is written in a cursive, flowing style.

Aileen Campbell MSP
Cabinet Secretary for Communities and Local Government

1. Introduction

1. Next spring, we will publish our vision for Housing to 2040, and a route map showing how we will get there. We want this to be a shared vision, with widespread stakeholder and popular support to provide the long-term certainty that people and organisations across Scotland have called for.

Purpose

2. Whilst 2040 seems far away, it takes a long time to build new homes and communities, to develop housing services and to improve the quality of existing stock. It is clear that we face a number of challenges which mean that business as usual is not an option.
3. In the course of this Scottish Parliamentary term (2016-2021), it is anticipated that the Scottish Government will spend over £4 billion on housing in Scotland, primarily through affordable housing supply, shared equity schemes, energy efficiency measures and mitigating UK Government welfare cuts. The UK Government will spend over £8 billion on housing in Scotland, primarily through housing benefits and energy efficiency measures.
4. The forecast demographic changes in Scotland present some of the most significant challenges to business as usual. We are facing the combination of an ageing population and a persistent gap between life expectancy and *healthy life expectancy* of around 18 years, resulting in increasing costs of health and social care services. This challenge is something that our approach to Housing to 2040 must help to address.
5. House building, and housing systems don't fit neatly into a parliamentary cycle. Nor does forcing it into that cycle naturally lend itself to the longer-term stability that stakeholders have told us is required in order to be able to plan ahead.
6. Housing is about more than bricks and mortar; it's about people and it's about creating flourishing communities across Scotland. Housing and housing policy has a reach that is broad and impacts upon so many parts of life, that it is important we get it right. A warm home that feels safe, stable and permanent enables people to have a greater sense of wellbeing, and to feel able to go to work. It provides a safe space for children to play or do their homework in, and allows our elderly people to live independently. Good housing helps to tackle the attainment gap, reduce inequalities, promote better physical and mental health, create communities and can help regenerate the places we live in. This is good for people and good for the Scottish economy.

7. The contribution from housing to the economy goes much wider and deeper than the obvious, but important, spend on construction of new homes and related employment. New homes for working households also contribute to income tax and council tax receipts, helping to fund vital public services. There is also the work to repair and adapt our existing homes and to improve their energy efficiency to meet our carbon reduction targets. Good housing is important in helping people move to access job opportunities, and affordable homes encourage firms to locate or stay in communities. Stable house prices limit the amount that people must spend on rent and mortgage payments; this allows for more investment in business and makes retirement and pensions more affordable. Home ownership can help with entrepreneurship because it provides an asset to borrow against when financing a business. Homes with sufficient space allow people to work from home, which has a positive economic impact through increased access to work and productivity and a reduction in the costs associated with commuting.
8. So, for our approach to be effective, we will need to make the connections across different policies. This applies in the Scottish Government, local government and in organisations across Scotland. For example, providing for, and valuing, an ageing population is not just about housing, but about joining up a whole spectrum of accommodation and services: from care homes to care at home, from carers to technology that prevents accidents and has the potential to do so much more. We need housing that is fit for purpose for older people and allows them to play an active part in their local community. We need to help older people live at home safely and comfortably, for longer.
9. The Scottish Government has a major part to play. We need to do more to join up our investment in particular communities. For example, we might want to think about joined-up investment in energy efficiency, regeneration and new homes.
10. We are already doing a lot of work to make good use of surplus public land. But there's more we can do. These are just examples.
11. And we need a successful approach that delivers for all of Scotland in all its forms – rural, urban, island, city, town or hamlet – it needs to speak to inner city Glasgow as much as it does to North Ronaldsay and everywhere in-between. So perhaps we need to have a much greater diversity of approaches, tailored to local circumstances? We certainly need to go further in empowering local communities in meeting their own housing needs.
12. A vision for 2040 could help answer big policy questions. For instance, this government believes in the value of social housing but do we need to be clearer on the role of social housing? What proportion of our housing stock should be social?

What lessons can be drawn from the history of social housing at its zenith in the 1960s that we can learn from today and for the future.

13. Local authorities and housing associations do great work in meeting local need. But how could we make social housing more flexible to allow people to move around Scotland, for family reasons or work, without being penalised?
14. In terms of the private rented sector, when is it the right solution? Most people aspire to own their own home and many social tenants want to stay in social housing. How large do we want the private rented sector to grow? How do we avoid pensioner poverty for households who continue to rent into retirement?
15. By 2030, there will be over a million people aged 60-74 and over 600,000 aged 75 or over with an associated increase in spend on health and social care. How do we ensure that services are more joined-up, person-centred, and with housing fully part of the answer to meet that challenge to enable older people to stay at home for longer, or to be enabled to move to more suitable accommodation which they say they want to do?
16. We know that we still need to deliver more affordable homes, but what should that look like and are targets important? Based on the current level of spend, to build a further 50,000 homes over the next parliament would cost £4 billion. This would be difficult to sustain, which means we need to think carefully about our approach considering not just how to deliver new homes, but also how to maintain, look after, and improve the ones we've got. We need to consider how we will strike the balance of realising the fiscal challenges ahead along with keeping up a strong pace on the delivery of affordable homes. What different models do we need to think about in meeting that challenge?
17. Good housing policy can help reduce inequality. As the Scottish Government works to mitigate where we can, the worst impacts of the UK Government's welfare cuts, it cannot remedy it all. Currently we have a statutory duty to meet child poverty reduction targets in 2023 and 2030 under the Child Poverty (Scotland) Act 2017. Increasing housing affordability is a key lever in reducing poverty for households with children. Similarly, the Fuel Poverty Bill will require us to make good on targets to reduce fuel poverty in Scotland in the face of our climate emergency, erratic weather conditions and demands to do more to limit our carbon use.
18. And our approach must deliver on tackling and preventing homelessness. The Homelessness and Rough Sleeping Action Group made 70 recommendations to end rough sleeping and homelessness and transform temporary accommodation, all of which were accepted in principle by Government and have been translated into the Ending Homelessness Together Action Plan, published jointly by the Scottish

Government and COSLA in November 2018. And this programme of work must be fundamental to developing our vision for 2040.

19. So, the challenges are great and housing is sitting within a plethora of other policy areas that directly and indirectly impact on it. We need to be cognisant of that and assertive about what housing can contribute.
20. But, at this moment, we have a chance to be imaginative and creative if we choose to take it. We have a chance to really maximise the investment we make into housing for the greater good of the communities we serve. What is essential, regardless of whether we are in 2020 or 2040 and whatever technological advances are made in-between, fundamentally we need to ensure people are at the heart of design and delivery; that they are empowered and in control of the places and spaces they live in. Creating vibrant communities and making good on our vision of ensuring everyone has access to safe, warm, affordable and accessible housing requires nothing less.

Building on progress to date

21. This Government has already done much to improve the housing system in Scotland. We are proud of what we have achieved: the ending of “Right to Buy”; reforming the Private Rented Sector; full mitigation of the bedroom tax through Discretionary Housing Payments; and the introduction of the Universal Credit Scottish choices². In addition, our Affordable Housing Supply Programme will deliver at least 50,000 affordable homes by 2021, backed by over £3 billion of investment; the single biggest investment in, and delivery of, affordable housing since devolution.
22. We want to build on that progress. The presumption will be to work towards the implementation and delivery of policies and targets where these have already been set, such as the Energy Efficient Scotland route map, child poverty targets, physical activity targets and the Ending Homelessness and Rough Sleeping action plan. Where policies have been recently implemented, such as reform of the private rented sector³, these will continue to be rolled out and delivered in the short to medium term. We have not yet set specific policies or targets for affordable housing delivery beyond 2021.

² For more information on these policies, visit www.gov.scot/policies.

³ On 1 December 2017 a new type of tenancy - the private residential tenancy - came into force, replacing the assured and short assured tenancy agreements for all new tenancies. The reform of the PRS provides security, stability and predictability for tenants, and appropriate safeguards for landlords, lenders and investors.

This report

23. We began engaging with housing stakeholders in autumn 2018 and this report summarises the outputs from that first round of engagement.
24. In the autumn, we published a [discussion paper](#)⁴, which set out the basic facts about the current housing system in Scotland and the major challenges we face as a country. Although we included some draft principles for discussion, we very deliberately did not offer any specific proposals in this paper. We wanted to hear the ideas, questions and concerns that this generated for housing stakeholders. We encouraged people to respond to the challenges under the following themes:
- Accessible homes for disabled people
 - Affordability and supply
 - Ageing population
 - Brexit
 - Child poverty
 - Energy efficiency and climate change
 - Homelessness
 - Place, quality and standards
 - Regeneration and sustainable communities
 - Welfare, wealth inequality and intergenerational inequity
25. We asked stakeholders to give us their views by 30 November 2018, and over 800 people from more than 100 organisations provided feedback. We have heard the views of a wide range of stakeholders, including local authorities, housing associations, healthcare organisations, third sector organisations covering a range of interests, tenants' groups, developers, the financial sector, and other private sector interests.
26. A launch event with senior housing stakeholders was held on 25 September 2018 hosted by Aileen Campbell MSP, the Cabinet Secretary for Communities and Local Government, Kevin Stewart MSP, the Minister for Local Government, Housing and Planning and Councillor Elena Whitham, COSLA's then Community Wellbeing

⁴ This can be found at: <https://www.gov.scot/publications/housing-beyond-2021/>

Spokesperson, along with Tom Barclay and Lesley Fraser, the co-chairs of the Joint Housing and Policy Delivery Group (JHPDG)⁵.

27. Views gathered at the launch event are summarised in **Chapter 2**. Other stakeholder views are summarised by theme in **Chapter 3** and a more detailed summary of stakeholder feedback is provided at **Annex A**. A full list of contributors, to both the feedback collected at the launch event and the feedback subsequently submitted to the Scottish Government, is provided at **Annex B**.
28. The Scottish Government is very grateful to everyone who took part. The launch event, and other conversations have been lively and enthusiastic. We now have a wealth of information, views and ideas, which we have synthesised into this report; these views illustrate the complexity of the housing system and the diversity of opinions held on the future of housing. We have reported stakeholder feedback in some detail to reflect this. **The material in the report does not necessarily represent the view of the Scottish Government.**
29. Some consistent messages run throughout the report. It is clear that stakeholders want to see a whole-system, holistic approach; improvements to existing housing stock; a recognition of the distinct needs of Scotland's rural communities; and people, communities and place-making at the heart of planning and decision-making.

Next steps: how to get involved

30. There are lots more opportunities to help us shape the vision for Housing to 2040 and to help us develop our route map. We have begun a process of engagement with people and organisations across Scotland which will continue to the end of 2019:

Autumn 2018 – First round of stakeholder engagement on the challenges facing housing in Scotland.

Spring 2019 – Publication of this report, with links to the evidence base.

Summer 2019 – Publish a draft vision for 2040 and the principles which would help to inform the policy choices and options.

⁵ The Joint Housing Policy and Delivery Group is Scotland's most senior housing stakeholder group. It advises the Scottish Government and COSLA on housing policy, legislation and delivery and the future strategic direction for housing policy. It brings together representatives from the housing sector, COSLA and the Scottish Government, operating on an ethos of co-production and with an emphasis on delivery.

Ministers will engage with communities across Scotland to gather views on what's important for housing.

Autumn 2019 – Public consultation on Housing to 2040, including the revised vision and principles, together with the policy choices and options for practical steps to go into the route map.

Spring 2020 – Publication of the Housing to 2040 vision and route map to provide clarity on our long-term objectives to the housing sector for the next Parliament and beyond.

2. Outputs from the launch event

2.1 Introduction

1. Senior housing stakeholders were invited to take part in a launch event co-hosted by the Scottish Government, COSLA and JHPDG in Edinburgh on 25 September 2018. The event was hosted by the Cabinet Secretary for Communities and Local Government, Aileen Campbell MSP, the Minister for Local Government, Housing and Planning, Kevin Stewart MSP, Councillor Elena Whitham, COSLA's then Community Well-being Spokesperson, and Tom Barclay and Lesley Fraser, co-chairs of the JHPDG.
2. The objectives of the launch event were:
 - To launch the discussion on Housing Beyond 2021, building on the Programme for Government commitment to begin work on a vision for how our homes and communities should look and feel in 2040 and the options and choices to get there.
 - To engage stakeholders in framing a shared vision of housing in 2040 and to bring this to life for citizens.
 - To engage stakeholders in thinking about the milestones to get to 2040, thereby helping to inform the range of options for Scottish Ministers to consider.
3. The event was based around the Rapid Reflection Framework (RRF), developed by the Scottish Government to build a rich picture of the past, present and possible futures of housing in Scotland. The RRF enabled participants to develop a picture of the historical narratives which led to the current paradigm in order to understand better what lies ahead. It also helped participants to state their views and assumptions explicitly and bring important differences to the surface for discussion.
4. The first half of the event focused on the history of housing development in Scotland and the current situation, both achievements and current challenges. The purpose was to ensure that the discussion about the future was well-informed in terms of the starting point for change. Delegates reviewed a timeline, beginning in 1900 and running to 2018, covering: policies and events, impact of events, and longer term trends in housing stock, regulation and wider socioeconomics. They also reviewed and amended a situation report of current issues (see section 2.2). This highlighted current structural conditions such as people's attitudes, political environment, policy, governance, economic challenges and climate change.

5. In the second half of the event, delegates were invited to begin to develop a vision for our homes and communities in 2040 and identify the key milestones to get there (see sections 2.3 and 2.4). They were prompted to do this by considering possible futures through “strategic sliders”. Each slider described polar opposite scenarios for the housing system and enabled delegates to explore where they think we are now and where on the spectrum they want to be in the future. For example, one strategic slider explored views around housing and wealth. On that slider, one extreme is that houses are purely for living in and the other extreme is houses as purely a means to generate or maintain wealth. Discussion was generated by populating and exploring these sliders and the related draft principles (set out in the discussion paper).

2.2 Situation report: current issues

1. This section summarises the points raised by delegates at the Housing Beyond 2021 launch event around the various challenges the Scottish housing system faces today. Delegates were provided with specific prompts, categorised under the four [housing and regeneration outcomes](#)⁶, and were asked to provide comments. In addition to the four outcomes, delegates were also asked to consider “structural conditions” to take into account any factors outside of the housing system which may have an impact on it⁷.

Structural conditions

Economic	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Continuing austerity and tight fiscal outlook. • Housing market as a driver of inequality? • Relatively weak consumer voice? 	<ul style="list-style-type: none"> • Bank of England and other regulators had a cautious approach. • Tight controls on mortgage regulation stopped some people getting a mortgage. • Developer economics and land ownership. • Owners’ ability to pay for common repairs or improvements on former council estates. • Economy impacts housing but housing also impacts economy (spending debt consumption, wealth). • Disagreement on strength of consumer voice.
Policy	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Risk of unintended consequences. • Delivering for remote rural and islands communities. 	<ul style="list-style-type: none"> • There was a disconnect between government policy and what was delivered, with a perceived postcode lottery of services. • Current policies were deterring Private Rented Sector (PRS) landlords from continuing to supply affordable rented housing.

⁶ Housing and Regeneration Outcomes: A well-functioning housing system; high quality sustainable homes; sustainable communities; and homes that meet people’s needs - <https://www2.gov.scot/About/Performance/scotPerforms/partnerstories/HARO> .

⁷ Some delegates questioned how helpful it was to split the challenges in this way as it was not possible to draw tight boundaries around the housing system

	<ul style="list-style-type: none"> • Educational investment in apprenticeships. • Housing policies could counteract Brexit, particularly at local economy level.
Governance	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Important economic levers are reserved. • Council areas create artificial barriers? • Risk of public sector financial silos. • Risk aversion. 	<ul style="list-style-type: none"> • Lack of funding for local authorities with consequences for staff levels in planning, building control, roads etc. which was restricting supply. Health and housing needed to consider a shared budget.
Attitudes and Expectations	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Aspirations to security, wealth and customisation of a home. • Misconceptions about social housing and tenants. • Presumption against shared living. • Ageing population. 	<ul style="list-style-type: none"> • Young people unable to achieve their housing aspirations. • Housing was viewed as a safe pension investment, rather a unique aspect of life and a human right and this was a reason why supply did not meet need. • Cultural attitudes to tenure types (including expectation of social housing). • Shared living: people willing to accept more intergenerational living? • Needs of ethnic minority older people who were ageing with complex needs; current services were not meeting their needs. • How to make housing an interesting career choice? • Attitudes would change over time and could be influenced. • We needed a proper gendered analysis of how the housing system worked and the disadvantages faced by women. • Disconnect between people looking for housing and those not wanting to live beside new housing. How to manage that?

Climate Change	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> Existing housing. New build. 	<ul style="list-style-type: none"> One Non-Departmental Public Body was perceived as potential barrier to development. Energy efficiency measures were needed (not “eco bling”) that worked with how people actually used their homes.

High quality, sustainable homes

Regulation	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> Building regulations and fire safety. Levels of enforcement? Measuring energy performance. 	<ul style="list-style-type: none"> Barriers to enforce changes in the owner-occupier sector. Electrical safety in older homes with the need to upgrade fuse boxes etc. User education is essential to improve energy performance, e.g. airtight houses were too hot now. Government needs to be open and transparent about analysis of cost effectiveness.
Building Trade	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> Challenges around skills and capacity. 	<ul style="list-style-type: none"> 80% of stock in 2050 was already built; we needed innovative solutions to encourage maintenance efficiency and accessibility in the private sector. Off-site and modular construction methods could improve build quality and cost and needed support. Need longer term investment with more training and apprentices. More educational opportunities needed to establish housing as a career.

Market	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Lack of competition. 	<ul style="list-style-type: none"> • Stronger role for Scottish Government and public sector to create the right market conditions to encourage development. • Housing markets driven by where developers want to build. • Regional variation in housing systems and markets differ. • How much should government intervene in the market; possible unintended consequences of investment.
Environmental Sustainability	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Existing stock could be more efficient. • Sufficient incentive to maintain stock? • New build not sufficiently ambitious. 	<ul style="list-style-type: none"> • Better assessment of energy efficiency to reduce fuel poverty.
Design	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
[No prompt]	<ul style="list-style-type: none"> • A failure to learn from prior designs and models, especially around place-making. • Designing for past problems, not future needs and ways of living. • Lack of recognition of role of design. • Modern methods of construction quality needed to be good enough for mortgages and insurance. • Design all homes to suit all ages.

Homes that meet people's needs

Fit for Purpose	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Need more accessible homes for disabled people. • Effective use of existing housing stock? • Appropriate locations for families? 	<ul style="list-style-type: none"> • Existing stock deteriorating. • Older population increasing at a time when money for care in community, sheltered support housing was reducing. • All Scottish Government funded new builds should be accessible and future proofed to reduce need for adaptations. • Preventative services such as small repairs, adaptations, care and repair must be properly resourced. • We need to make existing homes more accessible and easier to adapt and fund this. • Need to plan for disabled children's housing requirements. • Accessibility in private sector housing was important – where were the new bungalows?
Purpose of different tenures	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Enough clarity of purpose for each tenure? 	<ul style="list-style-type: none"> • Consumer choice of tenure was important. • Piloting different and new housing models and tenures would be important. • Social housing as a part of social justice.
Homelessness	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Temporary accommodation. • Rough sleeping. 	<ul style="list-style-type: none"> • Homelessness is about a lot more than rough sleeping. • Hidden homelessness (e.g. sofa surfing). • More homes were not the solution in themselves; the correct support also needed to be in place. • Promote tenancy sustainment to avoid homelessness. • Support people in staying in their current home to prevent homelessness.

	<ul style="list-style-type: none"> • Adequate funding for advice for tenants.
Affordability	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • High purchase prices in some areas. • High rents in some areas. • Fuel poverty. • Impact of cost on household formation. 	<ul style="list-style-type: none"> • Fuel poverty – ambitious targets but without clear funding could mean fuel poverty becoming rent poverty. • Universal basic income mooted. • Lack of diversity on offer and in delivery. • Transient needs – e.g. students. • Second homes and short term lets impact on housing stock and price. • Make acquisition of existing stock a greater priority. • Downsizing to be encouraged for underused three and four-bed homes. • Need to take a more gradual approach to the understanding of demand in different areas. • Faster, more appropriate support to ensure new tenancies were successful. • Funding for energy efficiency measures from Energy Performance Certificate (EPC) Band C to Band B at an average cost of £6-7k with an annual saving of £160. • Mid-Market Rent (MMR) income cut-offs were too low in context of short supply of social housing.

Sustainable communities

Lack of Priority	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Focus on unit volumes rather than community building? 	<ul style="list-style-type: none"> • Lack of priority – too little housing fully accessible e.g. for wheelchair users. • Focus on unit volumes, not linked to specific local needs (affordability, house sizes, accessibility). • Build homes where there was the greatest need, instead of where it was easiest to build.

	<ul style="list-style-type: none"> • Need to improve current stock and renovate empty homes.
Place-making	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Impact of e.g. out of town shopping on communities. • Risk of disconnect between planning, infrastructure and housing? 	<ul style="list-style-type: none"> • Extending cities out lengthens commutes and affects communities and infrastructure. • Regulate through planning process to create designed places. • Land reform required to capture planning gain for public good. • Use local place plans to engage people. • Improve transport connections to make places more accessible to key employment centres. • Allocate more homes in places people want to live in. • Social housing supported wider place-making and community. • How do we make sure that place-making elements were delivered? • More incentives to make more imaginative use of empty commercial buildings. • More powers needed to fix quickly buildings that blight communities.
Community Spirit	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Poor maintenance blights the area. • Few models for co-housing. • Insufficient priority given to 'public space'? • Need to recognise uniquely rural issues. • Tackling perceptions of housing the "less deserving"? 	<ul style="list-style-type: none"> • Conflict between community involvement in the process versus housing delivery. • Communities of interests' needs and wants, versus wider communities' needs and wants. • Provision of housing for different cultural family set-ups, large families, multi-generational households. • Communities sense of ownership and empowerment to co-design based upon local knowledge. • Increased support for community-owned housing. • Ability and capacity of communities to do more. • Massive potential issue in face of on-line shopping in terms of town centres and hearts of communities.

A well-functioning housing system

Housing as an Investment	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Entrenched capital inequality. • Asset bubble? • Homeowners' (misguided?) self-interest in rising prices. • Houses as unproductive assets. 	<ul style="list-style-type: none"> • Redefine the perception/myth that housing is an asset. • Consumers use housing wealth to support old age or to support children in buying a home; this was not misguided. • The “housing ladder” model is out-dated. • Did housing market interventions (e.g. Help to Buy) inflate house prices? • Housing as an asset does not provide any incentive to downsize. • Strengthen and expand the equity release pilot. • Start taxing growth in house value. • Second homes are inflating the cost of housing. • Too much investment in student housing compared to new homes.
Lack of Competition	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> • Relative lack of Small and Medium-sized Enterprise (SME) housebuilders? • Private sector profits linked to public good? • Limited meaningful recourse for consumers. • Investment predicated on capital growth. • Supply not responding quickly enough to demand. 	<ul style="list-style-type: none"> • SME builders need financial and regulatory support to thrive again. • Aspiration around tenure choice; it was not always ownership. • People need support to access more challenging options, e.g. self-build and custom build.

<ul style="list-style-type: none"> Maintenance and life costs need to be properly accounted for. 	
Availability of Land and Infrastructure	
<i>In response to the following prompts:</i>	<i>Delegates noted:</i>
<ul style="list-style-type: none"> High land costs? Is sufficient land available? 	<ul style="list-style-type: none"> Private sector housing is effectively a privatised land system controlled by too few players. Land banking; and over-allocation of land leading to land banking not building. Infrastructure costs. Disconnect of funding options for infrastructure and housing. Better understanding of land and housing market dynamics required and its impact on supply.

2.3 Towards a vision

Possible futures

1. Delegates were asked to explore the four [housing and regeneration outcomes](#) through five “sliders”, which allowed them to express where they thought Scotland was, and where Scotland should be, in relation to each of the outcomes. The feedback produced by stakeholders as a result of this exercise is detailed below.

A well-functioning housing system

2. This slider asked delegates where on a spectrum they thought Scotland was in respect of, at one extreme, a focus on access to affordable housing for all and, at the other, a focus on maintaining investment value (housing wealth). There was a consensus that the focus currently was more towards maintaining investment value but that, for 2040, the focus needed to be much more on access to affordable housing for all. Delegates wanted every household to be able to afford an appropriate home, in an environment where house prices were modest and stable.

Stakeholder vision: *Every household can afford an appropriate home. Low income families have a choice. One decent home per household takes priority over second homes and investment returns on property. Renting is cheaper than owning. Fairer wealth distributions (move the bottom up and the top down). Commercial investment in PRS based on rental income return (not capital appreciation). House prices are modest and stable in real terms. Other investments and savings are stronger and can sustain people in old age.*

Homes that meet people’s needs

3. This slider asked delegates where on a spectrum they thought Scotland was in respect of who shapes and controls new supply, with government at one extreme and communities at the other. There was no consensus emerging from the discussion with a wide range of views as to where we were now and where we ought to be in 2040.
4. In respect of social housing, there was support for government leadership but with development progressed using a co-production approach with communities and stakeholders. On private housing, a partnership approach between local authorities and developers was supported, with government acting as an enabler. Common standards across tenures were also supported.

Stakeholder vision: Government leadership but social housing development progressed in co-production with communities and other stakeholders. Less regulation of social housing. Government mediation to balance individual and collective good.

Regulation and minimum standards for the PRS. PRS to provide choice and to be an important option for some households.

Partnership approach between local authorities and developers, with government intervention if required. The state has an enabling role and communities know their rights and are more empowered. A lot of variation in housing types. Advice to support sweat equity (where part of the value of the home was generated by the labour of the householders in constructing it) and co-housing.

Common standards with similar designs being reused (danger of monoculture) where this was appropriate. Some new buildings exceeding standards.

Housing fully integrated with welfare system and health and justice objectives. Housing and transport co-ordinated.

Government safeguards / protects the public good while enabling and empowering individuals and communities.

High quality, sustainable homes

5. This slider asked delegates where on a spectrum they thought Scotland was in respect of, at one extreme, strong controls on housing quality and, at the other, weak controls on housing quality. There was a consensus that controls on housing quality needed to get stronger as we moved to 2040.

Stakeholder vision: Imposition of standards across all tenures. Strong regulation of landlords and landlord – tenant relationship. High standard of place and quality of existing and new build. Mandatory communal improvements and good factoring are the norm.

The parameters of the market, and business opportunity, are focused on meeting standards. Some homes cannot meet the standards and are demolished. The housing stock is used well and there are low levels of under occupation due to every home being high quality. People are able to move easily for work or changing circumstances to a house that meets their needs.

Support markets to meet standards through carrots and sticks.

6. Some participants felt it was impractical to impose standards across all tenures.

Sustainable communities

7. Delegates were presented with two sliders under this outcome. The first slider asked delegates where on a spectrum they thought Scotland was in respect of the degree of mixed communities with, at one extreme, people living in large homogeneous groups and, at the other, people living in fully mixed communities. The first extreme is represented by people living in large homogeneous groups (whole towns) with those of similar incomes and backgrounds. At the other extreme is people living in highly mixed communities so that incomes and backgrounds are mixed house by house. In this case, there was less consensus but a general tendency to favour more mixed communities at a house by house level.

Stakeholder vision: *Tenures interspersed at a unit by unit level. Complete mixing of house types at a very local level to suit different needs. Care in the community.*

8. Some stakeholders felt that a potential disadvantage of mixed communities could be a sense of social isolation (“nobody around me understands me”) but that there could be advantages to integration in terms of mutual understanding (“we all get along”).
9. The second slider asked delegates where on a spectrum they thought Scotland was in respect of a focus, at one extreme, on numbers of homes and, at the other, quality and place. There was a strong consensus that the current focus was very much on volume and that Scotland needed to focus more on quality and place.

Stakeholder vision: *Well-designed places. A different model of development: house builders build houses to master-planners’ designs, not their existing templates. Mixed-use and “tenure-blind” development. Locality planning. Communities that care about their surroundings and maintain them. Health benefits from inspiring and well-functioning surroundings. Community “pride”.*

10. However, it was also noted that the volume of homes available and being constructed is important to address affordability and to allow people to continue to live in their community.

Principles

11. Delegates were asked to consider the 14 draft principles relating to each of the four housing and regeneration outcomes outlined in the Housing Beyond 2021 discussion paper, and to provide feedback on these principles. **It should be noted that this exercise was carried out in groups, therefore only a small number of delegates**

considered each principle and, due to time constraints, not all 14 principles were discussed at the launch event. The feedback collected from delegates on each of the principles that were considered is detailed below.

A well-functioning housing system

Principle 1 - The housing market should supply high-quality homes for living in, not promote the use of houses as a store of wealth.

12. Some stakeholders suggested “housing market” should be replaced with “housing system”, to avoid confusion between private and social housing. There was a suggestion to limit the reference of wealth to “unproductive” wealth. Many delegates felt that a house was a special kind of asset and should therefore be treated differently from other forms of wealth. It was noted that policies needed to work across Scotland and be adaptable for different localities with differing needs. It was suggested that mixed demographic development was as important as mixed tenure development. It was important to create routes out of social housing now that Right to Buy had ended; these could be MMR developments and low cost home ownership.

Principle 2 - Government policy (e.g. taxes and subsidies) should promote house price stability, to help underpin Scotland’s standard of living and productivity.

13. The following elements of a vision were suggested: every household should be able to afford an appropriate home, irrespective of income levels; equality across tenures, including aesthetically; housing needs to be in desirable locations (transport, jobs, green space); the impact on other services (e.g. GP practices, transport) needs to be considered; community voice and aspirations need to be taken into account; there needs to be a greater variety of homes and means of delivering them (e.g. self-build); and mixed communities that are self-sustaining, resilient and supportive. Some important challenges included integrating infrastructure and place-making, not just homes, and incentivising private owners to maintain their own homes.

High quality, sustainable homes

Principle 5 - Space and quality standards should be set specifically to improve and protect quality of living across all tenures.

14. Delegates suggested that “quality of living” should be followed by “and of place”. The following elements of a vision were suggested: place-making leading to strong communities and connected people to combat the loneliness and disconnection that challenged our well-being and economic productivity; a tenure neutral approach

with tenure neutral quality and space standards for both new-build and existing properties; incentives to achieve quality standards in owner occupied housing; recognition of, and valuing, great places; and long term investment.

15. It was also noted that standards need to be flexible enough to allow innovation. There was a suggestion that gold, silver and bronze standards could be applied and that local delivery agents need sufficient capacity to deliver. It was suggested that resources be pooled on the basis of place, i.e. budgets for *places* not for policies. It was also suggested that standards could be tailored for different parts of buildings, e.g. imposing particular standards for all ground floor properties.

Principle 6 - Government policy should promote greater competition (including greater SME participation) in the building sector and broader availability of usable land to reduce prices and improve building quality.

16. The group suggested amending this principle to read as follows:

Government policy and resources should promote greater diversity, including greater commissioning of SMEs, community and social enterprises and co-ops in building homes. Better use of public sector land should support infrastructure, create value (social, economic and environmental) and improve quality of place.

17. The following points were made in discussion: encouraging more SME involvement was not just about policy; government could do more to support SMEs through commissioning and procurement; large developments were difficult for SMEs to access; SMEs struggled to compete with bigger players with access to borrowing; banks were not lending to SMEs for housing development; diversity is more relevant than “competition”; and the government could do more to promote diversity through subsidy or by improving access to land, including public land.
18. Planning reform, land reform, Compulsory Purchase Orders (CPOs) and community empowerment were all seen as possible ways of opening up new routes for SMEs or social enterprise developers and co-ops. It was suggested that government could assist by maintaining a register of sites and in providing and managing infrastructure on sites suitable for SMEs.

Principle 7 - All tenures should apply the same high quality and safety standards and levels of consumer protection.

19. The group suggested amending this principle to read as follows:

All tenures should apply the same safety standards and, where practical, aspire to high levels of quality.

20. It was suggested that clarity is needed on who would pay for these standards and whether they were meant to apply to existing homes as well as new homes. Issues considered included: listed buildings and conservation areas; difficulties faced by solid wall construction off gas grid in meeting energy standards; agricultural tenancies, which would not fit this model without radical change to tenancies legislation; and the need for loans for crofting.

Sustainable communities

Principle 10 - New housing, and the required community resources, should only be put in place where they help to create safer, stronger, attractive, sustainable and integrated communities.

21. The group felt that this principle presupposed that new supply was the key, but noted that 80% of the housing stock in 2050 will have already been built. They suggested that this principle should, therefore, reflect all housing and not just 'new' supply. It was also suggested that the term "communities" in the principle could be better defined in terms of whether it referred to place or people, or both. Similarly, delegates asked whether "integrated communities" related to age, race or ethnicity. There was also a question about development in areas where a community did not already exist, for example new towns or city regeneration areas.
22. Delegates also commented that this principle should recognise housing as a human right and there was strong support for this to be explicitly stated. It was suggested a more active, rights-based principle be adopted; for example, where people counted and each community had a say about where and how new housing was developed, and where everyone had equitable access to the housing that they needed.

Principle 12 - Government should promote functioning communities which are physically, digitally, culturally and economically connected within a coherent geographic region.

23. This principle was broadly supported. It was suggested that "improve", be substituted for "promote", or clarity provided on what was meant by "promote", as to whether it was about investment or a statement of aspiration. It was also noted that this principle was potentially difficult to measure.
24. The group also commented that the principle needed to reflect community empowerment, as communities know their own different needs best. Some questioned the need for "geographic region", considering that this should refer to communities of interest, rather than location. Rural issues were noted, such as no phone signal, poor internet and no gas grid and this affected the ability to work from home, for example.

25. General feedback offered by the group included support for continued reduction in the tax benefits for PRS landlords and moves to enforce energy efficiency. Some wanted to see the size of the PRS reduced to tackle issues such as poor condition of properties, people trapped in PRS unable to afford to get a mortgage and property price inflation.
26. It was noted that rents could be a postcode lottery, as was the case in Glasgow where there were 400 different rent structures inherited by Glasgow Housing Association in a stock transfer.
27. Some wanted to see Scottish Government masterplan more effectively with all parties involved – e.g. health and social care, transport, education, housing and planning.
28. One delegate said that the housing sector needed to be more competitive with less grant, recognising that in England there was much less grant available.

Homes that meet people's needs

Principle 13 - Government should ensure that there are affordable housing options for households at all income levels.

29. There was general agreement with this principle but some thought government funding should focus on social housing only, with other affordable housing for all income levels funded by others. In terms of actions towards the achievement of the principle, it was felt this required a strong Scottish Government lead, ensuring access to finance at scale, and that the sector needs to make more noise about the socio-economic benefits of housing and use this to persuade investors of the continued attractiveness of investment. It was suggested that supply issues might be dealt with through planning policy (e.g. holiday lets) and that land value capture had a role to play (with landowners receiving returns over longer periods). Modern Methods of Construction (MMC) were also cited as an opportunity, if they could be scaled up. There was a call to look again at the Apprenticeship Levy as a means of ensuring supply of skilled workers.
30. There were concerns that too much housing is developer-led, with local authorities having to react to developer interests and timescales, and that some developers sit on un-used land for too long.

Principle 14 - Housing and the housing market should be highly flexible to enable people to meet their changing needs, especially those of an ageing population (accessibility and adaptations).

31. The following elements of a vision were suggested: a housing system that delivers social justice; everyone to have the opportunity to live securely in a home in diverse communities that meets their needs and aspirations; people, regardless of their background and circumstances, have the same opportunity or entitlement as others to quality housing in quality places; people and communities involved in designing their own solutions; and development supports diverse and sustainable communities.
32. The following points were made in discussion: cultural and behavioural change is required to deliver the principles and vision; the principles should be more focussed on community and place-making; and the housing system should be flexible to meet the changing needs of communities as well as people.
33. It was suggested that the Scottish Government should regulate the private house builders to limit profits, and that all life transitions, young people, older people and people with disabilities should be considered. Delegates also suggested that the housing system should be seen through a social justice lens and that the term “housing ladder” was unsuitable.

2.4 Pointer for a route map to 2040

1. During the launch event, delegates were presented with a blank timeline and were asked to consider key milestones for the housing system from 2018 to 2040. This section summarises what *stakeholders* added to the timeline, and does not represent Scottish Government planned activities⁸.

Milestones to 2020

- Scottish Government recognises the differences between urban and rural PRS and considers rural differences, e.g. Edinburgh tenure of 18 months versus a rural tenure of greater than 9 years.
- Scottish Government: achieves best value for tax payers' money; is transparent about analysis of cost-effectiveness; and includes taxes in this assessment of value.
- Scottish Government give grants to PRS that reflect that extra taxes will give a return to the tax payer (c.f. social housing).
- Scottish Government rural-proofs all legislation and regulation.
- Scottish Government persuades HM Treasury to alter capital gains tax to provide holdover relief for affordable rented housing.
- Best practice in design promoted and shared.
- Effective resourcing of local government to help regulate and enforce.
- Housing recognised as a human right and housing outcomes understood in human rights terms.
- A common narrative on human rights for housing.
- Planning Bill becomes an Act.
- Land value capture mechanism in place.
- Develop method of describing place through community engagement "visions" to inform new housing as a basis for assessing and approving planning applications.
- Clear remit for Scottish National Investment Bank to deliver infrastructure to unlock housing.
- Housing representation as a core member of Integrated Joint Boards.
- Diversification of access to finances to build community bodies and co-housing.
- Infrastructure fund to service sites for development.
- Development of "open-source" designs to enable people to self-build.
- Long-term commitment to clear targets and subsidy.

⁸ The milestones noted are directly reported based on input from delegates and provide a reflection of what delegates added during the launch event. Following further stakeholder engagement later in 2019 the Beyond 2021 Team will present a route map to 2040.

Milestones 2021-2025

- Agreed cross-party political consensus and consistent manifestos on the future of housing.
- Housing associations and councils working as a team.
- All public investment in a place is planned in relation to a single spatial plan.
- Agreed standard for housing and place quality and standards with published manual to support this.
- Refreshed strategy every five years.
- Addressed skills shortages (through training and education starting now).
- Clear definition of what is 'affordable'.
- Establish means of identifying, sharing, supporting people to know what good quality and place looks like and how to deliver it.
- Support for owners to maintain homes.
- Stronger role for Scottish Government and wider public sector in developing infrastructure proactively and creatively.
- Sinking funds established for repairs across tenures, using tax incentives and penalties.
- Mapped infrastructure needs and used as basis for investment.
- Increased rent to buy options and help to buy extended to existing stock.
- Private sector repair grants restored to support town centre regeneration.
- Engagement focused on future communities.
- Policy based on the housing principles.
- Reviewed effectiveness of existing housing and health policies for consistency.
- Rural impact assessment of Homelessness and Rough Sleeping Action Group (HARSAG) recommendations.
- Scottish Water capital investment planning redesigned.
- Supported and developed leadership role for planning and design in local authorities to promote quality of housing and place.
- Reformed taxation regarding house sales to capture profits made on private sector sales.
- Guidance on a single standard published.
- Created a more fluid housing system and market through land value capture and CPOs at affordable housing value.
- Reviewed funding for social housing (capital, benefits, rent).
- PRS EPC threshold of E to be enforced only on re-letting, rather than sitting tenants having to be evicted to carry out necessary work.
- Agree and work towards implementing tenure neutral standards on quality, access, public perception.
- Meaningful tax imposed on inherited wealth.
- Discussions with funders to identify continuing and new sources of funding.
- Different model of funding for local authorities, so they can be fully resourced to deliver consistently.
- Established a National Housing Agency.
- Provided Scottish Standard Assessment Procedure (SAP) for energy efficiency.
- Public sector pension funds investing in delivery of affordable housing.
- Financial and policy support for new entrants in the market.

- National and local policy clearly directed at the agreed housing system outcomes.
- Planning system review of housing land allocations.
- Consistent 30 year housing investment and development plans from councils.
- Local authorities rewarded (through increased budget) for meeting high new accessible homes targets.
- Key elements of a new housing programme identified i.e. new build/regeneration/new tenures.
- Alternatives to housing as “safe pension investment” identified and promoted.
- Revise procurement framework to promote SME participation.
- Improved section 75 process (e.g. contributions for education are used local to the development).
- Long-term agreement on subsidy in housing.
- Single accessible building standard.

Milestones from 2026 to 2030

- Mainstream quality and space standard across tenures.
- Cultural shift/change in thinking about home ownership.
- Mainstream best practice.
- Commitment in place to increase housing association and council housing to 40% of market by 2040.
- We are building homes across tenures that meet the access and space requirements of older and disabled people who use wheelchairs etc.
- Recognition that different geography, economy, demography have different requirements.

- People able to access adaptations to their homes much more quickly.
- Houses will be valued by square footage, rather than number of bedrooms.
- Budgets for home adaptations increased.
- Road testing and piloting of new housing models and tenures with top-sliced, ring-fenced funding.
- Education, health, social care, housing have joint strategy for housing based on an understanding of local needs reflecting diversity.
- Flexible tenure model introduced with rising and falling equity shared over life-time.
- Digital transformation of housing services to free up capacity.
- Incentives to bring empty building into housing use.
- Local government finance reformed.
- Front-loaded planning system to enable small and micro development within larger sites.

- Housing system is organised to respond to needs of older and disabled people because it ensures: an adequate supply of accessible homes; effective allocation of accessible homes; and timely adaptations.
- Review of Scottish Government and local government concordat.
- Home owners encouraged to face up to challenges of moving to smaller, more easily managed housing.
- Tax incentives in place to invest in own home or self-build.
- Young people in the industry increases.
- Tough regulatory standards in all tenures.

- All housing looking aesthetically pleasing.
- Public investment in supporting infrastructure, rather than vanity projects.
- Introduction of “local people and place” strategic plans.
- National dataset and map in place to form our thinking and strategy.
- More private finance for all tenures.

Milestones from 2030 to 2040

- Electrical grid capacity in place as part of energy efficiency and electrical car charging.
- One million electric vehicles in Scotland with home, work, community, retail and rail car parks as charging points.
- Delivery of Energy Efficiency EPC rating band D in private rented homes. (Required 205,000 to be upgraded).

Milestones at 2040

- A well-functioning housing system that delivers on human rights.

- Investment decisions based on outcomes, rather than outputs.
- Empowered communities and individuals to contribute to planning.
- Replaced council tax with land value tax.
- Further devolution: housing benefit.
- Eradicate fuel poverty by 2028.

- Reconsideration of Energy Efficiency Standards for Social Housing post-2020 (ESSH2) impacts on social housing balance sheet and its viability in rural Scotland.
- New homes and existing homes adapted to meet 25% population being 65+ years old.

- People have access to homes that are stress and problem free, affordable, safe, warm and efficient.

3. Summary of stakeholder feedback by theme

1. This chapter summarises the key points that emerged from stakeholder feedback collected in response to the Housing Beyond 2021 discussion paper following the launch event on 25 September. Stakeholders were asked to provide feedback under any of the 10 specific themes set out in the discussion paper (the 'place, quality and standards' theme has since been split into two distinct themes: 'place' and 'quality and standards'). A more detailed summary of stakeholder feedback by theme is included at **Annex A**.

3.1 Accessible homes for disabled people

1. A key theme highlighted by stakeholders in regard to accessible homes for disabled people was the need for **single, all tenure, building standards** which reflect the requirement for improved accessibility standards in new homes and the need for design standards to incorporate greater flexibility.
2. Stakeholders wanted to see a **national definition of accessibility** for all disabilities to be established, as well as an **improved definition for wheelchair accessible housing**.
3. Stakeholders stressed the importance of properly resourced adaptations and the need for work to **improve current service planning and delivery mechanisms**. The need for **increased funding for adaptations** to existing stock was also highlighted, and stakeholders questioned how landlords and owners of homes could be encouraged to invest in improving the accessibility and adaptability of existing homes.
4. Stakeholders advocated the **use of technology** (e.g. technology enabled care) to support and enable independent living, and suggested that innovation in this sector should be promoted.
5. Stakeholders felt that **improved connections for strategic planning across housing, health and social care and transport** are required, and stressed the importance of neighbourhoods and communities for sustaining independent living.
6. It was suggested that the vision for Housing Beyond 2021 should focus on **adequate housing as a human right for everyone**, and that adopting a rights based approach to developing housing policy will ensure that the future vision for housing is built on housing stock and services that are available, accessible, appropriate and of high quality for everyone.

3.2 Affordability and supply

1. The affordability and supply theme attracted extensive comments and a wide range of views.
2. There were calls to provide a (clearer) **definition of affordability**, which should take account of running costs, as well as mortgage or rent payments. A wide range of stakeholders suggested **further research into need and demand for affordable housing is needed** going forward, taking account of the ageing population, adaptations, and household and property size, to help better understand affordability and needs.
3. A range of stakeholders noted that social landlords were facing **increased financial pressures**, and that these pressures need to be recognised in the context of continuing to deliver new affordable homes whilst also keeping rents affordable.
4. There was widespread support among councils and Registered Social Landlords (RSLs) for maintaining an **Affordable Housing Supply Programme (AHSP)** at similar, or improved, levels of financing – the view was expressed that grant support through AHSP provided for genuinely affordable, high quality homes. Similarly, a number of councils wanted to see an **adequate supply of grant-funded social housing**.
5. There were also calls from a range of stakeholders to address the affordability of PRS rents through **more proactive capping of rents**. Stakeholders noted **opportunities to encourage institutional investment in the PRS** to grow the supply of high standard, professionally managed accommodation, but said that they wanted to see greater security of tenure in the PRS.
6. It was noted by stakeholders that MMR filled an increasingly widening gap between social and PRS tenures. Others noted that MMR was one area which might lend itself to **collaborative provision across housing associations**.
7. Stakeholders wanted to see a flexible approach to account for regional differences in housing demand, as part of a holistic, place-based approach to building up local communities.
8. There were also calls to do more to **tackle empty and derelict homes**, including consideration of what additional incentives would bring more empty homes back into use, and changes to the housing land market and taxation system.

3.3 Ageing population

1. There was a shared sense of concern among stakeholders over the **rapidly increasing ageing population** and this theme attracted extensive comments from a large number of contributors.
2. Stakeholders felt that the **role of health and social care is crucial to the Scottish Government's approach to housing an ageing population** and that greater collaboration is required across the Scottish Government, local authorities, the NHS and other partners.
3. It was suggested that **older people should be at the centre of the decision making process** and consulted before any major proposals are implemented, in order to understand the nature of demands and the particular housing related challenges older people face.
4. Stakeholders felt that priority should be given to enabling older people to stay in their own homes and live independently. The importance of **prompt and adequately funded home adaptations** was highlighted by several stakeholders to avoid delayed hospital discharges.
5. Stakeholders felt that adaptations should include an **increased use of telehealth and telecare technologies**; however, it was also noted that care should be given to ensure technology assisted care is accompanied by more traditional support to help to avoid social isolation and loneliness.
6. Stakeholders noted issues regarding a **perceived lack of housing options for older people with varying needs**, and argued that a lack of flexible homes and suitable sheltered accommodation can discourage older people from downsizing. Where older people are living in unsuitable housing, stakeholders considered what support could be available to assist older people to move to a more suitable property (if they need and want to). Some stakeholders felt that **downsizing, or "rightsizing", should be encouraged** and incentivised to make better use of existing housing stock.
7. Stakeholders argued that the **Scottish Government should be open to and embrace new ideas**, such as co-housing, co-care, intergenerational housing, and multi-generational housing. Others wanted to see the reinvigoration of the 'sheltered housing' model.

8. The importance of good community planning, particularly in rural locations, was also highlighted, and it was felt that an **'age-friendly', adaptable approach to planning** should be adopted to encourage economic participation and social interaction.
9. There was some concern among stakeholders that the PRS should be doing more to provide for a range of varying needs. However, as most older people currently own their own homes, some stakeholders felt there **should be a bigger emphasis on house builders**, and argued that more housing that is attractive to older people needs to be developed, as well as suitable 'lifetime homes'.
10. Finally, the importance of older people being able to access and receive **good advice on their housing options** was emphasised.

3.4 Brexit

1. Stakeholders expressed a wide range of concerns over the UK's withdrawal from the European Union. Stakeholders called for clarity around the Brexit negotiations and expressed the need for clear and open dialogue. They stressed the importance of **joined up working between local authorities, social housing providers and government** to address any challenges and opportunities that might arise.
2. Stakeholders expressed particular concerns about potential rising construction costs and the availability of funding, suggesting that a **flexible approach to grant funding will be required**. Loss of access to European grant funding was highlighted, but was countered with the view that funds released from these commitments could be used to support housing.
3. Stakeholders had concerns about the potential for Brexit to **exacerbate the existing skills shortage**, both in the construction and social care industries. There were concerns that skilled workers might move into other sectors, retire or emigrate as a result of Brexit, and cited innovation and modern methods of construction as mitigation measures.
4. Concerns were also raised about the potential **increased costs for households** (e.g. for food and other basic goods) and subsequent rises in poverty and homelessness, as well as a risk of rising Bank of England interest rates which could have a knock on effect for mortgage affordability and rents in the private sector.
5. Stakeholders asked that the Scottish Government consider publishing **advice to housing organisations** about how they can manage any Brexit-related challenges.

3.5 Child poverty

1. There was consensus among stakeholders that housing and child poverty, as with other types of poverty, are intertwined. It was recognised that there was a relationship between expensive, poor quality housing and: offending; mental health issues; educational attainment; excess winter deaths; and child and fuel poverty. It should be noted that much of the stakeholder feedback collected under this theme relate to actions already planned or underway by the Scottish Government.
2. A number of stakeholders said that they wanted **child poverty to be considered in detail by local councils through the Local Housing Strategies**, in order for child poverty to be better understood and the appropriate actions to be put in place locally. It was also noted that the role of social landlords was wide and that they could provide a range of services to support tenants and reduce poverty.
3. Stakeholders raised concerns over the UK Government's local housing allowance policy not keeping pace with the actual cost of renting. They noted that **rising rents were often seen as a key driver of poverty** and highlighted the need to ensure that rents remained affordable for tenants on low incomes without recourse to benefits.
4. Stakeholders agreed that the social security system has a vital role to play in ensuring that people who need support can afford to pay for their housing and other essentials and maintain a good quality of life. Stakeholders highlighted **that the roll out of UC and other UK Government welfare reforms have resulted in an increase in rent arrears**, and that many people continue to live in poverty despite Scottish Government efforts to mitigate the impacts (e.g. through DHPs).
5. Stakeholders also suggested that there needs to be a **focus on ensuring that people have access to secure and reliable employment opportunities with good quality jobs** to help lift families out of poverty. They felt that a cultural change within the workplace was needed to move the focus onto the employee and their needs. It was considered that this change could be led by the public sector, including **widespread implementation of the living wage**. A number of stakeholders highlighted the importance of ensuring that **young people were prepared for employment** by the time they left full time education and asked whether additional support could be provided to further develop training and employability opportunities.

3.6 Energy efficiency and climate change

1. The energy efficiency and climate change theme attracted many comments, presenting a range of views. Stakeholders were generally positive about the energy efficiency measures set out in the [Scottish Government's Energy Efficient Route Map](#)⁹, but there were mixed views regarding the pace of implementation, and the level of support that should be provided.
2. Stakeholders noted that a **joined-up approach across policy areas** in the Scottish Government is both needed and welcomed, in order to balance priorities across housing and other policy areas.
3. **Fuel poverty and affordable warmth was raised as a major challenge facing Scotland**, and it was noted that it will be essential to maintain the focus on energy measures to lift households out of fuel poverty. However, there were some concerns that the level of investment required to support energy efficiency improvements might result in higher rents, which could increase fuel poverty. A number of stakeholders highlighted that **investment in energy efficiency improvements should be targeted based on need**, focussing on those at greatest risk of fuel poverty or those living in areas not connected to the gas grid.
4. Stakeholders **welcomed the advances made in improving the condition of social housing and new build stock**, but the particular challenge of improving private housing and existing stock was noted. Stakeholders indicated that there is a need to develop an approach for a practical application (and potential enforcement) of a set of universal standards.
5. A number of stakeholders stressed that **support should be given to engagement, education and improving knowledge** in order to highlight links between health, energy efficiency and climate change, while acknowledging the challenges of engaging people to understand the importance of energy efficiency and climate change.
6. Stakeholders wanted to see **support for innovation in the energy efficiency sector** and to learn from examples and best practice elsewhere in the world. Some stakeholders expressed concerns, however, that they felt there is a **skills shortage in Scotland to install energy efficiency measures**.

⁹ <https://www.gov.scot/publications/energy-efficient-scotland-route-map/>

3.7 Homelessness

1. There was a consensus among stakeholders that the Scottish Government's current vision and focus on homelessness is a positive step towards improving outcomes for homeless people across Scotland, including the Housing First and Rapid Rehousing approaches.
2. Stakeholders agreed that it is important to **prevent people becoming homeless by implementing a 'prevention first'**, joined up approach across all public services at the earliest stage. Stakeholders commented that homelessness is a complex issue that needs to be recognised as such and that tackling homelessness requires a multi-agency approach.
3. **Concerns were raised with regard to the shortage of accommodation for homeless households**, particularly as homeless applicants typically require smaller (one-bed) properties. Some stakeholders felt there should be an **increased focus on empty homes to play a part in increasing housing supply**.
4. Stakeholders also wanted the Scottish Government to maintain the momentum of the current AHSP, commenting that there is a need to keep increasing supply, focussing on delivering the **right homes in the right places where need is greatest**. It was suggested that cross-party consensus is needed to achieve a long term plan for supply, alongside a clear definition of affordability. Stakeholders suggested that implementing Rapid Rehousing Transition Plans (RRTPs) need to be part of a continued AHSP to meet housing needs, and indicated that, in order to deliver the Rapid Rehousing approach in the long term, there would need to be continued prioritisation given to homeless households.
5. Some stakeholders felt that more **education and engagement of school pupils was required**, so that students can better understand homelessness and what housing options are available to them when they leave school. It was also suggested that **access to tailored housing information and advice** could be improved, in particular for armed forces personnel throughout their period of service.

3.8 Place

1. There were a number of calls from stakeholders for more opportunities to promote and adopt **whole place-based approaches**, leading to well-designed, resilient and sustainable places. Some stakeholders felt that the vision for 2040 should be a “Vision for Living” and needs to reflect the importance of ‘Place’ in developing value, resilience and sustainability. Stakeholders commented that fixed, compact, well connected places should be encouraged, rather than the perpetuation of current family housing models which only meet a narrow demographic.
2. Stakeholders highlighted the importance of the role of infrastructure in unlocking development and delivering better place-making. They cited the need for the **provision of infrastructure for wider facilities** (e.g. schools, GP surgeries, shops) and not just housing when designing communities.
3. Some stakeholders suggested the concept of place alongside **addressing inequalities** should be an overarching theme of Housing Beyond 2021, noting that the **Place Standard Tool** was a practical approach to deliver this. Other stakeholders discussed place as a means to **promote health and well-being**. Well-designed sustainable places were seen as key to physical and mental well-being, healthy environments, social connectedness, reduced isolation and loneliness, recreation and economic opportunities among others.
4. A number of stakeholders mentioned the **trade-off between the ability to deliver the necessary housing volumes and place and design value quality**. Stakeholders commented that it is **important not to lose sight of the importance of the quality of developments** that are subsequently produced.
5. Stakeholders also called for the **approach to land assembly** to be more focused, with public sector involvement, to help diversify supply and encourage a wider range of delivery partners, including SMEs and custom build.
6. Some stakeholders suggested that strong place-based planning should be central to the housing system. There was significant support among stakeholders for positive, meaningful **community engagement**, with people at the heart of decisions about the improvements and developments required for their communities. Stakeholders called for a **whole-system approach** to ensure all interested parties work together to improve communities.

3.9 Quality and standards

1. Stakeholders were generally positive about progress made to date to improve building quality and standards, but felt further measures could be taken to harmonise existing standards and address the barriers to improvements.
2. Stakeholders agreed that we must raise and maintain the quality of existing housing across all tenures to ensure that every home in Scotland is warm, dry and energy efficient. To help achieve this, stakeholders wanted to see **one standard for all properties, across all tenures**.
3. While the importance of energy efficiency and fire safety standards were recognised, stakeholders also stressed that the **potential impact on rents has to be understood and balanced to keep homes affordable** and alleviate child poverty.
4. It was noted that **existing homes will form the vast majority of housing stock by 2040**, and therefore stakeholders felt that a more strategic approach to property repair is needed. Stakeholders argued that if there is to be a genuine holistic approach to housing in Scotland, maintenance of existing stock is crucial, and the Scottish Government should give it increasing priority.
5. Stakeholders suggested that a **fresh approach to incentivising improvements** is needed, for example through 'help to improve' equity models. There was also some support for the continuation of existing improvement schemes subject to review and improvement.
6. Stakeholders highlighted the particular difficulties caused by **fractured ownership**, and expressed concerns over deteriorating conditions in mixed tenure housing blocks, in which owners remain able to block repair and improvement work. Solutions suggested by stakeholders included establishing a community charter and mandatory factoring arrangements for mixed tenure blocks.
7. Some stakeholders suggested that there should be a **stronger emphasis on improving housing stock in the private sector specifically**. Stakeholders noted that the private sector is not required to adhere to the same standards as social housing and questioned how energy efficiency standards will be enforced in the owner occupied sector.
8. It was noted that there needs to be a willingness on the Scottish Government's part to ensure that appropriate incentives can be offered alongside enforcement of such powers.

3.10 Regeneration and sustainable communities

1. As with the 'Place' theme, there was a strong recognition from stakeholders that a **'whole place-based' approach** is needed to deliver regeneration and sustainable communities. Stakeholders felt that the adoption of this approach would enable the public sector, communities, and businesses to work together more effectively.
2. A number of stakeholders felt that the **regeneration of existing homes should be given increased priority**, and that the protection of existing housing stock would support the sector's long-term supply objectives.
3. A number of stakeholders commented that future housing planning and policy should be more clearly focused on the **"town centre first" principle** in order to provide housing close to amenities and resources. Some stakeholders felt that there needs to be more interventions to encourage private developers to move away from peripheral green field sites to brownfield sites or existing buildings in town centres.
4. Some stakeholders felt that town centre regeneration initiatives should relate to **housing rather than place**, including the conversion of unused shops into housing. Stakeholders noted that most town centres contain empty buildings which pose potential opportunities for residential use, but noted that the historic character of many town centres can limit opportunities for new housing. Many were concerned about the lack of funding available for town centre regeneration, especially as there tends to be higher development costs in these areas.
5. Stakeholders also raised concerns over **rural depopulation**, and commented that this issue requires a holistic approach which includes improving accessibility, broadband, infrastructure, renewable energy technology, transport and investment. Stakeholders also said that they would like to see more affordable homes in rural areas.
6. Many stakeholders felt that successful regeneration projects requires **engagement with local communities in the planning and design process**, and said that they would like to see some best practice advice for evidence participation within communities, as well as financial assistance.

3.11 Welfare, wealth inequality and intergenerational inequity

1. There was widespread concern about the **impact that UK Government welfare reform measures have had on housing providers and tenants**. Mitigation measures, such as DHPs, were welcomed but stakeholders remained concerned that many people continue to live in poverty, and the introduction of UC was thought to have exacerbated this. They also questioned the long term sustainability of funding mitigation measures.
2. Stakeholders raised concerns about **young people and their limited future housing options compared to previous generations**. Debt from further/higher education was mentioned as a factor, as well as rising rents which affected people's ability to save for a deposit and limited access to social housing. The need for incentives to encourage older people to move from bigger homes to smaller, more suitable homes was also raised. Suggested options included equity release schemes and shifting aspirational focus from owner occupation to the PRS.
3. Stakeholders highlighted the need for more **advice and support to reduce the level of unclaimed benefits**, as well as more promotion of existing support and schemes such as DHPs and UC Scottish Choices. There was also thought to be a need to encourage people of all ages to think more about their medium to longer term housing options.
4. Stakeholders also raised the issue of standards and the impact of increased requirements across all tenures and how this impacts on affordability, particularly for tenants who may have to pay higher rents as result, if additional support was not provided by the Scottish Government.

ANNEX A Detailed stakeholder feedback by theme

1. This Annex presents a detailed summary of the feedback collected by stakeholders in response to the Scottish Government’s discussion paper following the Housing Beyond 2021 launch event on 25 September 2018. The views presented in this report are those provided by stakeholders and do not represent Scottish Government positions or policies. **The Scottish Government has not yet drawn any conclusions from this feedback.** Stakeholder contributions are categorised in the right margin as follows:

-  keep or maintain
-  stop
-  change
-  new idea
-  question
-  concern

1 Accessible homes for disabled people

Context

1. The Scottish Government’s Disability Delivery Plan, [A Fairer Scotland for Disabled People](#), outlines five ambitions for Scotland which aim to aid independent living, and to safeguard decent incomes and fairer working lives. This includes removing the barriers to employment, improving accessibility, promoting active participation, and protecting the rights of disabled people. The housing actions in the Disability Delivery Plan will help support the delivery of more accessible homes in Scotland.
2. On 29 March 2019, the Scottish Government published guidance¹⁰ for local authorities on the setting of Local Housing Strategy (LHS) targets to support the delivery of more Wheelchair Accessible housing.

Accessibility standards

3. A key theme highlighted by stakeholders was the need for **single, all tenure, building standards** which reflect the requirement for improved accessibility standards in new homes and the need for design standards to 

¹⁰ [Wheelchair Accessible Housing Target: Guidance Note](#).

incorporate greater flexibility (also highlighted in the quality and standards theme at section 0).

“We’ve had [Scottish Housing Quality Standards] and [Energy Efficiency Standards for Social Housing] – could we have levels of accessibility as another cornerstone of housing quality.” (Inclusion Scotland)

“We, like many others, believe that the current Scottish Building Standards are well founded, robust, and provide a benchmark standard for quality, energy-efficiency, safety and accessibility of new homes. We are opposed to additions that are un-evidenced or take a blanket approach to regulation that fails to take into account the complexity, feasibility of design and construction, or the needs of the end user.” (Homes for Scotland)

4. Some general concerns and suggested improvements raised by multiple respondents included: ◆
 - the need for **Housing for Varying Needs to be updated** (linked to the lack of all tenure accessibility standards);
 - the lack of **all tenure improved accessibility standards**; and
 - the need for an **improved definition for wheelchair accessible housing**.
5. Stakeholders suggested that a **national definition of accessibility** should also be established, as accessibility applies to all disability, and should not only be based on physical accessibility. ↑

Adaptations

6. Stakeholders stressed the importance of properly resourced adaptations and the need for work to **improve current service planning and delivery mechanisms**. The need for **increased funding for adaptations** to existing stock was also highlighted. ◆
7. Stakeholders questioned how landlords and owners of homes could be encouraged to invest in improving the accessibility and adaptability of existing homes. ?

8. It was suggested that, where possible, we should **make better use of existing stock through reconfiguration**, with appropriate incentives to support this. ◆
9. One stakeholder recommended that **portable mechanisms, similar to self-directed support, should be designed for individual disabled households**, to find, secure and adapt a home, alongside the appropriate infrastructure to support this. It was suggested that this approach should be developed as a way of increasing the overall investment capacity, through leverage for use of personal resources, equity and access to personal private finance. ↑

Use of technology

10. Stakeholders advocated the **use of technology** (e.g. technology enabled care) to support and enable independent living. ↔
11. One stakeholder stated that, *“there is enormous potential for innovation in design, technology, and construction, to radically improve the prospects for more people to live independently for longer”*, and suggested that we should promote research and innovation in this sector more strongly. ◆

Strategic approach

12. Stakeholders felt that **improved connections for strategic planning** across housing, health and social care, and transport are required. ◆
13. Questions posed by stakeholders included: ?
 - why there is not a similar sense of urgency in relation to disabled people who are unsuitably housed as there is towards homelessness; and
 - how the Scottish Government and housing providers/developers will ensure the views of people with disabilities are sought and taken into account when developing new properties or adapting existing properties.
14. One housing association was concerned that the discussion paper missed the **importance of neighbourhood in sustaining independent living**. They proposed that the Scottish Government should produce a new vision of what an inclusive neighbourhood for independent living looks like. !

15. It was suggested that the vision for Housing Beyond 2021 should focus on **adequate housing as a human right for everyone**, and that adopting a rights based approach to developing housing policy will ensure that the future vision for housing is built on housing stock and services that are available, accessible, appropriate and of high quality for everyone: 

“Housing is integrally connected to people with learning disabilities’ right to: independent living, choice and control, active citizenship, a healthy life. To help realise these rights housing must be accessible, affordable, and sustainable and meet individuals’ varying needs.”
(Scottish Commission for Learning Disability)

2 Affordability and supply

Context

1. The Scottish Government's More Homes Scotland approach was launched in 2016 to increase the number of homes across Scotland so everyone has a good quality home that they can afford and that meets their needs.
2. The Scottish Government supports affordable housing through a range of interventions: mainly through capital grant, but also loans, shared equity investment and guarantees. Over the five years of the current Parliament, the Scottish Government plans to deliver at least 50,000 affordable homes, including 35,000 social homes, as well as homes for Mid-Market Rent (MMR) and affordable home ownership. Other investments and guarantees are supporting the private rented and home ownership tenures, e.g. through Help to Buy.
3. The Scottish Government has legislated to regulate social landlords and landlords and letting agents in the Private Rented Sector (PRS). The Private Housing (Tenancies) (Scotland) Act 2016 brought about the most significant change in private renting in Scotland for almost 30 years. The Scottish Government has not provided a universal definition of affordability and does not have a national rent policy.
4. The Scottish Government is promoting innovation, such as off-site and Modern Methods of Construction, and also delivery efficiency, not least through the Achieving Excellence in Housing Development programme.

Understanding affordability and need

5. There were calls to provide a (clearer) **definition of affordability**, which should take account of running costs, as well as mortgage or rent payments, as households need to be able to run and maintain their home. One council questioned whether rent was actually affordable if working people still required housing benefit. They wanted to see a national definition of affordable housing or a change of terminology. 
6. A wide range of stakeholders suggested **further research into need and demand for affordable housing** going forward, taking account of the ageing population, adaptations, and household and property size. They emphasised the need for data to inform decision-making and questioned how needs were estimated and established, especially for tenures other than social housing. Data analysis needed to account for the fact that 

nationwide trends might vary from local need and demand (i.e. national need might not be a simple sum of local need). Local Development Plans needed to inform wider policy.

Rent affordability

7. A range of councils and Registered Social Landlords (RSLs), amongst others, noted that social landlords were facing increased financial pressures, including from new fire and energy efficiency standards and dealing with rent arrears from the rollout of Universal Credit (UC). These pressures needed to be recognised in the context of continuing to deliver new affordable homes whilst keeping rents affordable. There was concern that these **financial pressures, plus subsidy levels, would result in rent increases**, which need be avoided. !
8. One council expressed concern around **affordability of rents based on Retail Price Index + 1%**, a model used for some rented housing. !
9. There were calls from a range of stakeholders to address affordability of PRS rents through **more proactive capping of rents**, with the Scottish Government working with local authorities to designate areas as rent pressure zones or otherwise cap PRS rents¹¹. Some mooted caps potentially linked to income, noting that other countries had introduced this and these examples could be used to inform a Scottish approach. It was noted that rent pressure zones provided a useful source of learning for the future and could be used to inform a more extensive approach to rent control. Some stakeholders reported that there was a chronic shortage of PRS lets that people on the lowest or even moderate incomes could afford, most notably in Edinburgh and Glasgow. ↑
10. One RSL considered that **projects should be evaluated on a whole-life cost basis** (running costs affected rent levels). ◆
11. Some stakeholders highlighted the particular challenges of **rural affordability**, which affected not only those currently living in rural areas, but also those wishing to do so or to move for family or work reasons. !

¹¹ The Scottish Government published its Rent Pressure Zones Requirements document in December 2017 and has been working with City of Edinburgh Council and members of the Association of Local Authority Chief Housing Officers on the data sources that would evidence the need for a rent pressure zone.

Government investment in affordable housing

12. There was widespread support amongst councils and RSLs for maintaining an **Affordable Housing Supply Programme (AHSP)** (or something broadly similar) at similar, or improved, levels of financing – the view was expressed that grant support through the AHSP provided for genuinely affordable, high quality homes. Similarly, a number of councils wanted to see an **adequate supply of grant-funded social housing** as it remained the most accessible and affordable tenure for those in housing need. ↔
13. A range of organisations, including some councils, wanted a **shift in focus from simple national volumes targets** to more of a focus on outcomes and to targeting investment on ensuring that homes were delivered in the right places. ◆
14. There were calls for a **long term commitment to government investment in housing supply**, with a range from 3 to 10 years suggested. Greater certainty over a longer period (for mechanisms such as the AHSP), and ending the stop-start approach to house building and funding programmes, would provide numerous benefits. This was also supported by private sector house builders:

“[The Scottish Government’s] affordable programme has enabled both private and public sector home builders to work together to unlock sites... [and] can act as a catalyst to open sites that have significant upfront infrastructure costs.” (Homes for Scotland)
15. House builders advocated allowing **different forms of affordable housing to be brought forward by different organisations** as this could, for example, facilitate an increased supply of build to rent housing, housing for older people and starter homes for first time buyers. ◆
16. The Scottish Government was cautioned by some that **lessons needed to be learnt from the effects of previous reductions in grant support**. These included: loss of expertise; housing associations dropping out of development activity; and longer lead times and recovery period. It was suggested that government should avoid the temptation to divert funding to the next area that needed a “sticking plaster”. !
17. A number of stakeholders expressed concern that the **current subsidy levels only worked based on record low interest rates**; if these were to change, there would be significant difficulties. !

18. One stakeholder noted that social landlords were increasingly **undertaking affordability checks prior to letting** and this was probably related to the impact of Universal Credit. !
19. Another argued that the **section 75 obligation on developers to fund affordable housing should exceed 25%** in certain areas. ◆
20. One stakeholder suggested that the Scottish Government should consider offering **a rental income guarantee scheme to housing associations that were prepared to build homes in untested markets**, as part of a joint housing and economic regeneration strategy. ↑
21. There was a suggestion for **a standard footprint for affordable housing** to give the private sector clarity and certainty that the homes would be suitable for any affordable house provider. This might also create opportunities to increase the production of off-site construction. ↑
22. One council suggested that the Scottish Government fund **a long-term acquisition programme for substandard private sector homes** enabling social landlords to purchase and improve them for affordable housing. ↑
23. A number of stakeholders were anxious to understand **the short to medium term funding regime from April 2021 onwards**. Related to this were questions around guidance for 2021 onwards and the latter years of the current five-year Strategic Housing Investment Plans (SHIPs). ?
24. One council noted the **misalignment of spend across utilities** (such as water, waste water) with the funding programme for affordable homes. !
Sometimes issues were caused by ageing infrastructure not being replaced at the right time.

Mid-market rent (MMR)

25. It was noted by an RSL and others that MMR filled an increasingly widening gap between social and PRS tenures. Others noted that MMR was one area which might lend itself to **collaborative provision across housing associations**; it did not make sense for a large number of small associations to be managing separate, specialist MMR. ↑
26. One stakeholder suggested **increased provision of affordable family sized accommodation through MMR**. This would help make the PRS a positive choice, particularly as housing association subsidiaries' business models meant they were unlikely to want to sell the property (which is a ground for

eviction in the Private Residential Tenancy and a greater risk in mainstream the PRS).

Government investment in home ownership

27. The **Open Market Shared Equity** (OMSE) scheme was considered by some councils as a small but important initiative, which should be continued (with possibly increased investment and promotion). Private sector interests and one or two others wanted to see **Help to Buy** (HTB) **extended until 2023**, as per the UK Government's plan for England. They considered that many homes and sites would not have been progressed without HTB, especially homes suitable for first time buyers. They also noted that homes provided both physical and financial security for owner occupiers. ↔

“The existence of HTB ... gives builders confidence to invest in residential development in Scotland. This confidence continues to be crucial, particularly on marginal sites. [Without HTB] it is likely these homes would not have been built ... and the economic activity generated would also not have been realised.” (Homes for Scotland)

28. Some stakeholders considered that **regional price caps for HTB** would support affordability. ↑
29. However, another made the counter argument for **reducing state support for home ownership**, concerned that OMSE and HTB were disproportionately rewarding developers¹². Resources should be used to create quality homes and communities. Similarly, another was concerned with the perception that homeownership should be the aspiration and anything else would be seen as failure. ↓

Support for veterans

30. Some stakeholders asked the Scottish Government to further recognise the service that veterans had given to their countries and, where possible, asked that they be given extra financial support to help them find a home. ◆
31. Stakeholders would like to see veterans offered additional support through the Scottish Government's Low-cost Initiative for First Time Buyers (LIFT) ◆

¹² The Open Market Shared Equity (OMSE) scheme supports the purchase of existing properties sold on the open market, therefore should have no direct impact on developers.

schemes¹³ as well as offering support to meet deposits for those wishing to rent in the private sector.

Private Rented Sector (PRS)

“Whilst Citizens Advice Scotland believes that the PRS should not take the place of social housing, the PRS certainly has an important role in meeting the housing need in Scotland.” (Citizens Advice Scotland)

32. Some stakeholders noted the positive role that a well-managed PRS, where it met good standards of repair and energy efficiency, had to play in overall housing supply and meeting housing need in Scotland. They noted **opportunities to encourage institutional investment in the PRS** to grow the supply of high standard, professionally managed accommodation. There was some concern from landlords that the discussion paper portrayed the PRS as a “bad thing”. !

33. Some stakeholders called for **improved and more effective enforcement** of PRS regulation. ◆

“[Poor standards of management and quality of accommodation] occur not because the legislation is insufficient but because enforcement is lacking with no co-ordinated way to tackle poor practice.” (Citizens Advice Scotland)

34. One stakeholder wanted to see government invest in **quality, independent holistic advice to increase awareness of tenants’ rights** across all tenures to help renters to assert “their basic human rights” and to ensure they received the best advice and support when facing housing issues. They noted that the majority of people in Scotland knew very little or nothing about their rights as tenants. ↑

35. Various stakeholders wanted to **see improved access to the PRS for those on welfare benefits**. One council noted the need to change the culture of mortgage lenders, as there was a perception that many lenders do not allow landlords to rent to those in receipt of benefit, even if the landlord wants to do so¹⁴. Another noted issues with some landlords refusing to consider letting properties to tenants on benefits (“no DSS”). There were calls to ◆

¹³ Members of the armed forces, veterans who have left the armed forces within the past two years, and widows, widowers and other partners of service personnel (for up to two years after their partner has lost their life while serving) are already considered as priority access groups under the LIFT schemes

¹⁴ Mortgage lenders have recently taken steps to remove this requirement from buy to let mortgages (UK Finance 2018). However, there may be a need to tackle insurance companies who require landlords not to rent to tenants on benefits as a condition of their policy.

promote and support Shelter's *Letting Agents Plus* model which supports agents to house and support more vulnerable tenants, including those on benefits.

36. Building on this, there was a suggestion to incentivise private landlords to let properties to low income or vulnerable tenants by **making grants or interest-free loans available to improve properties** to new energy efficiency standards. The lower housing costs would benefit tenants. ↑
37. One stakeholder was concerned that the **health and social care systems were not geared up to supporting vulnerable tenants in the PRS** and considered that there was insufficient engagement by local authorities and health boards with PRS tenants. !
38. Another wanted to see an **end to the Land and Buildings Transaction Tax (LBTT) surcharge for small PRS investors**. ↓
39. They also wanted an **end to changes to mortgage interest relief** which were impacting negatively on PRS landlords and resulted in costs being passed on to tenants through higher rents. ↓
40. There were calls from some stakeholders to **introduce regulation of short term lets**¹⁵. Some said that the new Private Residential Tenancy was leading to many rural properties transferring from the mainstream PRS to holiday lets. This was believed to be because the returns on short term lets are potentially more lucrative and have less regulatory requirements than the PRS. Another asked how the Scottish Government would balance the need for short term lets and student accommodation with the need for residential accommodation. ↑

Private finance

"We would expect government to continue to work with its private finance and investment partners in a way that recognises and values the respective public and private contributions." (UK Finance)

41. One stakeholder noted the potential for use of **wealth stored in homes to be productive** for entrepreneurship and growth, including in housing delivery. ?

¹⁵ The Scottish Government established the Short Term Lets Delivery Group in 2018 to examine whether further measures are required to regulate short term lets. The Scottish Government launched its consultation on Short Term Lets on 28 April 2019 - <https://consult.gov.scot/housing-services-policy-unit/short-term-lets/>

42. Another wanted to see housing as the cornerstone of the **Scottish National Investment Bank**, offering investment to a wide range of companies and in market areas where gaps in provision currently exist. One housing association saw a role for the Bank in providing patient long-term equity; this was needed because RSLs would soon hit their borrowing limits. ↑

Rural issues and regional variation

43. There were **concerns around the way spend on housing was distributed across the country**. Some stakeholders considered that there needed to be increased spend in the west and more of a focus on rapid rehousing in the east. There were concerns that resource would be diverted to Edinburgh because of housing affordability issues there, but that no such switch should take place without an in-depth evaluation of the social and economic impact new build investment has had on redeveloping areas with a long and ongoing history of deprivation and disadvantage. !
44. Some RSLs were concerned that, in assessing the respective levels of housing need across Scotland, **the Scottish Government should not rely on net need across a large council area**. It was suggested that such assessments assume, for example, that someone in housing need in one ward need only move to a less pressured area in another ward, and that this does not reflect the reality for households and should not be considered as a basis for resource allocation across Scotland. !
45. A number of stakeholders were concerned that **rural and islands communities need more flexible funding**¹⁶ to account for potential higher development costs, given that the economies of scale in large urban developments could not be replicated in rural areas. There were also issues with (amongst other things) access to skilled labour and lack of competition in rural areas. A “one size fits all” central belt focused approach was a concern. !
46. One stakeholder noted that estates were the main providers of rented accommodation (both affordable and market rent) in rural Scotland. They suggested **supporting estates** by introducing: **hold-over relief for rented housing** (tax payable if properties are sold); and **conditional exemption from inheritance tax** for affordable rented housing, subject to the properties meeting certain standards. They considered that these measures ↑

¹⁶ The Scottish Government’s Rural and Islands Housing Funds aim to increase the supply of affordable housing of all tenures in rural Scotland and contribute to our 50,000 affordable homes target.

would both maintain provision of rented properties and encourage investment in new provision by the estates.

Industry and supply chain

47. There were calls for government intervention to **grow the number of small and medium-sized contractors**, e.g. through long term programme certainty, financial support and regulatory support. It was suggested that less onerous procurement requirements be placed on smaller contractors. Increased competition with the larger house builders would help to drive down house prices. It was felt that there are currently too many barriers and upfront risks for new market entrants. ↑
48. One stakeholder suggested **using the resources in roads bonds to attract Small and Medium Enterprises (SMEs)** that did not have much access to capital. ↑
49. A wide range of stakeholders, including builders and housing associations, wanted to see much more focus on **off-site and Modern Methods of Construction**. They saw the potential for new technology to enable smarter homes to be built more cost effectively. It was suggested that grant funding be used to establish the market for MMC units until the price came down. Stakeholders also wanted to see effort put into encouraging early adoption, perhaps through collaboration. ◆
50. Some stakeholders expressed concerns over **availability of labour and contractors**. !
51. One RSL wanted to see **a new system of 'Ethical Community Providers' delivering homes for rent and for sale**. The rented homes would be offered at a range of rental points and the homes for rent and for sale would be in high quality, well-connected communities. This would replace the current binary system of social landlords and private developers. It was suggested that the profits would be recycled into community facilities, employment and regeneration. ↑

Making good use of existing housing stock

52. There were calls to do more to **tackle empty and derelict homes**, including consideration of what additional incentives would bring more empty homes back into use. Whilst one idea was to extend the AHSP funding to include ◆

empty homes, the alternative view was also expressed: that support and grant for empty homes should be provided out-with the AHSP.

- 53. A few councils and RSLs suggested **extending zero-rated VAT¹⁷ to energy efficiency or home improvement measures** to help bring empty homes back into use. It was suggested that this could cost less than grant for new affordable housing and so offer better value for money. ◆
- 54. There was concern that more needs to be done to take action with regards to **homes that are coming to the end of their life.** !
- 55. One RSL suggested that the latent value in some municipal housing stock should be released by **debt write-off** to extend the life of these houses. ↑
- 56. There were calls for government to look at ways for **older people to release equity from their home** in productive ways. Examples given included: moving into PRS for affordability reasons; funding home improvements such as energy efficiency measures; and funding housing deposits for their children. One suggested that some older people were already doing so. ↑

“All of the tenants ... who now rent privately ... have all been homeowners in the past and now choose to rent privately. Most of the tenants agreed that there is less pressure involved in renting privately as they don’t have to budget for any ongoing repairs or future maintenance.” (Private Tenants Group)
- 57. One stakeholder suggested the use of **tax incentives to encourage people to move from bigger homes into smaller ones** (e.g. an LBTT incentive) and to encourage people to think about their housing options in the medium to longer terms, but that this needed to be supplemented with practical support, particularly for older people who might find the thought of moving daunting. ↑
- 58. There was a call to consider **other models for single occupancy households** as it may be too costly to provide sufficient numbers of homes for the predicted increase in numbers of single person households. ↑

Perception and positioning

- 59. Several stakeholders suggested that we, as society, need to **change the perception that success was linked to home ownership.** Social divides based on attitudes to different tenures is something that stakeholders felt ◆

¹⁷ The power to set VAT rates is reserved to the UK Government.

needs to change. It was suggested that social housing could become a tenure of choice, not a last resort, and that social housing could be opened up to a wider group of people. Affordable housing should be put on a level playing field with the PRS and home ownership in order to achieve tenure neutrality.

- 60. Similarly, stakeholders were concerned that there has been **too much emphasis on promoting home ownership**, especially considering that economic uncertainty and low wages could make owner occupation more challenging and place a greater demand on social housing. !
- 61. Some stakeholders wanted **housing to be considered as national (essential) infrastructure**. ↑

Outcomes and strategy

“As long as the housing supply position is seen in isolation then the resources to deliver the outcomes will always be, at best, at risk”¹⁸

- 62. One RSL suggested consideration should be given to **replacing local strategic planning with a national approach**. ◆
- 63. There were suggestions that a **more integrated housing strategy** was needed, integrated with economy and transport etc., and that the National Planning Framework 4 (NPF4) should specify the numbers and tenures of homes and tie in with local development plans, SHIPs and City Deals. Stakeholders wanted to see transport infrastructure and housing delivery aligned more effectively and planning fully integrated in corporate strategies to ensure it ties-up with housing development plans (e.g. school catchment areas). ↑
- 64. There were calls to **strengthen the evidence and analysis of the impact of housing investment on wider social, health and education outcomes** and for the procurement of public sector housing to prioritise outcomes over raw numbers. One stakeholder called for priorities for spending across government to be informed by the overwhelming evidence that good housing improves health and educational attainment, helps address poverty and contributes to reducing crime. ◆
- 65. As proposed elsewhere, there were calls for a **tenure neutral approach** supporting the achievement of higher standards across all tenures. ◆

¹⁸ Quote not attributed

Housing land market and taxation

“[Councils should identify a] generous and effective housing land supply” (Gladman Scotland)

66. A range of stakeholders, predominantly rural councils and RSLs, suggested that **land value capture or land taxation should help fund new affordable housing** and that money from land value increase could be used to fund development. For example, councils might buy land at pre-planning consent value. Stakeholders called for new ways of thinking on how land was valued, as in some cases, land costs could equate to around 50% of the cost of a new home. ↑
67. There were also calls for **local taxation to be reviewed**. There was a suggestion from one council that **a tax on land approved for development** but sitting idle would either release the land for development or encourage the existing owner to progress the site. ↑
68. A couple of stakeholders suggested that measures were needed to **improve land assembly**, either through special purpose vehicles or a Scottish Land Agency to assemble land, address infrastructure and deliver development. Related to this, greater clarity was needed on who pays for infrastructure. One council wanted the Scottish Government to set up **New Town Development Corporations** or equivalents to provide housing, prepare infrastructure and remediate land. ◆
69. One stakeholder wanted to see **change to the application and definition of “effective” land**. Another believed the main issue was lack of land supply, partly because land deemed “effective” remained undeveloped for years (because it was not really effective in the first place). ◆
70. There was a suggestion to **create a digital local authority land audit tool** so that land availability can be held accurately and is accessible in real time. ↑
71. One council suggested that **competition must shift from land purchasing to housing delivery in order to improve the design and quality of housing**. It was purported that currently developers increase density and reduce property sizes and design costs to make the highest bid for land (residual valuation method). An alternative model would be for the council to substitute an upfront land receipt (for public land) for a long term payment which the homeowner would pay (possibly as a council tax supplement). This could be index-linked and provide long-term income. It was suggested that this approach would mean there would be less risk for the developer by ↑

not being the landholder. It might also generate greater income for the council (40 year land payments instead of a one-off land receipt) and require a smaller deposit or mortgage requirement for the home buyer.

- 72. One council and RSL highlighted that **compulsory purchase was not an option for properties or land of crofting tenure** and was therefore ruled out within crofting communities. Accessing land in crofting tenure could be a long process. !
- 73. One stakeholder wanted to see **more incentives for smaller site development**, such as Edinburgh's Small Site Affordable Housing Programme. ◆
- 74. They also wanted to see **improved resourcing arrangements for local planning authorities**, such as higher fees, ring-fenced fees and investment in new digital platforms. ◆

3 Ageing population

Context

1. By 2030, it is projected that there will be over 600,000 people in Scotland aged 75 or over. We will need more suitable housing and services to help individuals to continue to live independently at home and, as a society, we will need to spend more on health and social care. As such, the ageing population theme attracted extensive comments from a large number of stakeholders.

Strategic approach to housing policy

2. Stakeholders felt that the **role of health and social care is crucial to the Scottish Government's approach to housing an ageing population** and that greater collaboration is required across the Scottish Government, local authorities, the NHS and other partners. ◆
3. There was a shared sense of concern among stakeholders over the **rapidly increasing ageing population** and a perceived lack of planning and funding in place to cope with housing and care-giving demands to accommodate this changing demography. !
4. Stakeholders questioned how housing, health and social care could be more effectively linked. One stakeholder asked whether the Scottish Government would consider appointing an **Older Peoples' Commissioner for Scotland** to ensure the co-ordination across policy areas that affect older and disabled people. ?
5. Stakeholders also emphasised the value of older people and the importance of viewing **older people as assets to their communities**: ◆

"Older people must not be viewed as a burden. They have made a significant contribution to the public purse through taxation. They should be respected and seen as assets to the community." (Care and Repair Scotland)
6. It was suggested that **older people should be placed at the centre of the decision making process** and consulted, for example through Local Housing Plans, before any major proposals are implemented. It was argued that the approach to housing the ageing population should be ◆

intelligence led, and that older people must be consulted in order to understand the nature of demands and the particular challenges they face.

7. Stakeholders argued that the **Scottish Government should be open to and embrace new ideas**, such as co-housing, co-care, intergenerational housing, and multi-generational housing, through the adaption of existing or creation of new policies and legislation to support such initiatives. Incentives for developers to build more housing suitable for older people was also suggested. 

Adaptations, design and technology

8. Stakeholders felt that priority should be given for older people to stay in their own homes and live independently. One stakeholder purported that it is **more efficient to adapt existing properties** to suit older people than to purpose build new homes, and that funding for adaptations should be increased, regardless of tenure. 
9. Some respondents stated that they have seen no evidence of demand for new housing for older people, but rather that there is a **growing need for the refurbishment of existing properties**. It was suggested that significant investment in preventative services like 'Care and Repair' is required. Where adaptations are needed, stakeholders stressed that the process should be efficient and prompt. 
10. The importance of home adaptations was highlighted by several stakeholders, as unsuitable homes for older people can result in delayed hospital discharges. One stakeholder suggested that consideration should be given to options for **'Healthy Homes' checks in order to prevent lengthy hospital admissions**. 
11. Stakeholders felt that adaptations should include an **increased use of telehealth and telecare technologies**, as technological innovations can help support the ageing population to remain in their own homes and transform the way people engage in and control their own healthcare. It was suggested that there should be an **'innovation fund'** to encourage housing organisations to develop new and innovative services for older people. 

12. However, it was also noted that care should be given to ensure technology assisted care is **accompanied by more traditional support to help to avoid social isolation and loneliness**, with many stakeholders stressing the importance of care delivered by real people: !

“Solutions that recognise the right to live alongside, and not fully in, the digital society.” (Stirling Council)

13. Others highlighted the need to ensure that the benefits of **green spaces and infrastructure** for physical and mental wellness are known, encouraged and funded. Stakeholders also emphasised the importance of **‘age-friendly’ towns and cities** which encourage economic participation and social interaction, including the provision of more appropriate specialist housing. The need for good planning in rural communities was raised in particular, as there can be less access to housing, carers and transport. ◆
14. Stakeholders questioned **how the Scottish Government can assist in improving the affordability of adaptations** to properties of all tenures, to support people in remaining in their home, and how such adaptations would be funded. It was also suggested the Scottish Government needs to strike the right balance between investing in new homes and investing in existing stock. ?

Housing options

15. Stakeholders noted issues regarding a **perceived lack of housing options for older people with varying needs**, and argued that a lack of flexible homes and suitable sheltered accommodation can discourage older people from downsizing. !
16. Where older people are living in unsuitable housing, stakeholders questioned whether government funded support could be available to assist them to move to a more suitable property (if they need and want to). ?
17. Some stakeholders felt that **downsizing should be encouraged**, and suggested that the Scottish Government could establish a **‘National Incentive for Downsizing Fund’** to make better use of existing stock and promote housing options and choice. Tax incentives to allow people to move to a smaller house was also suggested by stakeholders. ↑

18. It was noted that many older people want to “rightsize”, but that accommodation must be high quality, affordable and in the right locations. Others emphasised the **need to build suitable lifetime homes** which can adapt to changing needs as people age. ◆
19. Several stakeholders also suggested **the development of mixed tenure communities should be encouraged**, and that new ways of living together should be explored. In particular, stakeholders highlighted the benefits of intergenerational and communal living, especially in regard to combatting social isolation and loneliness. One stakeholder pointed towards successful examples from Northern Europe, including an example of nurseries and nursing homes sharing facilities and communal spaces, and argued that housing could play a key role in the Health and Social Care Partnership agenda to address issues of generational isolation. ↑
20. Others wanted to see the reinvigoration of the ‘sheltered housing’ model. One organisation suggested that, while many people prefer to live in mixed, integrated communities, there is also a significant demand for ‘retirement blocks’, and argued that **social housing allocation policy restrictions should be removed** to help ensure the viability of a large number of multi-storey blocks in the social housing sector. ◆
21. Stakeholders felt that **older people should have access to good advice on their housing options**, as well as advice on available funding for home adaptations and income maximisation. One stakeholder suggested that we should promote an ‘options type’ service to encourage older people to think about their housing options earlier, for example through personal housing plans. ↑

Housing markets and private rented sector

22. There was some concern among stakeholders that the PRS is not keeping pace with the social rented sector in terms of providing for a range of varying needs. It was suggested that there **should be more requirements on the PRS to provide for the ageing population** and that more regulation should be introduced through Building Standards. !
23. However, as most older people currently own their own homes, some stakeholder felt there **should be a bigger emphasis on house builders**, and argued that more housing that is attractive to older people needs to be developed. !

24. Stakeholders asked whether incentives could be provided for developers to build more houses suitable for older people. ?

4 Brexit

Context

1. The Scottish Government believes that the best future for Scotland is the one 62% of voters in Scotland chose, to remain in the European Union (EU). The UK Government wants to leave not just the EU but the Single Market, threatening jobs and prosperity in Scotland. Our assessment of the impact is in our publication, Scotland's Place in Europe: People, Jobs and Investment¹⁹. Brexit has consequences for both housing supply (construction and services) and demand (population).

Working together

2. Stakeholders expressed the **importance of joined up working** between local authorities, social housing providers and government to address any challenges and opportunities which arise. ↔
3. Stakeholders expressed their frustration about the **lack of clarity around the Brexit negotiations and reported the need for clear and open dialogue**. It was noted that people working across the sector will need to adapt to new regulations and requirements. !
4. Concerns were also raised about the lack of clarity over how Brexit will affect **population growth and migration**, and whether this will have knock on effects for assessments of housing need and demand. !
5. Stakeholders questioned how prepared the Scottish Government was to deal with a range of possible scenarios after the UK's withdrawal from the EU, and how Scottish Government planned to ensure that people's rights to housing and other services are protected. ?
6. The Scottish Government was asked to **consider publishing advice to housing organisations** about how they can manage any Brexit-related challenges. ◆

Funding

7. Stakeholders expressed **concerns about the potential impact of Brexit on funding across the sector** and cited the need to ensure grant levels reflect any change in circumstances e.g. increased construction costs. European grant funding was also an area of concern both in terms of loss of access to !

¹⁹ <https://www.gov.scot/publications/scotlands-place-europe-people-jobs-investment/pages/2/>

existing funding streams and also the scope for these funds to meet Scotland's regeneration priorities.

8. It was suggested that **any savings released to the UK from the EU could be used to provide additional funding for housing in Scotland** e.g. a special case could be made for remote communities or regeneration projects which have not been able to access existing EU funding. ↑

Rising costs and shortages

9. There were concerns among stakeholders about the **import of materials and potential rising costs**. Innovation and MMC were cited as potential measures to help mitigate these concerns. !
10. Concerns were also raised by some stakeholders about the **impact on procurement procedure**, as it remains an integral part of EU competition law and tends to be the quid pro quo for trading with Europe. Others called for a more streamlined procurement process after Brexit. !
11. Stakeholders noted that the potential rises to the **price of food and other basic goods** as a result of Brexit may increase pressure on low-income households who are already struggling financially. !
12. There were also concerns about **the potential for Bank of England interest rates to rise, and the knock on effects for mortgage affordability and rents** in the private sector. Stakeholders felt that this could result in an increased risk of homelessness for people of all tenures. !
13. It was noted that the potential **withdrawal of reciprocal health benefits might result in expats returning home**. Stakeholders asked how the Scottish Government plans to deal with this situation should it arise (e.g. additional demands on an already pressured care system). ?

Workforce

14. There were wide ranging concerns amongst stakeholders about Brexit **exacerbating the existing skills shortage both in the construction and social care industries**. It was noted that the sector had already experienced a significant loss of skilled workforce during the economic downturn as tradespeople moved into other sectors, retired or emigrated. !

“Continuing to grow and enable a highly trained local workforce with the requisite skills and experience in both traditional and modern or

innovative construction techniques should be a priority irrespective of the outcome of the Brexit process.” (Argyll and Bute Council)

15. It was suggested that **house builders should be encouraged to create more apprenticeships** as part of their community benefit proposals to help address the skills shortage and provide opportunities for young people and those looking to retrain. ↔
16. Stakeholders questioned how the Scottish Government could better promote construction and commerce careers to young people to help address the reported skills shortage. ?
17. Stakeholders asked how the Scottish Government plans to maintain construction jobs in a period of uncertainty. ?

5 Child poverty

Context

1. Around one in four children in Scotland lives in poverty. Scottish Ministers consider this to be unacceptable in a modern, thriving country like Scotland and have set out their ambition to eradicate child poverty in statute.
2. **The Child Poverty (Scotland) Act 2017** sets out targets to reduce the number of children experiencing the effects of poverty by 2030. The Act requires Scottish Ministers to publish child poverty delivery plans at regular intervals and annual reports to measure progress. Local authorities and health boards are required to jointly publish annual reports on what they are doing to reduce child poverty in their local areas.
3. The Scottish Government published the first [Tackling Child Poverty Delivery Plan](#)²⁰ in March 2018. The Plan is supported by an investment of over £50 million Tackling Child Poverty Fund that is funding a range of projects including a £12 million investment in intensive employment support for parents and a free Financial Health Check service which was launched in November 2018. We have also committed to work towards the development of a new income supplement.
4. It is clear from the feedback that many of the suggestions that have been provided relate to actions already underway or those that are planned. In assessing the responses provided five key themes have emerged: local housing strategies; welfare reform; employment; income maximisation; and the wider role of social landlords.

Housing Strategy

5. Local Housing Strategies (LHS) featured in a number of the responses.  There was general agreement that **child poverty needs to be considered in detail by councils in order to build a better understanding of poverty locally** and put appropriate actions in place. This work can then link into the reporting duty under the Child Poverty (Scotland) Act 2017.
6. One social landlord suggested that **future strategies should seek to build on partnerships with the third sector and statutory agencies** to help to deliver affordable housing models and solutions that combine the provision 

²⁰ <https://www.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22/>

of good quality homes and effective support for households. They felt that this would be particularly important for families with acute needs and challenges.

Affordable Housing

7. One housing body noted that delivery of cross tenure housing can be difficult within current grant levels despite the positive impact this approach has on wider areas such as health and education. They therefore highlighted the **need to refocus the discussion on future housing investment** to ensure these wider benefits are reflected and better taken into account. ◆
8. Stakeholders raised concerns about local housing allowance not keeping pace with the actual cost of renting. They noted that **rising rents were often seen as a key driver of poverty**. They highlighted the need to ensure that rents remained affordable for tenants on low incomes without recourse to benefits. !
9. One stakeholder noted that social landlord rents vary across the country, and raised concern that some rent levels could be considered increasingly unaffordable in some areas. They highlighted that **universal credit and other welfare reforms have a negative impact on landlord rent arrears** and therefore could reduce the services provided due to falling revenues. !

Welfare Reform

“More education in schools around housing and welfare policies [is required] as part of the agenda for prevention.” (Fife Council)

10. Stakeholders felt that the **social security system has a vital role to play** in ensuring that people who need support can afford to pay for their housing costs and other essentials while maintaining a good quality of life. They noted that the UK Government welfare reform measures have had a significant impact on housing providers and tenants. It was noted that while Discretionary Housing Payments (DHPs) have mitigated the effects of the bedroom tax, many people continue to live in poverty, and the introduction of Universal Credit (UC) has exacerbated the issue. !

11. Stakeholders raised concerns about UK Government policy not aligning with Scottish Government policy and targets to eradicate child poverty. One stakeholder said: !

“We need to address the fundamental causes of inequality and ensure the negative consequences of welfare reform are reversed or permanently mitigated. To do so, all stakeholders including central, devolved and local government and the NHS need to work together.”

12. The Scottish Government was asked to **consider using its social security powers to identify new ways to support households with children** and whether winter weather payment principles could be extended to low income families²¹. ?

Income maximisation

13. Some stakeholders thought that **preventative measures** and helping people avoid crisis situations were key to reducing child poverty. They noted that income maximisation and increasing the level of multiple debt advice helped to minimise the number of households in poverty²². ↔

Education and employment

14. Stakeholders agreed that there should be a **focus on ensuring that people have access to secure and reliable employment opportunities with good quality jobs** to help lift families out of poverty. They felt that a cultural change within the workplace was needed to move the focus on to the employee and their needs. It was considered that this change could be led by the public sector, including widespread implementation of the living wage. Real efforts to close the gender pay gap are needed to ensure that no matter who is working within family units, they are able to provide a sustainable income.
15. Stakeholders asked the Scottish Government to consider what can be done to improve access to better paid jobs. They also questioned whether additional support could be provided to further develop training and employability opportunities. ?

²¹ The Scottish Government currently supports low income families through its Best Start Grant and is working towards developing a new income supplement to provide additional financial support for low income families.

²² Scottish Government launched its Financial Health Check service in November 2018.

16. One local authority highlighted the **need for more education in schools on housing and welfare policies** as a preventative measure. ↑

Wider role of social landlords

17. Stakeholders recognised that the role of social landlords is wide and that they often provide a range of services to support tenants and help reduce poverty. Services include: income maximisation; skills development and employment opportunities; energy efficiency measures and advice on reducing fuel bills; and access to digital skills and connectivity.
18. Whilst stakeholders noted the importance of providing these services, they questioned **who should take the lead role**. ?

Adverse Childhood Experiences (ACEs)

19. One council highlighted the **growing evidence around adverse childhood experiences** and the importance of providing safe environments for people engaging with the public sector for health or housing needs. They noted that opportunities to provide frontline staff with training to enable them to be trauma-informed should be explored²³. ↔

Cost of living

20. Some stakeholders raised concerns about the impact of fuel poverty and cited feedback from tenants on their need to cut back on food and heating, as well as a reliance on food banks²⁴. !
21. One social landlord outlined the **need to improve infrastructure links within rural communities and subsidy to low income families to reduce transport costs**. This issue was raised in the first round of Child Poverty Action Reports.

²³ Scottish Government funded ACE trauma training is being offered nationally.

²⁴ The Scottish Government is currently progressing legislation around fuel poverty to set targets and a new definition in law to ensure support is directed to those who need it most.

6 Energy efficiency and climate change

Context

1. Scottish Ministers designated energy efficiency as a national infrastructure priority in 2015, recognising the many benefits delivered by improving the energy performance of our buildings.
2. The Scottish Government has developed the Energy Efficient Scotland programme, which is a 20 year programme containing a set of actions aimed at making Scotland's existing buildings near zero carbon, where feasible, by 2050. The [Energy Efficient Scotland route map](#)²⁵, published on 2 May 2018, outlines the journey our homes, businesses and public will take to become more energy efficient. The route map proposes clear long term energy efficiency standards that buildings will need to achieve by 2040.
3. The Scottish Government will continue to focus funding measures to alleviate fuel poverty, and this is the purpose of the draft Fuel Poverty Strategy and the Fuel Poverty (Scotland) Bill – to set a statutory target to eradicate fuel poverty. The Energy Efficient Scotland programme will continue to prioritise the improvement of the homes of fuel poor households.
4. There was a general consensus among most stakeholders on the range of energy efficiency measures set out in the Scottish Government's Energy Efficient route map, however there were **varying thoughts regarding the pace of implementing energy efficiency measures, and the level of support that should be provided.**

Collaborative working

5. Stakeholders noted that **a joined up approach across policy areas in the Scottish Government is both needed and welcomed**, in order to balance priorities across housing and other policy areas such as health and social care:

“This is an opportunity to highlight the links between health, energy efficiency and climate change in relation to both retrofitting older homes as well as design and planning of new homes” (NHS Health Scotland)

²⁵ <https://www.gov.scot/publications/energy-efficient-scotland-route-map/>

6. One stakeholder emphasised that **Housing Beyond 2021 will need strong links to other Scottish Government programmes and strategies** (for example the Energy Strategy, Energy Efficient Scotland route map, Climate Change Bill, and Fuel Poverty Bill). This ties into the Scottish Government’s ambition to deliver a whole systems approach to housing for the period 2021-2040.

Fuel poverty

7. **Fuel poverty and affordable warmth was raised as a major challenge facing Scotland**, with around 25% of the population in fuel poverty driven by a number of factors including high energy prices, low income, and poor energy efficiency standards. It was felt that fuel poverty has to be a key focus, especially for those most vulnerable:

“Continuing to target energy efficiency advice at households most at risk of fuel poverty is a key priority.” (East Lothian Council)

8. Some stakeholders felt that **the fuel poverty target of <5% of the population living in fuel poverty by 2040 is not ambitious enough**, and that action is not happening fast enough. They suggested that the target should be brought forward to 2032. ◆
9. There were concerns that the **level of investment required to support energy efficiency improvements might result in higher rents which would increase fuel poverty**. Others were concerned that the statutory fuel poverty target would be missed without adequate funding from government. !

Government investment in energy efficiency measures

10. A number of stakeholders highlighted that **investment in energy efficiency improvements should be targeted based on need**, focussing on those at greatest risk of fuel poverty or those living in areas not connected to the gas grid.
11. Implementing a ‘**Deep Retrofit**’ model, similar to Ireland, was suggested by stakeholders, including those representing island communities. Deep retrofit involves taking the worst performing properties and radically reducing energy demand in one intervention. This is done by implementing multiple measures at once, such as installing solar panels and insulation. It was suggested that the greatest level of subsidy should be available to those implementing the greatest number of measures in one visit. ↑

12. Stakeholders suggested the government should **bring all properties up to minimum standards through incentives or penalties**, and that consideration will be required as to whether an incentive (such as financial assistance) or penalty (such as a tax) or a combination of both would be the best way forward. ↑
13. It was noted that **PRS conditions and energy efficiency has been improved by the Home Energy Efficiency Programme Scotland (HEEPS)**. Funding to make this a long term commitment, similar to the AHSP, was suggested. ↔
14. A number of stakeholders agreed **it would not be possible to deliver targets without investment**. They were concerned about a scenario in which the cost of implementing energy efficiency measures in the owner-occupied sector and PRS outstripped the savings on energy bills. !
15. Other stakeholders suggested a range of different measures, such as revisiting **support for renewable energy generation and inclusion of electric vehicle charging points** at new developments as standard. ◆

Targets

“The Scottish Government needs to adopt ambitious targets underpinned by adequate resources if we are to improve the energy efficiency of all our homes and tackle fuel poverty.” (Chartered Institute of Housing)

16. One stakeholder wanted government to **target measures at heating of living space and hot water**, as this accounts for around 40% of UK primary energy consumption.
17. One Council felt that **public sector support would be required to meet targets to de-carbonise heat supply**, as they were ambitious. !
18. Another stakeholder suggested government should **undertake detailed cost-benefit analysis to understand the true cost of delivering energy efficiency measures against the benefits delivered**. ↑

Building standards

19. A number of councils and RSLs called for government to **legislate for tighter building standards** to minimise heating requirements in new homes, effectively designing out fuel poverty. The increases in construction costs to achieve Passivhaus or Energy Performance Certificate (EPC) band B ◆

standards would deliver the long term benefit of reduced operational costs and energy demand.

20. Others suggested the long term target for domestic buildings to achieve **EPC band C or better before 2040 should be brought forward to 2030.** ◆

Climate change

21. A number of stakeholders suggested government should **aim for a ‘net zero’ housing sector**, and some felt **existing energy efficiency targets are not ambitious enough:** ◆

“[The] Energy Efficient Route Map is not commensurate with Scotland’s new Climate Change Bill in terms of the urgency of the cuts in emissions required.” (Scottish Borders Council and RSLs)

Engagement and education

22. A number of stakeholders stressed that **support should be given to engagement, education and improving knowledge** in order to highlight links between health, energy efficiency and climate change. It was noted that the need for carbon reduction and energy efficiency, alongside the potential benefits, needs to be promoted. ↑

23. Some stakeholders felt that **engaging people to understand why energy efficiency is important** can be challenging across all tenures. It was suggested that there is a lack of understanding of the wider benefits and the need to take action to meet climate change targets: !

“In the end, ambitions won’t be realised without the positive engagement of landlords and homeowners.” (Energy Agency)

Skills

24. Some stakeholders felt there was a **skills shortage to install energy efficiency measures**, extending not only to those carrying out the work but also those within local authorities and the housing sector with knowledge of the need for, and application of, energy efficiency measures and their benefits. !

Support for innovation

25. The pilot equity release scheme, to allow owners to fund upgrades, was welcomed by some stakeholders who felt it has delivered valuable improvements to owner occupied housing. They highlighted that **government should consider extending the equity release scheme.** ↔
26. One housing association felt **government should explore the use of energy storage technologies.** There were also calls for **support to be given for off-site manufacturing** to improve efficiency and delivery carbon savings. ↑
27. Some stakeholders asked **how the Scottish Government would support innovation in energy efficiency,** including looking at how to link with academics and industry, and learn from examples and best practice elsewhere in the world. ?

Housing stock and tenure neutral approach

28. Stakeholders agreed that any future **energy efficiency requirements should apply across all tenures.** There was recognition among some stakeholders that great improvements had been made with regards to energy efficiency in the social rented sector but other tenures were lagging behind. There was concern that private housing may not be required to meet the same standards as social housing. ◆
29. It was suggested that **a great focus on existing and older housing is needed,** particularly as older housing stock can be more of a challenge to make energy efficient than new build stock. ◆
30. One stakeholder raised the question of **how to deal with older stock where no retrofit solution is possible.** ?

7 Homelessness

Context

1. The Homelessness and Rough Sleeping Action Group (HARSAG) was established by Ministers in October 2017 and completed its work in June 2018, producing a total of 70 recommendations setting out action needed to eradicate rough sleeping, transform the use of temporary accommodation and end homelessness altogether.
2. An important overarching recommendation of the HARSAG recommendations is a move to a Rapid Rehousing approach, and 5 year transition plans were submitted by all local authorities to the Scottish Government by 31 December 2018.
3. The Scottish Government published its [Ending Homelessness and Rough Sleeping Action Plan](#)²⁶ on 27 November 2018 which sets out the actions we will take to work towards ending homelessness, and is supported by our £50m Ending Homelessness Together fund. The Action Plan responds to many of the points which have been raised in the feedback received by stakeholders for the Housing Beyond 2021 homelessness theme.
4. It is evident that stakeholders' views have been provided within the context of significant change ongoing across the homelessness sector, with some issues highlighted that have since been resolved.
5. There was a consensus among stakeholders that the Scottish Government's current vision and focus on homelessness is a positive step towards improving outcomes for homeless people across Scotland, including the Housing First and Rapid Rehousing approaches.

“Success in ending homelessness should be a key indicator of the success of future housing policy in Scotland.” (CRISIS)

Prevention

6. Stakeholders agreed that it is important to **prevent people becoming homeless by implementing ‘prevention first’** as an alternative to statutory homelessness, using a joined up approach across all public services at the earliest stage, and by understanding the complex nature of homelessness. It was thought that addressing the issues of those with multiple complex ↔

²⁶ <https://www.gov.scot/publications/ending-homelessness-together-high-level-action-plan/>

needs, through the introduction of Housing First, could result in benefits that would be seen not just by the individual but across the system and across communities.

7. Some stakeholders asked **how we get better at prevention of homelessness**, and whether there would be a drive on integrating priorities in relation to prevention at a national level. ?
8. Stakeholders felt that government needs to help **ensure all parts of the housing system prioritised their duty to prevent homelessness**, particularly noting that young people and men were disproportionately at risk of homelessness.

Rapid rehousing and allocations policy

9. **Stakeholders suggested that implementing Rapid Rehousing Transition Plans (RRTPs) needs to be part of a continued AHSP** to meet need, and said that RRTP needs to be funded and supported to enable realisation of rapid rehousing aspirations. RRTP and HARSAG recommendations were generally welcomed. ↔

“Investment, innovation and collaboration in respect of new supply and new models of housing and creative use of existing housing stock will be critical in meeting rapid rehousing ambitions.” (East Lothian Council)

10. Stakeholders indicated that **in order to deliver the rapid rehousing approach in the long term there would need to be continued prioritisation given to homeless households**. At the same time, it was recognised that there are pressures as a result of this prioritisation, with the need to continue a balanced approach to allocating existing stock to meet the needs of people with different housing requirements.
11. The need for further clarity on resources available to implement rapid rehousing plans was raised by stakeholders. Local authorities indicated that **preparing RRTPs with uncertainty around subsidy for affordable housing beyond 2021 was challenging**. !
12. Rapid rehousing was welcomed. However, some local authorities felt that medium to long-term rapid rehousing plans were needed. ↔
13. Some local authorities were concerned that an **unintended consequence of the rapid rehousing approach would be an increased demand on** !

homelessness services longer term. Others were concerned that RRTPs might not be reflective of the different circumstances of each area.

14. One stakeholder asked how government would make sure that RRTPs were not implemented in a way that impacted other groups of people in housing need. There were also questions raised with regard to the support levels from the Scottish Government for RRTP in terms of resources, monitoring and review, and how funding will be attributed from the Scottish Government. ?

Housing First

15. **The Housing First model was broadly welcomed.** However, it was stressed that there needs to be a recognition of the demands Housing First and Rapid Rehousing would put on local authorities and that this needs to be considered and backed up with funding. ↔

“The Housing Options prevention approach has helped Scottish Borders Council keep homelessness figures stable despite pressures on the service.” (Scottish Borders Council)

Health and homelessness - complexity of issue

16. Stakeholders commented that **homelessness is a complex issue and needs to be recognised as such, and that tackling homelessness requires a multi-agency approach** encompassing health, employment education, offending, finance, relationship and families. Success had been seen, and was noted by some local authority stakeholders, by working in partnership with RSLs, the NHS, support services and other organisations. ↔

“...good housing is far more than just bricks and mortar: independent support services are necessary for tenancy sustainment.” (Shelter)

17. The Scottish Government was asked to consider how it can further support local authorities to effectively develop and deliver plans to rapidly rehouse people affected by homelessness, working collaboratively with others such as the NHS, social care workers etc. ?

Affordable housing supply

18. Stakeholders wanted government to **keep up the momentum built up under the AHSP**, noting that housing need would escalate if momentum is lost. ↔

19. Stakeholders agreed that **government will need to continue increasing supply, focussing on delivering the right homes in the right places where need is greatest**. It was suggested that a cross-party consensus is needed to achieve a long term plan for supply, alongside a clear definition of affordability.

“...eradication of homelessness in the long term relies on a continued commitment to new build affordable housing responsive to local need.” (Fife Council)

20. Many stakeholders were nervous about the **uncertainty surrounding the AHSP beyond 2021 with regards to continuation of future funding levels**. Stakeholders were concerned about the impact of a potential reduction in funding, and said that RRTPs would benefit from, and require, an ongoing affordable homes supply programme. !

21. **Concerns were raised with regard to the shortage of accommodation for homeless households**, particularly considering the knock-on impact on settled accommodation which is in higher demand. Stakeholders commented that the turnover in temporary accommodation has slowed as households remain in temporary accommodation awaiting an offer of permanent housing. In order to deliver the rapid rehousing approach in the long term, it was suggested that there would need to be continued prioritisation in allocations given to homeless households. At the same time, it was recognised that there are pressures as a result of this prioritisation with the need to continue a balanced approach to allocating existing stock to meet the needs of people with different housing requirements. !

22. Some stakeholders felt there should be an **increased focus on empty homes to play a part in increasing housing supply**. ◆

23. One council highlighted that **investment in housing supply had other additional benefits, and reduced pressures elsewhere**. For example, stakeholders purported that evidence suggests that giving a person with addictions or other complex needs a suitable home, in which they feel safe, comfortable and included in the community can lead to improved health and

well-being, meaning less interaction with the NHS and judicial system and a reduced cost to the community in terms of anti-social behaviour.

24. Some stakeholders felt the **tenure balance needed to change** – by increasing the proportion of social renting and reducing the proportion of private renting. ◆

“The current housing market in Scotland lacks innovation and we are too stuck on the three-tenure approach” (Veterans Scotland Housing Group)

25. It was highlighted that supply problems are compounded by the fact that homeless applicants typically require smaller (one-bed) properties which can be in limited supply. !

Universal Credit

26. Stakeholders were concerned that **UC has significantly reduced housing opportunities for homeless households** and argued that the UK Government’s welfare reform has resulted in significant increases in eviction notices due to issues with DWP processing claims. !

Engagement and education

27. A couple of stakeholders felt that more **education and engagement of school pupils was required**, so that students can better understand homelessness and what housing options are available to them when they leave school. Another asked whether government would consider integrating homelessness and housing into the school curriculum. ↑
28. One stakeholder suggested **education for armed forces personnel** would be beneficial from when they signed up, so that they could plan for a future as civilians/veterans. ↑

Funding and affordability

29. Stakeholders asked whether an **indication of long term funding plans for tackling homelessness and housing provision could be provided**. ?
30. CRISIS and some local authorities were concerned that **private rents were too high and affordability is an issue**. !

Veterans access to information and advice

31. Stakeholders felt that tailored housing information and advice should be available for armed forces personnel throughout their period of service. Stakeholders suggested that as soon as someone joins the armed forces, the Ministry of Defence (MOD) should support them by helping the person to create a plan for when they leave the military, and that the MOD must make it clear that those based in England have the option of living in Scotland when they leave the military. Stakeholders also wanted to see the **families of those in the armed forces involved in the housing decision making process.**

38. Stakeholders were concerned that when people leave the armed forces, their knowledge of the housing system may be out of date. Stakeholders were also concerned that veterans are not identifying themselves as veterans when seeking housing assistance. Stakeholders were worried that this would not give them access to the full range of support services available. !

39. Stakeholders felt that some local authorities and larger agencies are not aware of the additional support that veterans organisations (such as The Veterans' Gateway) could provide when someone is in danger of becoming homeless. !

8 Place

Context

1. The Scottish Government recognises that place is where people, location and resources combine to create a sense of identity and purpose, and are at the heart of addressing the needs and realising the full potential of communities.
2. High quality, well-designed places are often central to community life. A successful place is accessible to all and encourages people to connect with one another. The relationships which are fostered help to create communities where there is a high level of positive activity and interaction. These are communities which are safe, socially stable and resilient.
3. Our aim is to support a more joined-up, collaborative, and participative approach to the planning, design and delivery of places that enables better outcomes for everyone and increased opportunities for people and communities to shape their own lives.
4. The key themes emerging from the stakeholder feedback were in respect of place-based approaches; infrastructure; land assembly; community engagement and design. The Town Centre First approach was also widely referred to but comments in this respect have been included in the Regeneration and Sustainable Communities theme (**section 10**). There is quite a lot of overlap between the place theme and the regeneration and sustainable communities theme in section 10. This is not surprising, as the approach to regeneration in Scotland has encompassed a whole place approach for some time.

Place-based approaches

5. There were a number of calls for more opportunities to promote and adopt **whole place-based approaches**, leading to well-designed, resilient and sustainable places. ↔
6. Some stakeholders felt that a Housing Beyond 2021 vision should be a **Vision for Living** and needs to reflect the importance of 'Place' in developing value, resilience and sustainability. **Liveability** should be at the heart of the vision – bringing together quality of life and quality of place in regenerated and new communities. Stakeholders commented that **Place Leadership** at civic and corporate levels is needed and is a pre-requisite to delivering good quality housing and sustainable places. The importance of ↑

creating/fostering 'Place Leadership' to drive the vision within both the public and private sectors was also highlighted.

7. Stakeholders also called for **mixed, compact, well connected places, incorporating higher density** to be encouraged and not the perpetuation of current family housing models which only meet a narrow demographic. They noted that densification of urban centres and prioritisation of development along new, existing and/or improved transport routes increases efficiency. Another stakeholder thought there was a need to push for **more mixed tenure communities** as this would help end stigmatisation of certain areas and create more sustainable communities and a sense of place. ◆
8. One thoughtful question posed by a stakeholder was "*can Scotland become one of the world's most liveable places by 2040?*". ?
9. One Council referred to the aspiration set out in *Creating Places*²⁷, that "*place-making [is] at the heart of the decision making process and [to] ensure that the policy has a greater focus on outcomes*", noting that it appears that this aspiration has not been realised as market demand currently drives development and decision-making, not the quality of place. !
10. One idea proposed was that any future Scottish Government should establish a **Cabinet Secretary for Places** to coordinate support for cities, towns, villages and neighbourhoods, and that there should also be a **national champion for quality place-making**. Key to this would be better aligning development plans, community plans, Single Outcome Agreements, investment plans, locality planning and infrastructure delivery. ↑
11. One stakeholder agreed that an approach to interventions that supports place-shaping and sustainable communities was sensible in principle, but should be appropriately balanced with a **recognition of market/demand-led forces** that might legitimately seek to respond to a need for new housing in a range of other locations. !
12. Some stakeholders argued that **barriers to improving housing quality and delivering place based approaches** need to be dealt with at a national level and filtered down locally.

²⁷ <https://www2.gov.scot/Publications/2013/06/9811>

13. In terms of what we should stop, one council suggested we stop siting new settlements or villages remote from existing or planned transport nodes, especially rail lines. ↓

Cross-disciplinary Approaches

14. One council felt that the development of a route map to 2040 should provide the Scottish Government with an opportunity **to integrate and align all strategic plans** towards meeting Scotland’s long-term housing and regeneration objectives and to create an environment which enables services to work together to deliver common goals within shared timescales. They noted that: ↑

“Currently, a plethora of policies and strategic plans set out Scotland’s, its regions and its local authority areas’ approaches to improving the quality of our places and homes. These have varied purposes and cover different time periods, which may lead to incoherent policymaking. Where legislation exists it may, in some instances be inadequate or be under-used due to resource constraints.”

15. To that end, the Council proposed **a holistic Place First approach to planning and decision-making** where strategic planning across devolved and local government and across disciplines aligns with delivery. That means planning and housing strategies (Local Development Plans, Place Plans, Regional and Local Housing Strategies) are integrated, aligned and in sync with each other and with the required evidence bases (currently the Housing Need and Demand Assessment). ◆
16. One stakeholder called for **a whole-system approach** to ensure all interested parties work together to improve town centres and other disadvantaged places, including transport, planning, SMEs, health, schools and local residents.
17. In a similar vein, another stakeholder noted that too many **policy approaches and funding decisions are uncoordinated** and do not take into account the impact they have on communities as well as individuals. They called on the Scottish Government to think about how its decisions play out across places and how it can **break down silo-based approaches** to funding, policy and delivery. !

18. Some stakeholders called for changes to some sectors of the industry which remain 'silo' in thinking and practice that drives segregations.
19. One stakeholder asked how housing policy at national and local level could ensure that wider consideration such as place, health and transport needs are taken into account to maximise the value of good planning that will support a thriving and healthy community. ?

Housing volume versus quality

20. A number of stakeholders mentioned the **trade-off between the ability to deliver [housing] and place and design value quality**. It was argued that **housing discussion could often be preoccupied with numbers and the need for fast delivery** to tackle supply shortages. Stakeholders commented that it is **important not to lose sight of the importance of the quality of the development** that is subsequently produced or its contribution to promoting high quality, economically, socially and environmentally sustainable settlements for current and future generations. One stakeholder suggested that the procurement of public sector housing should prioritise outcomes over raw numbers and capitalise on design excellence. Another noted that: !

“Too often, the qualitative, environmentally sustainable and, indeed, well-being features of new developments are risked by the consequences of seeking to produce units.” (CACHE)

Infrastructure

“Housing without services won't work” (City of Edinburgh Council)

21. A couple of stakeholders called for a **national housing/planning agency** to be established to acquire land and deal with Infrastructure under a **'National Infrastructure Strategy'** to unlock development and deliver better place-making. ↑
22. Stakeholders stressed that **the provision of infrastructure for wider facilities** (e.g. schools, GP surgeries, shops) and not just housing need to be considered and planned when designing communities. Forward funding for infrastructure, particularly for schools, would greatly assist with housing development. They suggested that this could then be recouped through a roof tax as properties are developed. ↑
23. Several stakeholders mentioned **utilities**. It was felt that utilities providers should be on board and involved at an early stage at the strategic planning level, and that there should also be better planning and resourcing between ↑

utility companies and housing providers. One stakeholder noted that agreeing and securing improvements for services such as these were time consuming, often costly, and can delay a development. They suggested that public sector funding may help unlock some developments.

24. Another stakeholder suggested that **policy and standards must consider the requirements of the public and private utility providers** and what impact decisions, particularly around place-making, may have on a congested utilities network. Furthermore, the Scottish Government must consider how it supports the long-term maintenance of its own utility infrastructure assets, resourcing local authority and other statutory bodies sufficiently to undertake maintenance responsibility and support the delivery of high quality places.

25. A number of stakeholders stressed the importance of **connectivity**. Some noted that capitalising on connectivity is essential - existing and new infrastructure should be efficient and well planned with sustainable and active travel options available to all communities. Other points made included that strategic planning and development land allocation needed to take better account of infrastructure and connectivity, ensuring access to jobs, education and services; and that investments into improving physical, social and digital connectivity were necessary to ensure the creation of successful and sustainable places and communities. ↑

26. One stakeholder suggested **introducing incentives** for meeting connectivity standards in the design of new and refurbished homes. Another felt that a strong focus should be placed on developing infrastructure to support **digital connectivity** across all homes in all areas as this was vital to ensuring the development of and access to key services. ↑

27. One stakeholder, providing a personal view, suggested **small builder incentives** and **funding towards infrastructure for small rural sites** or funding for local authorities to buy land and put in the infrastructure ready for self-builders. It was noted that the planning system currently supports this and Planning Permission in Principle applications. ↑

Design

28. A number of stakeholders suggested the introduction of **Scotland-wide design standards** across all tenures which could deliver zero carbon, easily adaptable homes with low running costs and incorporate green space and ↑

amenity requirements. One suggested that guidance was too open to interpretation, resulting in poor quality.

29. **Space standards** were mooted. It was noted that genuine flexibility and adaptability require space - Scotland's pre-war housing stock was cited as having been shown to be flexible and adaptable. One stakeholder noted that good **design can deliver more space** without radically increasing costs. It was argued that we need to be building houses with space standards that allow flexibility of use e.g. small rooms and lack of storage limit use.

30. One organisation proposed the development, with stakeholders, of a **Scottish-wide strategy to develop and enhance design value in buildings** as part of places, initially focusing on social and affordable housing but also larger planned settlements and where new developments are of a scale to impact on towns and other smaller settlements. ↑

31. The **benefits of good design** were highlighted by several stakeholders. Some emphasised that design is central to achieving flexibility and maximising value, and innovation and creativity were essential to a flourishing housing sector. Key points made were that: ↑

- Better design creates better places.
- **Design costs are a fraction of overall costs** but can play the single biggest role in delivering efficiency, sustainability and success.
- Use of designers' knowledge/technical expertise to ensure housing is built to adapt to people's and places' changing needs.
- A design-led approach can encourage and develop modern methods of construction to drive efficiencies in land use and construction.
- Masterplan/phased delivery of large scale developments should ensure flexibility to deliver the holistic vision of a place including mixed uses where appropriate.

32. The **well-being aspects of good design** were highlighted in the response from one council:

"Let's have housing and place-making that encourages interaction between generations, between all social groups, through good design." (Stirling Council)

33. One stakeholder highlighted the value of **Design Review Panels**, noting that these panels enable local planning authorities to ensure that developers and design teams produce high-quality, inspiring buildings and outstanding and innovative design, as well as supporting them in resisting poor design and giving them a practical means of understanding where improvements need to be made. ↔
34. There were calls for '**Secured by Design**'²⁸ **principles to be updated** to reflect current practice, particularly in the light of demographic and community safety trends e.g. opportunistic crime. ◆
35. One stakeholder called for greater pragmatism, noting that **ongoing maintenance** was as important as initial design principles.

Land assembly

36. **Land assembly** was discussed in the context of place. Some stakeholders felt that it should be more focused, with public sector involvement, to diversify supply and encourage a wider range of delivery partners, including SMEs and custom build. They suggested: ↑
- Co-ordination between public sector land owners on timing and approaches to land releases to enable effective land assembly and better place-making opportunities.
 - Masterplan Consent Areas could be used to take forward such developments to ensure quality place-making and outcomes.
 - Diversification of delivery and funding models would provide more choices for living and increase the potential market for the industry.
 - Delivery models that can tackle difficult-to-develop land; e.g. urban infills/gap sites/reuse of existing buildings should be encouraged; these can help repairing the urban fabric of our cities and towns, and breathing new life into urban centres.

Place as a vehicle to tackle inequalities and improve health and well-being

37. Some stakeholders suggested that the concept of place alongside **addressing inequalities** should be an overarching theme of Housing Beyond 2021, noting that the **Place Standard Tool** was a practical approach to ↑

²⁸ <https://www.securedbydesign.com/> Note: This is a police initiative.

deliver this. One stakeholder said that to address inequality, the quality of place needs to be consistent for all tenures and areas of deprivation.

38. Other stakeholders discussed place as a means to **promote health and well-being**. Well-designed sustainable places were seen as key to physical and mental well-being, healthy environments, social connectedness, reduced isolation and loneliness, recreation and economic opportunities among others. One stakeholder highlighted that the communities in which we live can have a significant impact upon people in terms of life chances and outcomes. Another stressed that health and well-being needs to be fundamental to housing delivery, with green and blue infrastructure and active travel options integrated into masterplans.
39. One Council argued that we should be recognising **poor housing as a public health issue**, in recognition of the strong links between housing and the health and well-being of the nation.
40. One stakeholder thought that consideration should be given to how we can **support and encourage different types of building** e.g. self-build and cohousing developments as these can help to foster a sense of community and **reduce loneliness and social isolation**.
41. A number of stakeholders discussed the importance **of attractive community facilities** such as open/green/activity space and play facilities for residents' well-being. One highlighted that open space design should be true, functional community space which not only improves environmental appearance but offers a range of options for use and positive outcomes for residents, such as community gardening/food growing space or activity space. Another argued that initiatives like "edible estates" should be promoted and adopted, noting that benefits to activities like this include the sustainable use of land, healthy living, creating a strong co-operative community atmosphere, as well as helping those on low incomes have access to healthy good quality food for free.
42. One idea proposed was that all new housing developments over a certain size should have scope for community facilities provided as part of the contract in order to enhance the living and social environment. Another idea was that local authorities could consider taking responsibility for unwanted gardens, creating a communal green area for the community.
43. One stakeholder noted that when policy is driven by efficiencies, there is a **!** risk of large, crammed housing developments with no consideration given to the **health of the wider place**. Another felt that if policy is to realise the

potential public health benefits from additional and existing housing, then there needed to be a willingness to engage with the detailed and challenging work of enabling people to feel at home, particularly in rented housing.

Community Engagement and Empowerment

“Sustainable communities are built through partnership and engagement.”²⁹



44. There was significant support among stakeholders for **positive, meaningful community engagement**, with people at the heart of decisions about the improvements and developments required for their communities. One stakeholder noted that the Community Planning agenda in particular has triggered a rethink on how professionals and practitioners engage with people in talking about their places.
45. **The Place Standard Tool** was viewed positively as it has provided a means of opening a conversation about how people feel about the places where they live and work and provides a way to engage communities early. It was also noted that the tool could be used to reach out to a broad cross section of society including seldom heard groups and young people.
46. It was noted that there was an ongoing dialogue among professionals and practitioners, including in the context of the planning review, about how community engagement should be rooted in the ‘whole place’ approach, instead of completed on an ad hoc basis in response to proposals for land use change as and when they are made. This means maintaining an ongoing conversation with the public about their places, with local government, agencies and relevant private sector bodies (including landowners) then taking responsibility for implementing the actions for which a need has been identified.
47. One stakeholder felt that examples of good practice of **citizen led development** should be better known. Smaller communities or communities with a strong sense of belonging may work better for citizen led development. It was noted that there were good examples of this in more rural remote communities.
48. Another stakeholder felt that **citizen led housing including self-build and housing co-operatives** should be encouraged using the Community Empowerment (Scotland) Act 2015, land transfer, land commission funding



²⁹ Quote not attributed

etc. However, it was recognised that there were issues with community development support and capacity as it often relies on one really enthusiastic, committed, knowledgeable volunteer to get projects off the ground.

- 49. A couple of stakeholders noted that greater use of methods such as **participatory budgeting** can help people feel connected with decision making. Another suggestion was that further development of the **Community Led Action Planning model** could be considered across all local authority areas, involving as wide a range of stakeholders and funders as possible. ↑
- 50. One stakeholder mentioned that **access to professional advice** was required ! to assist communities to identify what they need to become high quality, sustainable and accessible places.
- 51. Others stressed the need to improve community engagement and understanding of housing need and supply challenges in order to **view new supply as a positive addition** as opposed to a strain on existing communities and resources. ◆

Planning

- 52. Some planning stakeholders suggested that strong place-based planning should be central to the system, including better use of design-led development briefs which can be set by local authorities, based on the outcomes for the community, the environment and the economy.
- 53. Some stakeholders sought **improvements to the planning system**. One mentioned that planning 'battles' were slowing down the whole process. !
- 54. Another pointed out that there was a **need for communities to feel more connected to the planning process** (as recognised through the recent Planning Review) so that they can help shape the future of the places they will be living, working and socialising in. ◆
- 55. There were also comments that **communities should be engaged early and the Place Standard Tool was thought to be very useful for this** and use of it should be encouraged through the process.

9 Quality and standards

Context

1. In Scotland, housing standards have been developed independently over time, resulting in differences in the standards applying to different housing tenures. All houses used for living accommodation should meet the Tolerable Standard. The latest Scottish House Condition Survey (2017) reported that 1% (or 24,000) of all dwellings fell below the Tolerable Standard. During 2019, the Scottish Government will consider the statutory Tolerable Standard to identify potential changes to ensure houses meet modern expectations for habitability, with a view to a public consultation on this issue later in the year.
2. In the social housing sector, all social housing should comply with the more demanding Scottish Housing Quality Standard (SHQS), with the Scottish Housing Regulator reporting that 94% of social housing met the SHQS in 2018.
3. In the Private Rented Sector, homes must meet the statutory Repairing Standard. Scottish Government is committed to ensuring that every private tenant in Scotland is able to live in a safe and good quality home, and that the condition of private rented sector homes meet the right standard to ensure a fair deal for all private tenants. To realise this, a suite of improvements to the Repairing Standard were made in Parliament in March 2019, with a phased introduction over the coming years.
4. The main issues highlighted by stakeholders in relation to the quality and standards theme included the shared view that a common standard should exist for all tenures; that priority should be given to improving the condition of existing stock; the challenges of fractured ownership; and incentives for change. Stakeholders were generally positive towards progress made to date to improve building quality and standards, but felt further measures could be taken to harmonise existing standards and address the barriers to improvements.

Universal standards

5. A key theme raised by several stakeholders was that there should be **one standard for all properties, across all tenures:** 

*“A **common housing quality standard** which incorporates good quality, energy efficient, safe homes would ensure equity of housing and address inequality across tenure.” (NHS Scotland)*

6. It was suggested that every effort should be made to accelerate a universal standards project, and that any exemptions from the standards should be **clearly defined and consistently applied** to ensure no property sectors (e.g. agricultural tenancies) or householders get left behind. ◆
7. Some of the discussion was focussed on standards for new housing. One stakeholder argued that the **Passivhaus building standard (or near) should be mainstream**, but that it would require volume house builders to deliver on this change. One council and RSL suggested that the Scottish Government could insist on a standard house type across the whole of Scotland, but questioned how this would be funded. ?
8. It was also suggested that **outside space should be incorporated into standards** to help create healthy places and good quality developments. ↑

Current standards – EESSH and SHQS

9. Stakeholders were generally positive towards current standards for existing housing, and noted that the **energy efficiency in existing stock has markedly improved** over recent years following the introduction of the SHQS and the Energy Efficiency Standard for Social Housing (EESSH). ↔
10. Stakeholders suggested that there was a case to **update, integrate and combine existing quality standards**, including the PRS 's Repairing Standard and the SHQS for social landlords, but asked how the Scottish Government could work to harmonise standards.³⁰ ?
11. Housing associations said that they were willing and committed to improving their stock, but suggested that **timescales needed to be flexible** so that improvements could be tied in with general investment programmes. !
12. One council said that **local authorities are under-resourced to carry out their statutory duties to ensure their properties comply with standards**³¹,

³⁰ The Scottish Government has been looking at harmonising standards across tenures on the basis of the report of the Common Housing Quality Standard Forum - <https://www.gov.scot/publications/common-housing-quality-standard-topic-papers/>

³¹ Local authorities are allocated a nominal element for housing activities in the general capital and resource grants from the Scottish Government, but it is for individual authorities to decide how competing demands for their overall resources are best allocated.

and felt little progress has been made towards developing a sustainable financial model to support homeowners.

13. Concerns were also raised over the **diminishing marginal returns of increasing energy efficiency requirements** and whether investments could be put to more effective use. There was also a concern that recently installed systems will be scrapped prematurely if new standards are expected to be reached within short time periods that do not reflect the replacement cycle of those systems. !
14. While the importance of energy efficiency and fire safety standards were recognised, it was stressed that the **potential impact on rents has to be understood and balanced to keep homes affordable** and alleviate child poverty. !

Existing stock and disrepair

15. It was noted that **existing homes will form the vast majority of housing stock by 2040**. A number of stakeholders highlighted the poor quality of Scotland's housing stock, especially among properties built in the 1960s and 1970s and traditional pre-1919 tenements. The latest Scottish House Condition Survey reported that in 2016, 68% of all dwellings had some degree of disrepair³². !
16. There was consensus among stakeholders that **we must raise and maintain the quality of existing housing across all tenures** to ensure that every home in Scotland is warm, dry and energy efficient. ◆
17. Some organisations highlighted that it is usually the most inefficient properties that are in disrepair, and that residents are often households that are least likely to be able to afford to repair or improve.³³ !
18. Concerns were raised over the **lack of a strategic Scottish Government approach to property repair**. Local government currently has a statutory responsibility to develop local housing strategies for improving the condition of houses by providing or arranging for the provision of assistance. However, it was argued that if there is to be a genuine holistic approach to housing in Scotland, maintenance of existing stock is crucial, and the Scottish Government should give it increasing priority: !

³² <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>

³³ Energy efficiency modelling under SAP does not factor in disrepair, but it is likely that poor condition makes it harder to keep homes warm and dry, and therefore there may be a correlation between underinvestment in condition and improvement.

*“While there is an understandable Scottish Government focus on the need for additional housing, the **failure to address the condition of the existing stock is likely to result in a future crisis of much greater cost to the public purse if left un-tackled.**” (Scottish Parliamentary Working Group on Tenement Maintenance)*

19. Others stressed the importance of funding, suggesting that it will be challenging to deliver any real progress without **increased investment and re-modelling of services.** ◆
20. One housing association said they would **welcome an extension of the pilot “equity release scheme”** which helps owners to fund home improvements, and argued that, although the scheme is not without its complexities, it has delivered valuable improvements to owner occupiers. ↔
21. Another stakeholder similarly argued for an extension of the pilot equity loan scheme, suggesting it **should more explicitly cover repairs and improvements**, and not just energy efficiency improvements (the scheme requires that 55% of the loan is used for energy efficiency improvements, including repairs that reduce heat loss or water penetration). ◆

Fractured ownership

22. It was noted that the popularity of the Right-to-Buy policy in the 1980s and 1990s has led to large numbers of council/social homes being sold and the **creation of many mixed tenure communities.** This ‘fractured ownership’, which also exists in many tenements, makes it difficult to undertake improvement works. !
23. There was a particular concern among stakeholders over **deteriorating conditions in mixed tenure housing blocks**, in which owners remain able to block repair and improvement work through inability or unwillingness to pay their share of costs: !

“A lack of specific conditions in title deeds for the management of future maintenance for most properties sold means it is difficult to implement a regular repair and maintenance regime and to get the necessary agreement from all owners to take forward improvements.” (City of Edinburgh Council)

24. One council suggested that **new legislation is needed requiring that all mixed tenure blocks have factoring arrangements in place** to avoid ◆

situations where owners can resist repairs and improvements, as the current legislation does not go far enough.³⁴

25. It was suggested by one housing association that a **community charter for mixed tenure developments** is introduced, which would set out clear obligations and standards for maintaining the communal areas, green spaces and surrounding environments. ↑
26. Another respondent suggested that the **Scottish Government introduce a national 'missing share' loan fund** to address the issue of owners blocking necessary investment in mixed tenure blocks. The 'missing share' would be paid by the Government and clawed back at sale. ↑

Focus on private sector stock

27. Some stakeholders suggested that there should be a **stronger emphasis on improving housing stock in the private sector:** ◆
- “...the recent proposals on further improving the energy efficiency of social housing...whilst previous commitments to tackle standards in private housing continue to be shelved, demonstrate a disproportionate emphasis on social housing simply because it is easier to impose standards on – and assess compliance in – this sector.” (Glasgow and West of Scotland Forum)*
28. One stakeholder raised concerns that the PRS has both a **disproportionate level of disrepair and over-crowding**, which needs to be prioritised within the existing private housing stock.³⁵ !
29. Some stakeholders noted that the **private sector is not required to adhere to the same standards as social housing** and questioned how energy efficiency standards will be enforced in the owner occupied sector³⁶. ?

³⁴ A cross-party working group on tenement maintenance has been set up with the remit to consider and establish solutions to urge, assist and compel owners of tenement properties to maintain their Scheme Property. The Group published an interim report on 16 January 2019 - <https://www.befs.org.uk/policy-topics/buildings-maintenance-2/>

³⁵ The Scottish House Condition Survey found similar levels of disrepair for private and social housing - <https://www.gov.scot/publications/scottish-house-condition-survey-2017-key-findings/>. However, stakeholder concerns may reflect problems with the condition of some private rented housing concentrated in particular areas.

³⁶ The Scottish Government is developing regulations for a mandatory minimum energy efficiency standard in the private rented sector. This will contribute to the Energy Efficient Scotland commitment to improve the energy efficiency of all buildings.

30. It was noted that the **enforcement of standards in the PRS is inconsistent**, and tenants can receive a poor service from their landlord, particularly in relation to carrying out repairs promptly. !
31. To address poor standards in the PRS, it was proposed that **individual landlords should be required by law to use professional management**, through a registered letting agent. ↑

Incentivising improvements

32. Stakeholders suggested that a **fresh approach to incentivise improvements is needed**. One Council said that consideration needed to be given to incentives such as VAT reduction and/or other tax concessions to help existing home owners to improve their properties. ◆
33. It was also suggested that **'Schemes of Assistance' should continue to be delivered** and, despite some room for improvements, should be a key element of any future vision for housing quality. ↔
34. It was suggested that the Scottish Government should consider a **'help to improve' equity model**. ↑
35. Some stakeholders advised that **funding packages need to be developed using a range of powers**, such as non-discretionary grants from councils or second homes council tax funding. ◆
36. Others, though, questioned how funding would be sourced, and acknowledged that **making substantial grants available to owners for a wide range of works would be unrealistic and unachievable**³⁷. ?
37. One housing association also expressed concern that the use of incentives has resulted in profiteering, and that **past models have become abused**. !

Enforcement

38. It was noted that there needs to be a **willingness on the Scottish Government's part to ensure that appropriate incentives can be offered alongside enforcement of such powers**. ◆

³⁷ Current Scottish Government guidance for local authorities discourages use of grants for the general subsidisation of repair and improvement works by owners, though there can be a role for target schemes - <https://www.webarchive.org.uk/wayback/archive/20171002000605/http://www.gov.scot/Publications/2009/03/25153822/2>

39. One stakeholder suggested that **standards could be enforced using a 'home report' style inspection** when the property is first registered, which would involve the property being checked by the local authority to ensure it complies with standards. ↑
40. It was also suggested by the Scottish Parliament's Tenements Maintenance Working Group that there could be a **statutory five-yearly tenement expectation, statutory sinking funds and statutory owners' associations**. ↑

10 Regeneration and sustainable communities

Context

1. The Scottish Government's Regeneration Strategy recognises that a sustained and coordinated place based approach across the public sector and its partners, working with people and communities, is needed to address the deeply ingrained economic, environmental and social issues faced by some of Scotland's most disadvantaged, fragile and remote communities. Regeneration across Scotland's cities, towns, villages, communities and remote areas is underpinned by community empowerment, place based approaches, and sustainable inclusive growth.
2. The regeneration and sustainable communities theme attracted comments encompassing a range of views from different stakeholders. Comments on place and place-making featured strongly, but have been reflected in the separate Place theme in section 8.

Whole place based approach

3. Stakeholders were concerned that current regeneration initiatives focus too much on bricks and mortar improvements and do not address underlying health and income inequalities. !
4. There was a strong recognition from stakeholders that a **"whole place based approach"** is needed when regenerating an area. They felt a whole place approach would ensure successful, sustainable places that promote health and well-being. Stakeholders also felt that this approach would enable the public sector, communities, and businesses to work together more effectively. ↔
5. Some stakeholders felt that **place-making and how housing is currently built needs to be given consideration**, as new developments can result in homogenous housing styles of the same tenure which may create a sense of separation in communities.

Town centre regeneration

6. A number of stakeholders felt that future housing planning and policy should be more clearly focused on the **"town centre first" principle** as this approach has the potential to provide housing close to amenities and resources. ◆

7. One stakeholder said if town centres are to be regenerated as places to live, work and shop, the housing sector should be seen as a significant and equal partner in delivery, with a clear connection between economic development and meeting housing need. ◆
8. Many stakeholders felt there needs to be **various funding streams in order to facilitate improving town centres**, with the re-provisioning of commercial spaces into residential ones. While stakeholders felt quite strongly that town centre regeneration is hugely important and an integral part of their work, they felt that sufficient funding is a top priority if they are to continue this regeneration work. ◆
9. Some stakeholders felt that **town centre regeneration initiatives should relate to the provision of affordable housing rather than place** which should include the conversion of unused shops into housing. Stakeholders commented while that may reduce the number of shops, it may also help to sustain those businesses that remain, create employment and contribute to a circular economy. Others noted that any regeneration projects should not incentivise a reduction in retail or community facilities in town centres. ↑
10. While stakeholders felt that town centre regeneration is a national priority, many highlighted the **challenges that arise when trying to deliver homes on those sites**, such as higher development costs and complex asset ownership in high streets and town centres. !
11. Stakeholders noted that most town centres contain **empty buildings which pose potential opportunities for residential use**, but that the historic character of many town centres means there are limited opportunities for new housing. Stakeholders commented that there is limited funding available for complex projects that may involve listed, historic buildings, contaminated land or long term empty homes. !
12. Some stakeholders felt there needs to be more **interventions** in place to help move private development away from peripheral green field sites to brownfield sites or existing buildings in town centres. ↑

Vacant and derelict land

13. Many stakeholders felt that there are too many limitations on how the Vacant and Derelict Land Fund can be used. They noted that current funding arrangements constrain their ability to unlock investment and to deliver homes across all tenures. !

- 14. One stakeholder felt as a starting point, all **artificial barriers to spending regeneration funding could be removed**. Local authorities should have the freedom to deliver sustainable communities in these areas - for example, by allowing Vacant and Derelict Land Fund monies to be spent on enabling residential development. ◆
- 15. There were calls for the Scottish Government to provide sufficient and effective funding arrangements in order to support more ambitious regeneration works. ◆

Community empowerment and sustainability

- 16. Many stakeholders felt the key to successful regeneration and sustainability is to ensure that local communities are involved in the planning and designing of their neighbourhoods:

“We very much support the principle that local communities should be empowered to respond to housing need in their area, as part of a coherent regional economic approach (creating and maintaining jobs) and supported by provision of the right infrastructure. We would see walkability as a key test of whether a neighbourhood is fit for purpose. In this context infrastructure includes paths, bus stops etc.” (Paths for All)
- 17. In order to achieve this, it was noted there should be early engagement and collaboration between the community and local authorities, private and third sectors. ◆
- 18. Some stakeholders considered that in order to regenerate and sustain communities, financial support needs to be available which is accessible by local communities, including social landlords, to support the delivery of local community projects. ◆
- 19. One stakeholder noted that meaningful engagement with communities in development plans and decision making is considered a challenge and resource intensive. They added that adequate resourcing would be required to ensure it remains an important aspect of regeneration. !
- 20. A number of stakeholders asked whether the Scottish Government could provide best practice/support information on how to undertake evidence based participation within communities. ?

Rural regeneration and communities

21. Some stakeholders felt the issue with **rural depopulation** requires a holistic approach which includes improving accessibility, broadband, infrastructure, renewable energy technology, transport and investment. ↔
22. Some local authorities said that they would like to see an increase in affordable homes being built in rural areas to help support local employment. ↔
23. Stakeholders also said that they would like to see different models of rent, self-build, part ownership, and adaptive housing solutions for future users. ↔
24. One stakeholder asked if the Scottish Government would consider setting **limits on how much more Glasgow, Edinburgh and other big cities can expand** in terms of population in order to encourage a redistribution of population and economic activity. ?

Poor quality housing stock

25. A number of stakeholders felt that the regeneration of existing homes should be given increased priority. It was felt that the protection of existing housing stock would support the sector's long-term supply objectives. ◆
26. Some stakeholders felt the Scottish Government should place greater emphasis on the dual benefits of facilitating the acquisition and buying back of private flats by housing associations and stock-owning local authorities. ◆

11 Welfare, wealth inequality and intergenerational inequity

Context

1. The Scottish Government published its sixth Welfare Reform Report on 1 October 2018³⁸, which estimates that annual social security spending in Scotland will be £3.7 billion lower in 2020-21 than it would have been without the UK Government welfare reforms introduced since 2010. There is also clear evidence that the introduction of Universal Credit (UC) has led to significant, material increases in poverty, hardship and destitution. While UC is now available across the UK, the managed migration of legacy benefit claimants will not complete until December 2023.
2. In addition, this decade has seen a growing awareness of affordability issues and the negative impact of rising house prices. House price growth, driven by demographic trends (e.g. migration, single person households, longevity) leading to increased demand, when not matched by a supply response, can result in a transfer of wealth from young to old, as home owners gain from increases in their asset value and younger people are increasingly priced out. This happens when house price growth consistently outstrips inflation and wage growth (“generation rent”).
3. The welfare, wealth inequality and intergenerational inequity theme attracted a range of views from stakeholders. Some of the issues raised cut across the other themes. In assessing the responses provided, four key themes have emerged: welfare reform; intergenerational wealth issues; the need for more advice and support; and standards.

Welfare Reform

4. Stakeholders raised concerns about issues associated with the roll-out of UK welfare system changes such as UC and the Benefit Cap and their impact on housing in Scotland. These included concerns about the impact on the homeless numbers, evictions and rent arrears. !
5. There was support for the Scottish Government’s approach to mitigating the impact of UK Government welfare system changes (e.g. bedroom tax mitigation) but stakeholders questioned the sustainability of the mitigation in the longer term. ↔

³⁸ <https://www.gov.scot/publications/2018-annual-report-welfare-reform/>

6. Suggestions to further mitigate the UK Government's welfare reforms included:
 - Sharing good practice between RSLs and Councils about finding ways to continue to be flexible with regard to the first month's rent for UC claimants. ↔
 - A 'Citizen's Basic Income Scheme' or 'Universal Basic Income' should be piloted as means of providing economic security³⁹. ↑
7. Some stakeholders wanted to see housing benefit removed from the UC award and devolved to the Scottish Government. One council said:

"[we] would strongly urge the removal of housing costs from Universal Credit and return to Housing Benefit in the same way that has been implemented for temporary accommodation since April 2017. Indeed, consideration should be given to lobbying for devolving Housing Benefit administration to the Scottish Government to align with Scotland's powers over matters such as housing and social security."
8. It was suggested that long term DHPs could be made to people affected by the UK Government Benefit Cap to ensure it does not act as a deterrent to people finding suitable, settled and affordable homes. ↔
9. Stakeholders highlighted their concern about the number of households in poverty living within the PRS (a 2014 report by the Joseph Rowntree Foundation⁴⁰ showed this had doubled in the past decade at a UK level). !
10. The Scottish Government was asked to consider how we can design a social security system that provides enough support to enable people to have a good quality of life without disincentivising work. However, it should be noted that all income related benefits are **reserved to the UK Government**. ?

³⁹ In March 2018, four local authorities (Fife, City of Edinburgh, Glasgow City and North Ayrshire) made a successful collective bid to the Scottish Government's Citizen's Basic Income Feasibility Fund and have begun research into the feasibility of a Citizen's Basic Income pilot. A full feasibility report is expected by end of March 2020.

⁴⁰ <https://www.jrf.org.uk/report/monitoring-poverty-and-social-exclusion-2014>

11. Several stakeholders suggested that the housing element of UC should be paid direct to the landlord⁴¹. ◆

Intergenerational wealth issues

12. **Shared equity schemes** which give young people a chance of owning their own home were welcomed and the Scottish Government was asked to consider whether they should be increased. ↔
13. Stakeholders suggested that LAR Housing Trust and MMR models should be maintained to give young people more options and better access to housing, and that consideration should also be given as to whether or not they could be expanded. ↔
14. Stakeholders commented that tax incentives could be introduced to encourage people (e.g. older people) to move from bigger homes into smaller ones. Options suggested included equity release or moving from owner occupation to the PRS. ↑
15. Options were suggested that could be provided to support people (especially first time buyers/young people) to access home ownership; for example, Rent to Buy, Self-Build Loans, Shared Ownership, changing the criteria for shared equity schemes and use of rent deposit schemes to help tenants save for a deposit. ↑
16. The issue of credit references for tenants was raised. Stakeholders mooted the idea that mortgage lenders be persuaded to lend with a smaller deposit to those who have consistently paid their rent. ↑
17. Several respondents suggested the need for **more publicly funded incentives** to encourage businesses within areas of deprivation to create employment opportunities. ↑
18. Stakeholders also wanted to see the “no DSS” clause removed from Buy to Let mortgages and argued that there should be a legal challenge against lenders who refuse a Buy to Let mortgage for landlords letting to tenants who are claiming housing benefit. ↑
19. Concerns were raised about young people having limited future housing options compared to previous generations. This was thought to be due to a !

⁴¹ Universal Credit is reserved to the UK Government. The Scottish Government does, however, have limited powers over the way in which Universal Credit is paid in Scotland. The Universal Credit Scottish choices give people living in Scotland the choice to receive their Universal Credit award either monthly or twice monthly and to have their rent paid directly to their landlord.

lack of homeownership options, increasing rents in the PRS and middle earners being priced out of social housing.

“[There is a] huge intergenerational gap in young people’s housing options compared to previous generations. Lack of homeownership options, with increasing PRS rents and middle earners being priced out of social housing has left young people with reduced housing options.” (Inverclyde Council)

20. One stakeholder asked that the Scottish Government recognise the legitimate role of housing as an asset. They voiced their concerns about interventions that seek to deny, remove or limit access to housing wealth as these could distort the market and limit people’s ability to plan for their future. !
21. There were concerns about the suggestion that government policy should promote house price stability by controlling market prices as this could have a disruptive influence on the overall Scottish market. It was suggested that consideration should instead be given to the need for greater consistency with the UK position. !
22. Stakeholders noted that most people aspire to own their own homes, but questioned how achievable that is. ?
23. Stakeholders also asked the Scottish Government how it plans to involve young people in the design of future housing provision. ?
24. It was proposed that the Scottish Government stops creating new Scotland specific interventions and considers more consistency with the UK Government, particularly on home ownership interventions to encourage greater lender support. ↓

Advice and Support

25. Some stakeholders argued that people of all ages should be encouraged to think more about their medium to longer term housing options. ◆
26. Stakeholders said that advice and support should be provided to vulnerable groups to ensure they are claiming all the benefits they are entitled to and there should be more promotion of existing schemes and support, such as DHPs and UC Scottish Choices. ↔

Standards

27. Concerns were raised about the impact of increased requirements across all tenures and how this impacts on affordability, particularly for tenants who may have to pay higher rents as result e.g. if additional support was not provided. !
28. Several stakeholders echoed the need for cross tenure quality standards given that some households still live in housing below the 'Tolerable Standard'. ◆

ANNEX B Contributors

Organisations

7N
Aberdeen City Council (and RSLs)
Aberdeenshire Affordable Housing Forum
Aberdeenshire Council
Aberdeenshire Housing Strategy Group
Accessible Housing Group
Age Scotland
Age, Home and Community
Association of Local Authority Chief Housing Officers (ALACHO)
Angus Council (including RSLs and tenants)
Ann Nisbet Studio
AREA
Architecture and Design Scotland
Argyll and Bute Council (including their Strategic Housing Forum)
Argyll and Bute Council
Ayrshire Housing Association
Berwickshire Housing Association
Blackwood Group
Blackwood Housing Association
Bridgewater Housing Association
British Healthcare Trades Association
Collaborative Centre for Housing Evidence (CaCHE)
Caledonia Housing Association
Care and Repair Scotland
Castlerock Edinvar Housing Association
Centre for Homelessness Impact
Chartered Institute for Housing (CIH)
Collective Architecture
CIH Scotland
Citizens Advice Scotland
City of Edinburgh Council
Clackmannanshire Council
Clyde Valley Housing Association
Clydeplan – Strategic Development Planning Authority
Convention of Scottish Local Authorities (COSLA)
COSLA Community Well-being Board
CRISIS
MIND Scotland
Napier University
New Gorbals Housing Association
Registered Tenant Organisation Regional Networks
NHS Greater Glasgow and Clyde
NHS Health Scotland
NHS Healthcare Improvement Scotland (Housing Advisory Group)
North Ayrshire Council
North Lanarkshire Council
Older People’s Strategic Action Forum
Orkney Housing Association
Orkney Islands Council (and RSLs)
Osprey Housing Association
Osprey Housing
Paths for All
Perth and Kinross Council
Places for People Housing Association
Port of Leith Housing Association
Positive Action in Housing
Propertymark
Prospect Community Housing
PRS Tenants Group (West Lothian)
Queens Cross Housing Association
Redpath Bruce Property
Regional Network National Event
Registered Tenants Association
Renfrewshire Council (and partners)
Royal College of Occupational Therapists
Royal Incorporation of Architects in Scotland (RIAS)
Royal Incorporation of Architects
Scotland Royal Institution of Chartered Surveyors
Royal Town Planning Institute
Rural and Islands Housing Association Forum
Rural Housing Scotland
Rural Landowners
Rural Stirling Housing Association
Safe Spaces

Dumfries and Galloway Small Communities
 Housing Trust
 Disability Agenda Scotland
 Dundee City Council
 East Ayrshire Council
 East Ayrshire Federation
 East Dunbartonshire Council
 East Lothian Council
 East Renfrewshire Council
 Edinburgh City Council
 Eildon Housing Association
 Energy Agency
 Falkirk Council
 Fergus Purdie Architects
 Fife Council
 Gladman Scotland
 Glasgow and West of Scotland Forum
 Glasgow Centre for Inclusive Living
 Glasgow City Council
 Hanover Housing Association
 Harrison Stevens
 Healthcare Improvement Scotland
 Home Energy Efficiency Programmes for
 Scotland: Area Based Scheme Officers
 Highland Housing Hub
 Highlands Small Communities Housing Trust
 Homelessness Action Group
 Homes for Scotland
 Horizon Housing Association
 Housing Options Scotland
 Housing Support Enabling Unit
 Highlands Small Communities Housing Trust
 HTA Design LLP
 Ian White Associates
 Igloo
 Inclusion Scotland
 Independent Living in Scotland
 Inverclyde Council
 JTP Architects
 Joint Housing Policy and Delivery Group
 Kincardine Estate
 Kingdom Housing Association
 Letting Agent Stakeholders
 Life Chances of Young People in Scotland
 LINK Group
 Loch Lomond and Trossachs National Park
 Authority
 Scottish Commission for Learning
 Disability
 Scottish Natural Heritage
 Scotland's Housing Network Local
 Housing Strategy Practice Exchange
 Forum
 Scottish Association of Landlords
 Scottish Borders Council
 Scottish Borders Housing Association
 Scottish Fuel Poverty Forum
 Scottish Futures Trust
 Scottish Housing Day Hustings Event
 Scottish Housing Network
 Scottish Housing Regulator
 Scottish Youth Parliament
 Scottish Environmental Protection
 Agency (SEPA)
 Scottish Federation of Housing
 Associations (SFHA)
 Scottish Women's Aid
 SHELTER Scotland
 Shetland Islands Council
 Shettleston Housing Association
 Smith Scott Mullan
 South Lanarkshire Council
 StellanBrand
 Stirling Council
 Tenants Information Service
 Tesco Bank
 Tighean Innse Gall (TIG)
 Scottish Parliamentary Working Group
 on Tenement Maintenance
 Town Planner & Rapporteur
 Tenant Participation Advisory Service
 (TPAS) Scotland
 TRUST Housing Association
 UK Finance
 University of Glasgow
 Veterans Scotland
 Veterans Scotland Housing Group
 W Munro (Rehab) Ltd
 Waverley Housing Management Team
 West Dunbartonshire Council
 West Lothian Council
 Western Isles Council
 Wheatley Group
 Whiteburn

Maryhill Housing Association
Melville Housing Association
Midlothian Council

Individuals

We also received views from four individual professionals.



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