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<b>Report To:</b>	<b>Inverclyde Council</b>	<b>Date:</b>	<b>20 February 2020</b>
<b>Report By:</b>	<b>Corporate Director Environment, Regeneration &amp; Resources</b>	<b>Report No:</b>	<b>IC/01/20/MM</b>
<b>Contact Officer:</b>	<b>Martin McNab</b>	<b>Contact No:</b>	<b>4246</b>
<b>Subject:</b>	<b>Housing to 2040 Consultation</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to advise members of a pending response to the Scottish Government's "Housing to 2040" consultation and to seek their views on the proposed response.

## **2.0 SUMMARY**

- 2.1 The Scottish Government opened a consultation on outline policy options on Housing to 2040 on 2<sup>nd</sup> December 2019 with the consultation closing on 28 February. As this is a consultation on strategy rather than a technical consultation it is appropriate to consult members on the Council's response.
- 2.2 The consultation is attached at Appendix 1 with further detail on the Scottish Government's Vision for Housing to 2040 attached at Appendix 2. A draft Inverclyde Council response to the consultation is attached at Appendix 3.
- 2.3 In the course of finalising the draft response, officers from Strategic Housing have consulted with the Health and Social Care Partnership, Planning Policy and Corporate Policy.

## **3.0 RECOMMENDATIONS**

- 3.1 That the Council approves the draft response to the "Housing to 2040" consultation together with any agreed changes or additions that members might wish to propose.

**Martin McNab**  
**Head of Environmental & Public Protection**

#### 4.0 PROPOSALS

4.1 The proposed consultation response is attached at Appendix 3. It is proposed that the Committee agrees this response for submission together with any agreed changes or additions that members might wish to propose.

#### 5.0 IMPLICATIONS

##### 5.1 Finance

None

##### Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
N/A					

##### 5.2 Legal

N/A

##### 5.3 Human Resources

N/A

##### 5.4 Equalities

##### Equalities

(a) Has an Equality Impact Assessment been carried out?

	YES
X	NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been
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	completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

5.5 **Repopulation**

Issues around repopulation have been considered throughout the response.

**6.0 CONSULTATIONS**

6.1 The Health and Social Care Partnership, Corporate Policy and Planning Policy have been consulted on the submission.

**7.0 BACKGROUND PAPERS**

7.1 N/A

# Housing to 2040

## Consultation on outline policy options

2 December 2019

Dear stakeholder

## **Housing to 2040: consultation on outline policy options**

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. In last year's Programme for Government, we committed to work with you on a vision for how our homes and communities should look and feel by 2040 and the options and choices to get there. This year we reaffirmed that commitment. We want to publish our final vision and route map for 2040 in summer 2020, aligned with our new Infrastructure Investment Plan, and the Capital Spending Review, which will take account of recommendations from the Infrastructure Commission for Scotland on strategic priorities.

In July, we published a draft vision for our homes and communities in 2040, and supporting principles to guide policy development. This built on the wealth of material received in response to our stakeholder engagement in 2018 and I want to thank you for all your contributions to date. **I am writing to you now to seek your views** on the draft vision and principles and **your suggestions for bold, imaginative and innovative proposals** in order to deliver the housing to 2040 vision.

We would very much like this to be an open public debate so that we can work together towards building a consensus around the vision and route map. In support of this, we are running a programme of stakeholder events and I am planning to attend as many of these as possible so I can hear your views. These will provide a forum to explore your suggestions and some of the difficult choices that necessarily follow. As it may not be possible to engage with everyone with an interest, we are also inviting written submissions.

Now is the time to reimagine our housing system and we want to work together with the whole of Scotland to create a shared vision for 2040. 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 global climate emergency and promoting inclusive growth. We face a number of challenges which mean that **business as usual is not an option**. We need to think open-mindedly about how to respond and **I am clear that nothing is off the table**.

You have asked us to work towards cross-party political consensus on the future direction of housing policy. If the vision and route map are to be long-lasting, then they need to be created by, and belong to, all of us. I have invited other political parties to work with us on this and I look forward to engaging with them once I have

heard from you about how you would like us to deliver the vision. We all know that house building, and housing systems don't fit neatly into a parliamentary cycle. I want to provide you with the long-term certainty you need to plan ahead, whether as an individual or organisation, and to invest in housing and housing services, in order to deliver and enjoy our shared vision for 2040.

Attached to this letter you will find: details of how to engage (**Annex A**); some guideline questions (**Annex B**); and some points to consider (**Annex C**). A copy of this letter is available on the Scottish Government website.

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. This period of consultation will continue until **28 February 2020** and I look forward to engaging with you.

**AILEEN CAMPBELL**

## HOW TO ENGAGE

Everything you need to know, including a copy of this letter, can be found at:

[www.gov.scot/publications/housing-2040/](http://www.gov.scot/publications/housing-2040/)

Please consider using **social media** - twitter **#housing2040** - to make a public contribution and encourage debate.

If you want to make a **formal written submission**, please respond to this consultation using the Scottish Government's consultation hub, Citizen Space. Further details can be found within **Annex D** – Responding to the Consultation.

The Scottish Government will be organising a series of **engagement events**, some of which will be open and some of which by invitation only, and details of these will be made available on our website.

As part of this engagement, a **housing exhibition**, *Present Voices, Future Lives*, has begun touring twelve locations across Scotland. Exhibition events have been running since 4 November and will conclude on 16 December. The exhibition is travelling to urban, rural and island locations in order to hear from local communities and young people across Scotland about what matters to them. It aims to convey some of the challenges and themes such as liveability, adaptability, and accessibility, as well as providing an opportunity to better understand people's lived experiences of housing and place.

The exhibition spends a full day in each of the locations, and involves daytime workshops with young people to explore how we want to live in future, followed by a curated evening exhibition. The evening exhibition is open to all and showcases the findings collected from the workshops during the day. You are most welcome to attend any of the upcoming evening exhibitions and there will be other opportunities to view the full exhibition during the consultation period. The full list of exhibition dates and venues is signposted on the Scottish Government website.

Please also consider **arranging your own events** and discussions and using these to shape your contribution. We have produced a step-by-step guide for running your own Housing to 2040 consultation event or workshop. If you would like to do this, please get in touch with the Housing to 2040 team as they may be able to offer further advice and assistance.

You can **contact the Housing to 2040** team at: [housing2040@gov.scot](mailto:housing2040@gov.scot) (but please note we may not be able to reply to each e-mail individually).

## GUIDELINE QUESTIONS

Q1	<p>Earlier this year we published our draft vision and principles. A short and longer version are available here: <a href="https://www.gov.scot/publications/housing-to-2040/">https://www.gov.scot/publications/housing-to-2040/</a>. Do you have any comments on the draft vision and principles?</p> <p><i>Please be specific and identify what you would change and why.</i></p>
Q2	<p>Do you have any comments on the scenarios and resilience of the route map or constraints?</p> <p><i>These are set out in sections 3 and 4 of <b>Annex C</b>.</i></p>
<p><i>For questions 3 to 7 below, when making proposals, please be as specific as you can about:</i></p> <ul style="list-style-type: none"> <li>• Who needs to make it happen and what type of action is required? E.g. facilitation, regulatory, financial, infrastructure, training etc.</li> <li>• How much it costs and who will pay?</li> <li>• Who is needed to do the work (workforce)?</li> <li>• How long the proposal would take to implement and whether it is a temporary or permanent measure?</li> <li>• When in the period 2021 to 2040 should it begin and does anything need to be done first?</li> <li>• Who will benefit (who is it for)? And who might lose out and how could this be mitigated? (Think about equality groups and different types of organisation and geography and the impact on the wider community.)</li> <li>• How does it help deliver the draft vision? Does it align with the draft principles?</li> </ul> <p>We recognise you may not be able to answer all of these questions – please do not let that put you off responding to us with your proposals.</p>	
Q3	<p>Do you have any proposals that would increase the <b>affordability</b> of housing in the future?</p>
Q4	<p>Do you have any proposals that would increase the <b>accessibility and/or functionality</b> of existing and new housing (for example, for older and disabled people)?</p>



<b>Q5</b>	Do you have any proposals that would help us respond to the global climate emergency by <b>increasing the energy efficiency and warmth and lowering the carbon emissions</b> of existing and new housing?
<b>Q6</b>	Do you have any proposals that would improve the <b>quality, standards and state of repair</b> of existing and new housing?
<b>Q7</b>	Do you have any proposals that would improve the <b>space around our homes</b> and promote connected places and vibrant communities?
<b>Q8</b>	Any other comments?

## SOME POINTS TO CONSIDER

### 1. Introduction

- 1.1. We are inviting views on the draft vision for 2040 and the underpinning principles as well as your suggestions for radical policy proposals to make the vision a reality.
- 1.2. This paper takes forward the commitment in the Scottish Government's 2018-19 Programme for Government<sup>1</sup> 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.
- 1.3. We are adopting a whole-systems approach to housing and, for this to be effective, we need to make the most of connections between different policy areas across government. We want to align housing to 2040 with longer term planning already underway, for example around infrastructure investment and the Infrastructure Commission, the Scottish National Investment Bank, and Scotland's inclusive growth agenda.
- 1.4. The Scottish Government has already taken significant steps to improve the housing system in Scotland and people's experience of it. This includes: a renewed commitment to social housing through record investment and ending 'Right to Buy'; improving protections and standards for tenants in the Private Rented Sector: and alleviating poverty through full mitigation of the bedroom tax through Discretionary Housing Payments and the introduction of the Universal Credit Scottish choices. Since 2013, over 120,000 homes throughout Scotland have benefited from our Home Energy Efficiency Programmes, making them warmer, greener and more energy efficient, and we have set out an Energy Efficient Scotland route map to 2040 describing how we will improve the performance of all our buildings. We are taking action to ensure everyone has a home, ending homelessness and rough sleeping in Scotland. In addition, our Affordable Housing Supply Programme is on track to deliver our target of more than 50,000 affordable homes by 2021. For each policy affecting housing, we must make the right changes at the right time to help us converge on the 2040 vision.

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<sup>1</sup> 'Delivering for today, investing for tomorrow: the Government's programme for Scotland 2018-2019', September 2018 (page 98-99) <https://beta.gov.scot/publications/delivering-today-investing-tomorrow-governments-programme-scotland-2018-19/>

## **2. Vision and principles**

- 2.1. Housing, and our approach to 2040, has a substantial role to play in contributing to the Scottish Government's Purpose, National Outcomes<sup>2</sup> and UN Sustainable Development goals. It can help us achieve many of our ambitions for Scotland, including eradicating child poverty and homelessness, ending fuel poverty and tackling the effects of climate change; housing must play its part in tackling the global climate emergency.
- 2.2. The draft principles we published in July 2019 are designed to provide a coherent framework for future housing policy development in Scotland. The advantages of setting out principles are that they help improve:
  - the consistency and focus of housing policies and actions; and
  - the connection between housing policy and other priorities, e.g. around inclusive growth, health and education.
- 2.3. Housing to 2040 is for all of Scotland. Rural communities face particular issues, for example with higher housing costs, both build costs and living costs, than in Scotland's towns and cities. The vision and principles are designed to work across Scotland and include important implications and protections for rural communities. As we develop the route map, we will be subjecting it to an islands impact assessment and considering how to ensure it is rural-proofed, in line with the recommendations of the National Council of Rural Advisers.

### *Development of the vision and principles*

- 2.4. The Housing to 2040 draft vision and principles emerged as a result of extensive engagement which concluded on 30 November 2018, and attracted contributions from over 800 people representing more than 100 organisations. A Scottish Government report on this stakeholder engagement in 2018 was published in May 2019 and you can find a copy of the 2018 discussion document and the final report on the website.

## **3. Drivers of change**

- 3.1. The high level policies to deliver the 2040 vision will, in due course, be included in a route map to 2040. For the route map to have lasting value, it has to be resilient around different possible futures. Some major influencers

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<sup>2</sup> See [Scotland's National Performance Framework](#).

of the housing system include: population and health; political; economic; technology; transport; energy and climate change; and climate adaptation.

- 3.2. When suggesting your policy proposals, you might like to consider how resilient your proposals are against the following variables or “drivers of change”, noting that change may come faster or slower than forecast or be altogether different. (Note that this is not an exhaustive list.)

*Population and health*

- More single person households
- Relatively smaller working age population
- Geographical shift in population – areas of rising population and depopulation, especially in rural areas
- No natural growth in population – falling birth rate and an increase in the number of deaths
- Need for inward migration to maintain population
- Ageing population
- The gap between life expectancy and healthy life expectancy

*Political*

- Increased devolution of powers or full independence for Scotland
- Relationship with the EU
- Role of local government
- Public appetite to pay to fund public services
- Public engagement in decision-making

*Economic*

- Relative economic performance between Scotland and rUK
- Negative impact of Brexit
- Greater financial innovation, especially “green finance”
- Exchange rates

- Scottish Government borrowing limits
- Balance of imports, exports and internal consumption, e.g. around timber and forestry

### *Technology*

- Increasing automation and artificial intelligence affecting the way we work - different jobs, changing work patterns and skills requirements
- Technology as enabler for communications, care and longevity
- Data gathering and integration to improve policy-making and service delivery
- Balance between on-line and physical interaction, e.g. in retail, and the impact on urban planning
- Speed of technological development and regulatory lag
- Growing need for robust cyber security
- Rollout of 5G and superfast broadband
- Greater customisation and personalisation

### *Transport*

- Increased use of electric vehicles – could mean a way of storing energy for homes or, in the case of autonomous cars, the depot is a storage node on the grid
- More walking and cycling
- Smart public transport, responding to demand

### *Energy and climate change mitigation*

- Growing public support for climate action
- More renewable energy generation and changes to energy infrastructure
- Improved energy performance for homes and businesses
- Future of the gas grid – closed or repurposed?
- Carbon capture and storage

- Changing patterns of land use and farming methods, re-wilding, re-planting forests, protecting peat lands
- Changing patterns of consumption of food and other goods

*Climate change: adaptation*

- Increased flood risk from sea level rise and excess rainfall
- Prolonged periods of low rainfall with increased drought and fire risk
- Higher temperatures and greater need for cooling measures
- Changes to land use

#### **4. Constraints: financial and labour market**

*Financial*

- 4.1. Scottish Government's capital budget of over £827 million for the Affordable Housing Supply Programme in 2019-20 represents 16% of the total capital budget<sup>3</sup>. The current level of funding, however, will be difficult to sustain, especially considering the number of demographic, societal and fiscal challenges we face.
- 4.2. 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. This brings the total government spend to around £13 billion. Householders and the private sector will have made significant investment in housing infrastructure over this period too; publicly-funded housing infrastructure also attracts at least 50% private finance.
- 4.3. There are four major areas of investment and activity required in housing infrastructure in the period to 2040:
  - delivering more homes across all tenures;

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<sup>3</sup> The total capital budget is £5,106 million, including Financial Transaction Capital.

- adaptations of (some) existing homes to make them more accessible for disabled persons and appropriate for an ageing population;
- delivering the Energy Efficient Scotland targets through retrofitting energy efficiency measures in our existing homes; and
- addressing the backlog of major improvements, maintenance and repairs to existing homes across all tenures, but especially owner occupied homes.

4.4. The total cost of all this work might be expected to be of *order of magnitude* £100 billion<sup>4</sup> over the 20 year period, apportioned between the public and private sectors and households. (By way of comparison, the total Scottish Government budget for 2019/20 is around £34.7 billion<sup>5</sup>.) One important constraint is the need to spread the cost of this work equitably across all sectors and distribute sensibly over time. In particular, public sector costs must be bearable and also take account of any revenue impact (positive or negative) from the policy options.

4.5. A whole systems approach to housing delivery needs to take account of all public sector housing-related costs and receipts. We need to bring more new and innovative forms of finance into the housing system and make sure that public investment complements, rather than displaces, private investment.

#### *Labour market*

4.6. Similarly, the work will need to be done by an evolving workforce and different skills will be required in different combinations for each activity. The planning and sequencing of the work in the route map will need to take account of the availability of people with the right skills in the different regions of Scotland. For example, there may be only so many electricians available at any given time in the Highlands and they cannot be overcommitted. This is a second important constraint.

4.7. Some important factors affecting availability include: the overall workforce size, shaped by demographic changes, including an ageing population and migration to, from and within Scotland; worker mobility across Scotland and between sectors of the economy; opportunities for training and re-training; the need for skills to evolve to suit new and emerging technologies; and the latency of the system – recruitment and training take time.

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<sup>4</sup> This means closer to £100 billion than either £10 billion or £1 trillion.

<sup>5</sup> DEL only, i.e. excluding AME.

- 4.8. We also need to be active in shaping the future workforce to deliver the route map and the vision for 2040. For example, Scottish Government is already considering the future skills requirements to deliver new housing and more broadly<sup>6</sup>.
- 4.9. We need to think about efficient deployment too – if a home needs adapting and retrofitting, then it might make better use of skilled workers to do this in a combined effort. This is in line with the Place Principle<sup>7</sup>, requiring a more joined-up, collaborative, and participative approach to services, land and buildings, across all sectors within a place.
- 4.10. When we consider the sequencing of options, both these constraints need to be borne in mind.

## 5. Your policy suggestions

- 5.1. You might want to consider how your suggestions:
  - contribute towards delivery of existing commitments post-2021, such as those around child poverty and tackling the global climate emergency;
  - recognise the scale of the fiscal, demographic and climate challenges - we cannot simply continue with business as usual;
  - facilitate an evolutionary approach, starting in 2021 and avoiding sudden shocks insofar as this is possible; and
  - focus on the “win-win” of delivering wider objectives, e.g. housing and health.
- 5.2. You might want to consider how your suggestions fit with the financial and workforce constraints and how resilient they are in the face of the possible drivers of change.
- 5.3. Finally, we received a wealth of material in response to our stakeholder engagement in 2018 and this can be found in the report on the website. You might like to develop one of your earlier suggestions, or someone else’s, and, informed by the draft vision and principles, develop it into a more detailed policy proposal.

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<sup>6</sup> See the [New Housing and Future Construction Skills Report](#), May 2019, and the [Future Skills Action Plan](#), September 2019.

<sup>7</sup> See the Scottish Government’s [Place Principle](#).



## RESPONDING TO THE CONSULTATION

We are inviting responses to this consultation by **Friday 28 February 2020**.

You can access and respond to this consultation online at:

<https://consult.gov.scot/housing-services-policy-unit/housing-to-2040>.

The response form takes you through the guideline questions (**Annex B**) and also allows space for your own views. You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date of 28 February 2020.

If you are unable to respond using our online consultation hub, please complete the Respondent Information Form (**Annex E**) and send it:

- by email to [housing2040@gov.scot](mailto:housing2040@gov.scot); or
- by post to Housing to 2040 Team, Scottish Government, 2J North Victoria Quay, Edinburgh, EH6 6QQ

### Handling your response

Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

To find out how we handle your personal data, please see our privacy policy:

<https://beta.gov.scot/privacy/>

### Next steps in the process

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at <http://consult.gov.scot>. If you use the consultation hub to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us. Responses will be published where we have been given permission to do so. An analysis report will also be made available.

### Comments and complaints

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or to [housing2040@gov.scot](mailto:housing2040@gov.scot).

## **Scottish Government consultation process**

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work.

You can find all our consultations online: <http://consult.gov.scot>. Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Responses will be analysed and used as part of the decision making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise, the responses received may:

- indicate the need for policy development or review;
- inform the development of a particular policy;
- help decisions to be made between alternative policy proposals; or
- be used to finalise legislation before it is implemented.

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.



ANNEX E

**RESPONDENT INFORMATION FORM**

**Please Note** this form **must** be completed and returned with your response.

Are you responding as an individual or an organisation?

- Individual  
 Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name  
 Publish response only (without name)  
 Do not publish response

**Information for organisations:**

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

No



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HOUSING TO  
**2040**

**A VISION  
FOR OUR FUTURE  
HOMES AND  
COMMUNITIES**



## What is Housing to 2040?

Housing has a vital role to play in meeting many of our ambitions for Scotland, including eradicating child poverty and homelessness, ending fuel poverty, tackling the effects of climate change and promoting inclusive growth.

We want everyone in Scotland to have a home that is warm, affordable and accessible and that fits their needs. We also want to ensure we have a housing system that is dynamic and resilient enough to respond to future changes, and can help to address the number of challenges we are facing, including an ageing population and a global climate emergency. That is why we have now begun to consider our longer term aspirations for housing in Scotland and the opportunities for how we might achieve this.

In our 2018-19 Programme for Government, we made a commitment to plan together with stakeholders for how our homes and communities should look and feel in 2040 and the options and choices to get there. This new approach will encompass the whole housing system<sup>1</sup> – we want Housing to 2040 to be a lasting legacy that is not just about new homes, but that takes into account the people, place, environment and communities in which our homes, both new and old, are located.

Since making this commitment, we have been engaging extensively with a variety of stakeholders, including local government, businesses, the third sector, home owners, tenants and others to help shape a draft vision and principles for 2040.

This document sets out the Housing to 2040 draft vision and principles that emerged following our initial round of stakeholder engagement.

## What is the purpose of the vision and principles?

Our [National Performance Framework](#) provides the high-level vision for Scotland. Our draft housing vision for 2040 describes in more detail what we want the housing system to look and feel like in the future. It is meant to be ambitious and aspirational.

The vision is **person-centred**, and views the system from the citizen's perspective to reflect the diversity of people, homes and communities across Scotland. But the vision is also for all those involved in housing delivery and services - making the vision a reality will require action from Scottish Government, public, private and third sector partners and the people of Scotland.

The principles underpinning the vision are a high-level guide to how policy decisions might be made to make the vision a reality.

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<sup>1</sup> In this context, the "housing system" includes culturally appropriate accommodation for Gypsy/Travellers such as sites, for example, as well as more traditional forms of accommodation.

## **What are some of the challenges we face?**

### ***We have an ageing population and people are living longer***

This means that demands on health and social care will increase in the future. We want to think about our different housing options and promote greater adaptability to allow us to live independently at home for longer, reducing that demand.

### ***The number of households is growing and more people are living alone***

The number of households in Scotland is projected to increase and one person households are set to become the most common household type. This means we need to think strategically about how we design and build new homes and where, and how we can make the best use of our existing stock.

### ***We need to mitigate the impact of climate change***

We must ensure our homes are energy efficient and are able to adapt to the effects of climate change. We've set out the actions we'll take to reduce emissions from our homes in our Climate Change Plan and our Energy Efficient Scotland route map. We have also introduced a Climate Change Bill to strengthen our greenhouse gas emission reduction targets.

### ***We must act on homelessness***

Nobody should be without a safe, warm place they can call home - that is why we are working hard to prevent homelessness in Scotland. We have published our Ending Homelessness and Rough Sleeping action plan to transform temporary accommodation and put an end to rough sleeping and homelessness.

### ***We want to tackle child poverty***

The Scottish Government is committed to ending child poverty and the housing system can help us to do this. We want to increase housing affordability and lower running costs to reduce poverty for households with children.

### ***We need to manage the impact of Brexit and the UK Government's welfare reforms***

Brexit will have consequences for both housing supply and demand. The UK Government's welfare reforms have reduced the support it provides - the Scottish Government works to mitigate this, but this isn't sustainable in the long term.

## **We want to hear your views...**

The first phase of Housing to 2040 stakeholder engagement concluded on 30 November 2018, and attracted contributions from over 800 people representing more than 100 organisations. A Scottish Government report on stakeholder engagement in 2018 was published in May 2019 and is available here:

<https://www.gov.scot/publications/housing-2040-report-stakeholder-engagement-2018/>

We will continue to engage with a wide range of people across Scotland and will undertake further formal public consultation in the autumn on the draft vision and principles, themes and outline options for the route map.



The outputs from the next round of consultation will help us to create the final vision and a route map to 2040, which we intend to publish in spring 2020.

What you can do now:

- Discuss this with friends, family or in your communities/workplace or on twitter using the hashtag #Housing2040
- E-mail us your thoughts at [Housing2040@gov.scot](mailto:Housing2040@gov.scot) (please note we won't be able to respond to each e-mail individually)

# HOUSING TO 2040 VISION

## A WELL-FUNCTIONING HOUSING SYSTEM

- **Finding the right home** - I can quickly find a home that is right for me when I need one, for example when my circumstances change, and the process of moving is straightforward. I have a choice about where in Scotland I live and the type of home I live in. I can find suitable accommodation no matter what area I choose to live in, even though I am on a modest income. There are new ways to find homes through, for example, arranging swaps directly with other people who want to move.
- **Affording a home** - I can afford a home that meets my needs. I find renting is affordable and allows me to make regular savings for my future, in order to buy a home, if I want to.
- **Making the best use of our homes** - As an older person wanting to move, I can get help to move to a home which better meets my needs; my current home is no longer right for me but would be ideal for a family.

I live in a social rented home, and can move across Scotland to be nearer family without losing my right to a home.

As a parent on a low income, I can get help to move to home better suited to my children's needs.

- **Investing** - There are a range of attractive forms of investment and savings products for me to consider beyond bricks and mortar and these will help me to fund my retirement.
- **Fairness** – I know that help with housing is there for me if and when I need it, for example if I am struggling to pay my rent. I am assisted to keep my home at difficult points in my life.
- **Rural and island communities** – I live in a remote area and it is great to know there are good housing options for everyone here, from farmers and crofters to young people and those seeking to move to the area to set up home and bring employment and new opportunities to the area. Housing supports much-needed skilled workers living and staying in my community; and local people and businesses are building the new homes.

New homes in my rural community have supported a jump in population. The future of the primary school and local shop is secure. It's a comfort to know that our local circumstances are taken into account when government makes decisions about housing; it feels like we're on a level playing field with the big cities.

## HIGH QUALITY SUSTAINABLE HOMES

- **Design** – My home is well-designed and of a high standard, with enough space and flexibility to allow me to live well. I know that a lot of effort went into the design of my home, which has helped make it functional, attractive, flexible, resilient and energy efficient.
- **Equality of standards** - You can't tell by looking at my home whether I own or rent my home; it's in a great place and meets all of my needs.
- **Older homes** – My home is quite old but there are a range of innovative and affordable ways available to me to make it more comfortable and energy efficient without spoiling its appearance.
- **New build homes** – When I bought my new home, any defects were rectified quickly. Defects are minimised because of the high level of quality control during the construction process. I am confident that my house builder is a fair and inclusive employer.
- **Empowered** – I am not afraid to ask my landlord about changes or improvements to my home because I know they have to consider my request fully and I cannot be penalised for asking.
- **Good use** – Every home on my street is occupied and no home is left empty for a significant period of time without good reason.
- **Maintenance** – I find it easy to find high quality, reliable and cost effective tradespeople to make repairs and improvements to my home. Although I live in a block of flats, it is really straightforward to make improvements and repairs to communal areas. My property factor delivers a high quality service.
- **Running costs** - I understand exactly how much it costs to run my home and what I can do to reduce costs and carbon emissions; it's great that fuel poverty is a thing of the past.
- **Low carbon** - I know that my home is not damaging the planet having been retrofitted to be near zero carbon; it is heated using renewable energy, which is affordable and efficient. Every home in Scotland is energy efficient and we're all playing our part in tackling the global climate emergency.

## SUSTAINABLE COMMUNITIES

- **Staying local** – There is a good mix of housing where I live, which means I have the option to stay in the area if my needs change. This means I know I can stay in contact with my neighbours and friends and can continue to access the services that my family and I use. The right homes are available across Scotland and in the right place to support both rural and urban communities; there are homes suitable for different cultures and for people who need extra help to be cared for in my community. This means my elderly relatives can live nearby too if they choose.
- **Well-designed places** – The place where I live is well-designed, distinctive and has a strong sense of identity. House builders are building homes that are high quality, fit well into the neighbourhood and are climate ready. The flooding issues that used to bother us have been resolved by, for instance, using living roofs or allowing space for wild areas; these help to soak up the rain.
- **Connected places** – My local council and developers listen to me and my community. They pay attention to what we want and what makes my community special. We have the right infrastructure in place for new homes and we are well-connected. Open spaces are accessible and used by people of all ages. Good transport connectivity gives me easy access to the services I need, even though I live a long way from the nearest town.
- **Health and well-being** - There is a strong sense of community pride where I live and people care about our surroundings and are supported to maintain them. The streets around me are clean, accessible and safe. It is a walking and cycle-friendly environment. The parks, play areas and green spaces are easily accessible and used by people of all ages. We all benefit from good physical and mental health from a clean environment, inspiring and well-maintained surroundings.
- **Vibrant communities** – The centre of my community is a lively hub with shops, services and attractive places to meet. My community is digitally connected enabling me to work from home or hotdesk locally when I want to. People are attracted to live and work in my island community, and local businesses are thriving.

## HOMES THAT MEET PEOPLE'S NEEDS

- **My lifestyle** - My home supports my well-being, and the well-being of my family. My home supports my children in doing the best they can at school, and allows me to engage with my community and other people who matter to me, including my family, friends and neighbours. My home supports me in progressing my career. My home supports me through different stages of my life and can be easily adapted around me.
- **My rights** – I know where to go to get information and advice about my rights to housing and housing services and I feel empowered. I know where to get the help I need to prevent me from losing my home.

As a former member of the Armed Forces, I receive support from my local authority including advice about the additional support to which I am entitled from veteran organisations. When I signed up to the Armed Forces, I was provided with information and advice on the housing options in Scotland which allowed me to plan for a better future in civilian life.

- **Diversity** – Where I live, there are a variety of different homes that meet the differing needs of people in the community. Land is available to support further housebuilding and the community is engaged and involved with taking forward proposals for housing in new and innovative ways, for example through self-build projects. There are also options to live more communally, if that is what people want. When my illness became more severe and limited my mobility, I was able to find a home that allows me to stay in my community and had my independence supported.
- **My services** – I get the help I need to live independently at home, supported by new and advancing technology. I can access health, welfare, education and other services, not least because my community is well-connected with good transport services. If I need an aid or adaptation to my home to allow to me to continue to live independently, it will be provided within a reasonable time. If I am no longer able to live independently at home, there is a good choice of retirement, sheltered or residential homes available to me close to my family.
- **Self-build** – When I built my own home, I found it easy to access advice and support for my self-build project and I was able to work on it myself. This means I have a home which is just right for me.

# HOUSING TO 2040 PRINCIPLES

## A WELL-FUNCTIONING HOUSING SYSTEM

### PRINCIPLE 1

**The housing system should supply high-quality affordable homes for living in, to shift the balance away from the use of homes as a means to store wealth.**

One decent home per household takes priority over second homes and investment returns on property, i.e. investment in housing is not for asset growth. Commercial investment in the Private Rented Sector is based on rental income return (not capital appreciation). Housing promotes fairer wealth distributions and reduces inequality. Government actively shapes the market to make sure that there is a sufficient number of high-quality homes in urban and rural areas so that everyone has a reasonable choice of where they live and the type of accommodation they live in. Older and disabled people benefit from the increased availability of affordable and accessible housing to support them to live independent lives.

### PRINCIPLE 2

**Government policy (including taxes and subsidies, for example) should promote house price stability, to help underpin Scotland's standard of living and productivity and promote a Fairer Scotland.**

House price inflation is broadly in line with wage growth and other living costs, i.e. the ratio between the cost of a house and the cost of a loaf of bread is more or less constant<sup>2</sup>. The cost of housing is under control, boosting productivity, because there is less pressure on wages and this increases Scotland's attractiveness as a place to invest. Policy is tailored to the different needs of urban, rural and island communities. Housing availability in rural areas is attracting inward investment and creating employment opportunities which, in turn, is attracting people to rural communities. People can live close to good quality schools for their children to attend.

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<sup>2</sup> We may even need a period of static house prices in cash terms in order to increase affordability in some areas.

### **PRINCIPLE 3**

**Everybody should be able to save for the future (as well as be secure in their home and make significant changes to it) whether they rent or own.**

Renters share more of the benefits of owner occupation<sup>3</sup> as they have the capacity and mechanisms to save for the future, increased security of tenure and the discretion to make changes to their home. There are new and innovative financial products and tenancy agreements which combine aspects of renting with owning, for example actuarial products that offer lifetime tenure and a pension in return for the capital asset at end of life.

### **PRINCIPLE 4**

**Housing provision should be informed by whole life economic costs and benefits in the round and help to address inequalities in health, wealth and education.**

The cost assessment of all new homes takes account, not only of the upfront build cost, but also the running costs of the home and its environmental impact. This applies both to the direct costs from utility bills, maintenance and repair and also to the indirect costs of developments which promote unhealthy lifestyles which are likely to have a health service cost later on (e.g. promoting car use over walking or cycling). Rules around, and investment in, housing takes account of the differing costs of delivery between rural and urban Scotland and also accounts for people with different needs. This includes adequate provision of culturally appropriate sites and accommodation for Gypsy/Travellers.

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<sup>3</sup> Owner occupation is currently popular for three main reasons: repayment mortgages are a form of saving and, at the end of the mortgage, the homeowner has both a valuable asset and a rent-free home; they have more security of tenure (provided they keep up with their repayments); and they have greater discretion to make changes to their home.

## HIGH QUALITY, SUSTAINABLE HOMES

### **PRINCIPLE 5**

**Tenure-neutral space and quality standards for new homes (and existing homes where possible) should be set specifically to improve and protect quality of living and of place.**

Rooms are the right size for their purpose and the size of the household. The space in the home can be configured flexibly to meet the household's needs. For example, there is sufficient space for children to do their homework and for others to work at home if this option is available to them. This improves economic productivity as it helps bring new workers into the market, reduces the resources required to support work (travel time and costs of commuting) and reduces the adverse economic, environmental and health impacts of congestion.

### **PRINCIPLE 6**

**Government policy should promote a greater diversity of home builders and broader availability of land for development to reduce prices and improve building quality.**

There is a larger number and a greater variety of house builders and developers, including Small and Medium-sized Enterprises, community and social enterprises, custom-build and self-build. Land zoned for housing or with planning permission is made available to whoever is willing to progress development and this happens rapidly. Better use of public sector land supports infrastructure provision, creates social, economic and environmental value and improves the quality of place. Lower land costs frees up more money to be spent on building design and quality; and greater competition helps ensure that is the case. People are well-informed about the importance of quality and design and the homes being built are the ones they want. Developers offer a real choice and new homes are customised to the first occupants' wants and needs. Government investment in new and existing homes across all tenures is not an isolated activity but is part of the development of the wider place and enhances the quality of life.



## **PRINCIPLE 7**

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

High standards are backed up through a system of incentives and penalties. All homes of all tenures are subject to the same high standards and with appropriate ways of enforcement, compliance and seeking speedy redress. The legislative and fiscal framework require and encourage households and businesses to meet the standards. Homes that cannot reasonably be adapted to meet the standards (taking account of technical feasibility and cost effectiveness) are considered for demolition or are repurposed. Good design is shared and reused, where appropriate.

## **PRINCIPLE 8**

**New homes for sale should be built to high standards, defects should be identified and remedied quickly and all owners should be required to maintain the condition of their home.**

Tougher inspection and, where required, enforcement is in place during the construction phase so that, for example, insulation is installed properly. Purchasers are confident that defects and snagging are remedied quickly, even after the site is completed and the developer has left. People maintain their outside space in a nature-friendly way to make their neighbourhood attractive and are encouraged, sometimes required, to cooperate over communal repairs.

## **PRINCIPLE 9**

**Decisions around the quality, location and utilisation of existing stock and new build should be ambitious in enhancing biodiversity, promoting Scotland's energy security, and be consistent with the target for Scotland's emissions to be net zero carbon by 2045.**

The existing housing stock is made more energy efficient, uses low carbon heat and is more efficiently allocated (e.g. so that people can live nearer their work, if that is what they want to do). New build homes are built so that they are net zero carbon (i.e. built to high standards of energy efficiency and use renewable heat or very low carbon heating), taking into account the natural resources consumed by the construction process too. Brownfield sites are prioritised and incentivised and the true value of green space is taken into account. There is more innovation in environmentally-friendly building and improvement techniques and materials, which are thoroughly tested before being implemented. All housing is resilient to the impacts of climate change, including minimising flood risk, and contributes to climate ready places and communities. Our homes, and the space around them, promote biodiversity by providing a variety of habitats and wildlife corridors. Fuel poverty has been eradicated.

## **SUSTAINABLE COMMUNITIES**

### **PRINCIPLE 10**

**New housing<sup>4</sup>, and the required community resources, should only be provided where they help to create safer, stronger, attractive, sustainable and integrated communities.**

New housing is built to facilitate active or accessible travel to school, healthcare and employment opportunities, and enables residents to continue to be active in their community as they get older. There is a more organic approach to new housing, with the right number and type of homes placed in such a way as to strengthen the existing community, so that both incomers and existing residents benefit. Town centres are rejuvenated by more people living in them. The right housing supports rural and island economies to thrive.

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<sup>4</sup> Of whatever size or scale, from self-build to large developments.

## **PRINCIPLE 11**

**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.**

Young people have the choice to stay in their community if they want to, and key workers can live locally, because local communities take action to meet that housing need. Communities do this by getting suitable homes built and having a say about how the homes are used in their area (e.g. numbers of second homes). New housing for working age people is planned in anticipation of employment opportunities. Local communities get assistance linking to transport or utility infrastructure, for example. Conversely, employment is attracted and directed to places where there is underutilised good housing. Rural communities are getting the relatively modest number of homes that make a big difference to them planned and built quickly.

## **PRINCIPLE 12**

**Government intervention should help existing and new communities to be physically, digitally, culturally and economically connected within a coherent geographic region; this includes retaining and attracting vibrant communities in areas facing depopulation.**

Settlements do not exist in isolation and have strong inbound and outbound connections (e.g. bus, rail and ferry links and broadband). Settlements “make sense” in their regional context, in terms of where people live, work, relax and access services. There are strong local connections that see the local café supplied by the butcher who buys his meat from the local farmer, for example. People are attracted to live and work in rural communities through a range of supply of affordable housing options and good public transport links; this also boosts local business and attracts inward investment.

## HOMES THAT MEET PEOPLE'S NEEDS

### **PRINCIPLE 13**

**Government should ensure that there are affordable housing options across Scotland for households at all income levels.**

Households at the lower end of the income distribution are offered assistance with housing and housing costs and households at the higher end can afford the home of their choice. Those in the middle can also afford housing appropriate for their needs, wherever they live in Scotland. Social housing is available across Scotland for people who need it and they can easily move home for work or personal reasons; nationally, we make best use of our social housing stock. The Private Rented Sector is the right size to provide quality, affordable and secure options for the households who want or need a rented home. Service personnel are provided with the right support upon resettling in their community by local authorities and veteran organisations. Homelessness has been eradicated; people needing homes are found homes quickly.

### **PRINCIPLE 14**

**Housing and the housing market should be highly flexible to enable people to meet their changing needs.**

There are enough accessible or adaptable homes across Scotland suitable for older people, disabled people, or anyone else in need of specialist accommodation, making it easy to move to be nearer family or work. Ex-service personnel are well looked after. There are no fiscal barriers or disincentives to people moving to a more suitable home for their needs. Government shows leadership but social housing development is progressed in partnership between local authorities, housing associations, developers and communities, with government intervention only if required. The state has an enabling role and communities know their rights and are more empowered. Government mediation balances individual and public good.

Housing supports, enables and reflects the diverse people of Scotland – people of all protected characteristics and other vulnerable or disadvantaged groups live in the right homes for them. They are well-represented in the workforce delivering housing and housing services. The housing system supports innovation, new models of housing and service delivery and the provision of other types of less traditional forms of accommodation: for example, culturally appropriate accommodation for Gypsy/Travellers that meets their needs and aspirations.

## **PRINCIPLE 15**

**Everyone has a right to an adequate home<sup>5</sup>.**

This includes:

- legal security of tenure
- availability of services, materials, facilities and infrastructure
- affordability
- habitability
- accessibility
- location; and
- cultural adequacy (including for Gypsy/Travellers, for example).

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<sup>5</sup> The UK has ratified seven core United Nations human rights treaties, including the International Covenant on Economic, Social and Cultural Rights (ICESCR). Article 11 of ICESCR states that everybody has the right to an adequate standard of living for themselves and their families, including adequate food, clothing and housing.

## Housing to 2040 Consultation: Inverclyde Council Response

<p><b>Q1</b></p>	<p>Earlier this year we published our draft vision and principles. A short and longer version are available here:  <a href="https://www.gov.scot/publications/housing-to-2040/">https://www.gov.scot/publications/housing-to-2040/</a>.</p> <p>Do you have any comments on the draft vision and principles?  <i>Please be specific and identify what you would change and why.</i></p>
<p><b>A well-functioning housing system</b></p> <p>Inverclyde Council is supportive of the vision to create a well-functioning housing system and our aspiration is to deliver this outcome for the tenants and residents of Inverclyde. This is underpinned by the principle of creating high quality homes for living in, and to shift the balance away from the use of a home as a means to store wealth. Inverclyde Council is supportive of prioritising one decent home per household rather than enabling second home ownership and investment returns on property which has a detrimental effect on the availability of affordable housing.</p> <p>There needs to be caution with regards to this however, particularly in relation to the demographic challenges Inverclyde faces in relation to depopulation. In Inverclyde there could be a risk of over investment in new build housing given the current housing policy context to meet the Scottish Government's 50,000 affordable homes target. Whilst Inverclyde Council should strive to ensure everyone has easy access to an affordable home, preventing undesirable, low demand housing stock in communities should also be a focus and is a potential risk given the current economic conditions.</p> <p>There is a fine balance to be struck and housing delivery needs to be focused on the right type of housing in the right area. There is also a need for clear strategies on the regenerative interventions made in an area. Should money be invested in existing stock to improve and maintain it or should it be demolished to ensure excessive supply levels don't have a negative impact on the housing market. Nevertheless, investment in existing stock is essential in the sustainability of the local housing supply.</p> <p>This means that policy interpretation in local areas is crucial in developing a well-functioning housing system and there needs to be further consideration towards the divergent issues evident within urban areas out with the city authorities in Scotland. Inverclyde has its own unique issues with depopulation and an increase in older residents. The housing supply is not as pressurised in Inverclyde as it is in other authorities but there has been large scale investment in general needs social housing to align with housing investment elsewhere in Scotland.</p> <p>According to poverty figures published by End Child Poverty, Inverclyde has the sixth highest level of child poverty in Scotland, after housing costs. It is estimated that just over 1 in 4 (25.7%) children and young people in Inverclyde are living in poverty. Inverclyde Council is committed to eradicating child poverty; our efforts to achieve this outcome are outlined within the Inverclyde Alliance Child Poverty Action Report 2018/19. Inverclyde Council believes that developing a well-functioning housing system, investing in creating high quality sustainable homes and eradicating fuel poverty can positively contribute towards reducing both poverty and child poverty in Inverclyde.</p>	

<b>Q2</b>	Do you have any comments on the scenarios and resilience of the route map or constraints?
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The Housing to 2040 paper outlines how this approach will encompass the whole housing system. For this to be effective the vision highlights a need to make the most of connections between different policy areas across government. This focus on systems thinking aligns with future work planned on strategic housing priority areas in Inverclyde. As part of work to address the issues of depopulation within the region, it is Inverclyde Council's view that the regeneration of a community/strategic area must be treated holistically.

Consideration is therefore required on the appropriate improvements needed in an area to create vibrant and sustainable communities with equitable access to housing across tenures and inclusive of both existing and new build housing stock. Inverclyde Council's approach to strategic housing priority areas is with an emphasis towards repopulation in the area. This work will be a development strategy to formulate a joined up vision for an area taking a holistic view of multiple key sites located within the study. This is with a view of encouraging multi-tenure development. The projects will assess the wider housing system focusing on land use to determine what housing is required in the area across all tenures, examine required infrastructure and review access to services and amenities for existing stock and access to green space. Existing housing stock condition and low demand housing will also be evaluated to determine the correct regenerative interventions.

Following stock transfer in 2007, Inverclyde Council no longer has housing to rent but still functions as the strategic housing authority. Operating within the context of stock transfer creates challenges in relation to housing delivery and achieving the outcomes and targets set within the Local Housing Strategy (LHS). These challenges will ultimately define how Inverclyde Council achieves the aspirations set within the Housing to 2040 vision. The positive relationships forged by Inverclyde Council with our Registered Social Landlord (RSL) partners and the Inverclyde Health and Social Care Partnership (HSCP) are therefore essential in developing a shared will to deliver on these outcomes.

Cooperation with stakeholders is fundamental to delivering the Strategic Housing Investment Plan (SHIP), Rapid Rehousing Transition Plan (RRTP) and the Inverclyde Integration Joint Board's Housing Contribution Statement. Agreed workloads, outcomes and priorities can sometimes be difficult to attain across organisations which makes realising the aspirations of the Housing to 2040 vision as well as the ongoing strategic priorities more complex and time consuming in a stock transfer authority.

Both Inverclyde Council and the Inverclyde HSCP are committed to implementing Inverclyde's Vision for a transition towards rapid rehousing and introducing the housing first model.

RRTP funding for 2019/20 and 2020/21 was allocated based on a three year average of homelessness assessments. The Scottish Government has reiterated previous commitments to work with COSLA around developing proposals for the remaining £8m for 2021/22 aligned to a plan-based approach to the distribution of funding.

Both Inverclyde Council and the Inverclyde HSCP support a plan-based approach to the distribution of the RRTP funding and believe the previous two years allocations should have been distributed in this manner, ensuring a fair and appropriate distribution. Allocating funding based on a three year average of homelessness assessments penalises Local Authority areas where efforts have been proactive in homelessness prevention. Funding allocations should be evaluated on their merit and the required support to implement the transition.

Current funding allocations have meant compromises and adjustments have had to be made to the initial Inverclyde RRTP due to a lack of resources to achieve what was initially proposed, based upon the aspirations of the Scottish Government. A greater commitment is required to the Ending Homelessness and Rough Sleeping agenda if the aim of the next 20 years is to realise the Housing to 2040 vision and develop a housing system which works for everyone.

In light of the Sustainable Housing on Release for Everyone (SHORE) standards, the RRTP process can play a crucial role in supporting people involved in the justice system sustain tenancies. Generally, the current housing offer for people involved in the justice system is via a homelessness assessment. The four local RSL's have developed service level agreements with HMP Greenock; however, these are open to anyone leaving HMP Greenock with no local connection required. The qualifying criteria are fairly high with RSL's finding it difficult to fill the tenancies. Being able to provide the appropriate support through the RRTP process will support Inverclyde Council and Inverclyde HSCP effectively deliver the SHORE standards.

How Inverclyde Council prepares our housing supply to meet the needs of an ageing population is also crucial in the coming years. The health issues associated with loneliness and isolation can significantly impact on an individual's quality of life so consideration is needed about how we create a more connected society in our local communities. Housing has a role to play in that whether it is facilitating social networks, signposting support or through creating social spaces in our estates and properties.

In view of the projected demographic changes, specialist housing provision and physical disability should be a central focus of the Housing to 2040 vision in the coming years. Wheelchair accessibility and housing provision for older people may become more of an issue with people living longer and the increased likelihood of impairments and frailty in old age. However, the living conditions of younger age groups with physical and learning disabilities are crucial also. The housing sector needs to consider what interventions are required to ensure new build development delivers the required volume of wheelchair accessible properties and building/space standards of properties are adequate across all tenures to meet the specialist needs of all groups.

<b>Q3</b>	Do you have any proposals that would increase the affordability of housing in the future?
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Given the context of depopulation in Inverclyde, Inverclyde Council and the Inverclyde Alliance understand that access to affordable housing has a significant role to play in



encouraging population growth in Inverclyde. This is recognised within the Inverclyde Alliance Repopulation Strategy and Action Plan with outcome 2 of the action plan focusing on growing the housing market in Inverclyde.

There should be a selection of housing options for households at different household income entry points. The Housing to 2040 principle makes reference to the 'middle' being able to afford housing appropriate for their needs wherever they live in Scotland. This aspiration aligns with Inverclyde Council's vision for the local housing market as the Local Housing Strategy endeavours to promote a supply of good quality affordable housing solutions across all tenures.

Historically, intermediate housing products have been an unpopular option in Inverclyde with developers viewing the Inverclyde market to have unfavourable conditions making products such as mid-market rent difficult to stack up financially. This is in relation to the relatively insignificant differences between private and social rents. This is something which needs to be further examined in Inverclyde and will be a focus of future studies examining strategic housing priority areas and contributing towards meeting the shared vision and aspirations of Inverclyde Council and the Scottish Government.

The Inverclyde Local Housing Strategy reports that the average house price is lower than the Scottish average, indicating owner occupation is a more affordable option within Inverclyde than in other areas of Scotland. Affordability must be viewed relatively to the local economy and household incomes. In that respect average annual household incomes are lower in Inverclyde than Scottish averages as reported within the Scottish House Condition Survey 2015-2017. To create a well-functioning housing system, affordable housing, a good economy and employment opportunities are essential to ensure people can afford a home should they wish to and have choice in the market in relation to housing size, type and location.

Furthermore, whilst housing may be affordable, the potential concern is the knock on consequences of depopulation contributing towards the availability of the housing supply and subsequently the housing market. The associated issues with low demand areas may contribute towards a negative effect on house price stability. Voids, empty homes, vandalism and anti-social behaviour are potential side effects of an excess housing supply. These side effects, should they occur, contribute towards creating negative perceptions of areas to live in affecting the housing market in a negative way. House prices are likely to be stagnant or decrease should these problems arise.

Subsequently, the continued spotlight on tackling empty homes is important in delivering the Housing to 2040 vision and creating a well-functioning housing system. Making the best use of existing housing stock, bringing empty properties back into use and investing in disrepair is crucial in Inverclyde given the issues of depopulation. Ongoing work to bring empty properties back into use is anticipated to encourage retention of Inverclyde residents and in-migration based on an improved housing supply offer which meets the needs of current and prospective residents. This is further supported by contributing towards creating aesthetically attractive and sustainable places.

<b>Q4</b>	Do you have any proposals that would increase the accessibility and/or functionality of existing and new housing (for example, for older and disabled people)?
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One of the Housing to 2040 visions is to create 'homes that meet people's needs,' This is crucially important particularly in relation to space, providing specialist housing for all tenants and residents in Inverclyde. Inverclyde Council shares this vision with the current Local Housing Strategy stating that the outcome to address health and housing in Inverclyde is 'to ensure that people are supported to live independently for as long as possible in their own homes and communities.' It is evident that current workload in Inverclyde is aligned to work towards meeting the strategic aspirations of the Scottish Government.

Demographic projections estimate a growing older population over the years. As people live longer, to ensure people can live independently at home, adequate levels of 'care at home' support is required and homes need to be appropriately adapted. Both of these factors are reliant on appropriate levels of funding and are at risk to constrained Council budgets. To achieve the aspirations set within the Housing to 2040, appropriate financial settlements from the Scottish Government to support Local Authorities to deliver fundamental services is vital. It is acknowledged that with the uncertainty over Brexit and UK Government's Welfare Reforms, managing the available resources will be vital in developing the Housing to 2040 vision.

Inverclyde Council believe that standards should be set so that it is a requirement that new homes are built to easily accommodate future adaptations. As technology advances it is becoming more critical that homes are digitally enabled to keep people connected and the issue of digital exclusion amongst the growing older population needs to be mitigated against. The analogue to digital transformation creates the opportunity for housing to embrace emerging assistive technologies enabling people to live independently in their own home and increase accessibility. Instead of a focus on unit delivery within the affordable housing supply programme (AHSP) building digitally enabled homes and embracing innovation should be a focus of the Scottish Government to achieve the Housing to 2040 vision that 'homes meet people's needs.'

A Fairer Scotland For Disabled People Delivery Plan contains an action "*to work with local authorities, disabled people and other stakeholders to ensure that each local authority sets a realistic target within its LHS for the delivery of wheelchair accessible housing across all tenures and reports annually on progress*". This policy is further echoed within both SHIP and LHS guidance, published in 2019, stating that there is a requirement for local authorities to set targets across all housing tenures for the delivery of wheelchair-accessible homes.

Inverclyde Council acknowledges that with the projected demographic changes we face it is important to ensure new build housing promote and enable independent living. Homes should be adaptable and accessible to meet the changing needs of tenants and owners. The social housing sector cannot be expected to provide all the solutions to an ageing and disabled population particularly if providing choice is valued within a well-functioning

housing system. To address the long-term needs of older and disabled people in Inverclyde and across Scotland, a cross tenure approach is therefore required.

Currently, Inverclyde Council sets a 3% target for all new build social housing to be wheelchair housing across the lifetime of the LHS based on evidence within the Glasgow and Clyde Valley Housing Need and Demand Assessment (HNDA). In the context of the current 50,000 affordable homes target by 2021, Inverclyde Council has found that a focus on unit delivery has compromised efforts to deliver specialist housing locally and in particular hampered efforts to meet and exceed the 3% wheelchair housing target set within the LHS.

The nature of operating as a stock transfer authority means that Inverclyde Council is reliant on both the Scottish Government and RSL partners to meet the strategic objectives of the strategic housing authority in relation to new build housing in the social rented sector. Inverclyde Council believes there should be greater RSL accountability for the delivery of specialist housing via the AHSP.

Inverclyde Council could be supported to meet both its own strategic housing outcomes as well as contributing to attain the Housing to 2040 vision with the introduction of a legislative requirement for RSLs to provide specialist housing. This requirement would be to adhere to targets set for wheelchair accessible housing when developing new build housing funded by the AHSP. Inverclyde Council believes this would positively contribute towards providing accessible homes that people need now and over the next 20 years. Inverclyde Council acknowledges that the costs associated with developing specialist housing are greater than developing general needs housing, a factor which can be influential in site delivery for RSLs and their sustainability. To address this discrepancy there needs to be greater fluidity in the social rent grant subsidy benchmarks grant funding rates for new build social housing. To incentivise development, benchmark rates for wheelchair accessible housing should be greater than the standard RSL rates to factor in the greater development costs.

With reference to the private sector, creating cross tenure targets, whilst welcomed, is perhaps an unrealistic aspiration for areas tackling depopulation, such as Inverclyde. Attracting private developers to an area which is depopulating and is in low demand provides a challenging environment to evoke the change required. Barriers such as the affordable housing policy have already been removed across the majority of Inverclyde to incentivise private developers to the area and encourage population growth. A policy enforcing minimum size specifications or a quota of wheelchair accessible/amenity properties upon private homebuilders are likely to further deter any development/investment within the region. There are therefore conflicting policy priorities within Inverclyde which creates a challenging landscape to ensure new build development provides housing which meets the needs of Inverclyde residents.

The Scottish Government should consider how it makes private sector house builders accountable and deliver on these issues in an equitable way to their counterparts in the social rented sector. Private Sector housing is profit driven and will therefore not develop to the housing requirements of an area. The added development costs and perceived lack of demand for amenity bungalows and wheelchair accessible homes make them

undesirable house types to private developers, placing area such as Inverclyde at an unintentional disadvantage by attempting to influence private sector development.

Inverclyde Council supports priority 5, tenure neutral space and quality standards for new homes (and existing where possible) should be set specifically to improve and protect quality of living and of place. Encouraging private sector house builders to deliver these homes could perhaps be achieved by introducing design/building standards for new build housing across all tenures, respective of wheelchair accessibility. This policy would compel private sector developers to build private sector housing that is of an adequate size for wheelchair users as well as being easily adapted. The Housing for Varying Needs (HfVN) standard used in social housing is now more than 20 years old. There is perhaps a need to review these standards and assess whether improvements could be made to enhance accessibility and adaptability. To provide 'homes that meet people's needs' and provide 'high quality, sustainable homes it would be appropriate to set these standards for space, quality and accessibility for new build housing across all tenures.

Therefore, Inverclyde Council proposes that a revised HfVN or a new standard should be introduced which is tenure neutral to improve housing quality standards and subsequently supports principle 5 of the Housing to 2040 vision focused on 'high quality, sustainable homes.'

<b>Q5</b>	Do you have any proposals that would help us respond to the global climate emergency by increasing the energy efficiency and warmth and lowering the carbon emissions of existing and new housing?
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Inverclyde Council recognises the significant impact that improving house condition and standards can have in reducing emissions and contributing towards our response to the climate emergency. In Inverclyde as across Scotland, many people do not live in a house that is warm, dry and affordable, with people on low incomes being disproportionately affected. By improving the condition of property in Inverclyde we make our homes more efficient whilst contributing positively to addressing the climate change emergency. Local Councils, COSLA and the Scottish Government are all working hard to deal with fuel poverty, and to reduce greenhouse gas emissions in order to tackle the threat of climate change.

To reach the target of net-zero greenhouse gas emissions by 2045 with Scotland becoming carbon neutral by 2040 however, a lot of work is still required. Current standards for social housing are significantly higher than in the private sector and innovations in new build housing are constantly emerging. New regulations to improve energy efficiency within the private rented sector are set to be introduced and it will take time to measure how effective these changes are enforced and to then ramp up quality standards further to meet these targets.

To achieve these goals and in particular the Housing to 2040 vision of 'high quality, sustainable homes,' and principle 7, the housing system will need to start embracing net zero energy retrofitting, or the 'energiesprong' approach and passivhaus technology in new build development. These innovations are not yet commonplace within the social rented sector let alone private sector homebuilding and renovation. There will undoubtedly

be added investment costs to build these homes to a higher specification which will require grant funding support to build and retrofit social housing to these higher standards.

There would be a hope that the scaling up of these techniques will help to reduce costs in time and bring this technology to the mainstream. Addressing the global climate emergency and achieve the Housing to 2040 vision will also be reliant on the funding available for retrofitting programmes in the private sector and engaging with owners to invest in their properties to ensure their homes are 'net-zero.'

<b>Q6</b>	Do you have any proposals that would improve the quality, standards and state of repair of existing and new housing?
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The current Scottish Government consultation on improving energy efficiency in owner occupied homes proposes that energy efficiency standards should be introduced for owner-occupied housing, and that they should be legally binding. The proposals outline that an Energy Efficiency Rating of C is the targeted mandatory standard which would come into effect in 2024. These proposals align with the forthcoming private rented sector (PRS) regulations which set out the minimum level of energy efficiency for properties in the PRS similarly using EPC ratings as the method to measure this standard.

It is noted that the implementation of the proposed standards for owner occupiers will be triggered by the point of sale without a backstop date whilst PRS regulations will be introduced at a change of tenancy with backstop dates to catch properties which may not have been previously triggered. This approach may cause issues for homeowners who wish to move from an inefficient and unsuitable property and are unable to do so due to a lack of resources to bring their property up to the appropriate standards. This is of particular concern to elderly or disabled owners who may require selling their property to improve their standard of living and enable them to live independently. The proposals mitigate for these issues and factor in the potential for the buyer to undertake the necessary upgrades reflected within the conveyancing process. This may, however, place the equality groups outlined at a competitive disadvantage in the housing market as a result.

Nevertheless, Inverclyde Council is supportive of increased regulation within the private sector and appreciate the efforts to tackle the least energy efficient properties. Intervention to address poor property condition within existing housing stock and improve housing quality remains a priority of the Inverclyde Local Housing Strategy. There are concerns regarding the implementation of these regulations particularly in relation to potential disrepair and factoring arrangements in mixed tenure buildings and tenement properties potentially leading to abeyances. Without consensus amongst owners and landlords in private sector mixed tenure blocks, some necessary energy efficiency improvements may stall. Potential resistance from owners and landlords to invest in their properties to bring them up to the required standards is the most significant threat in achieving the strategic housing outcomes set within the LHS and working towards the Housing to 2040 vision.

Inverclyde Council agree with the findings of the GWSF's 2019 report into tenement disrepair in the private sector and their calls for the Scottish Government's to implement a

radical new funding system to enable poor private housing to be properly tackled across Scotland. The issue of mixed tenure blocks are particularly pronounced in tenements and pre 1919 buildings. The lack of investment from private landlords or owners is of particular concern in areas of deprivation. Inverclyde Council are acutely aware of the threat of disinvestment in tenement buildings and are currently undertaking a regeneration plan in the Clune Park area of Port Glasgow where the existing tenemental stock has fallen into a state of disrepair and will be demolished.

To achieve the housing to 2040 vision and principles, improving the energy efficiency and stock condition of existing homes will be crucial. Finding solutions, financial support and incentives to implement energy efficiency improvements for owners and landlords will be required to ensure that the homes which we live in are of a high quality and are sustainable.

**Q7** | Do you have any proposals that would improve the space around our homes and promote connected places and vibrant communities?

Good infrastructure is vital in the coming years as the housing sector works towards achieving the Housing to 2040 vision and principles. Improved digital access and road networks are essential to promoting a thriving and fairer Scotland. If we aspire to create 'vibrant communities' consideration into the surrounding services is crucial. Creating targets for housing delivery needs to be supported by the correct level of investment on 5g superfast broadband, road networks, leisure facilities, public transport, access to amenities and employment opportunities should also be considered and weighed into that line of thinking.

As previously highlighted, the Housing to 2040 paper outlines the approach will encompass the systems thinking and for this to be effective the vision highlights a need to make the most of connections between different policy areas across government. To promote connected places and vibrant communities long term strategic thinking is required in relation to whole areas rather than specific development sites. Consideration of how site A connects with site B and the impacts this has on education, health and social care, transport, services etc. is essential.

Inverclyde Council therefore supports the Housing to 2040 proposals to promote whole systems thinking in policy making, interventions and decision making rather than solely considering housing and its delivery in isolation. Inverclyde Council believe this will contribute towards improving the space around our homes and promote connected places and vibrant communities.

**Q8** | Any other comments?

The following points outline and summarise the key concerns for Inverclyde Council in the future and what the current and future focus is in relation to Housing Strategy and creating sustainable and equitable communities.

Inverclyde is currently suffering from the effects of a declining population which has implications for the future of services within Inverclyde. In particular, the projected decline in the numbers of young people and working age population, coupled with the substantial

increase in the numbers of over 60s will place additional pressures on those services required by an ageing population.

Furthermore, stimulating the private sector new build market in Inverclyde remains a challenge for Inverclyde Council. The market has struggled to recover since the economic recession in 2008 with limited new build housing developments and new build completions have been consistently low and below the private sector housing supply targets set within the LHS and LDP.

This does not mean that there is no demand for new owner-occupied homes in Inverclyde, but that the market has not recovered enough to provide these at scale within the region. The subsequent effect of this means that families with aspirations to own a new build private home have limited choices in Inverclyde and in some instances will be leaving to meet their demands elsewhere, further contributing to depopulation. Inverclyde Council propose that support for the private market in poor market areas should form a strand of government housing policy.

The Inverclyde Alliance's repopulation action plan has targeted regeneration and attracting private sector housing/investment as a priority with a particular focus on developing regeneration proposals for the 'Eastern Gateway' area of Port Glasgow in the first instance. Inverclyde Council is therefore supportive of principles outlined within the Housing to 2040 vision as we embark on a journey to attract and retain people within the region. However, it is imperative that areas such as Inverclyde are not left behind with adequate support and funding provided to realise the aspirations of creating 'vibrant communities.'

In 2019, North Star Consultancy were commissioned to conduct research on behalf of Inverclyde Council and partnering local Registered Social Landlords (RSLs) analysing the effect of new build affordable housing on existing housing stock. Inverclyde Council are conscious that delivering new housing is not always the most appropriate method of meeting housing need, improving stock condition and ensuring the housing supply offers adequate choice. The research identified potential low demand areas which could be affected by the development of new build social housing. In 2020, Inverclyde Council along with its strategic partners are going to assess Inverclyde's existing social housing stock and develop a strategic approach towards investment in existing social housing.

It is understood this work can have a beneficial effect on health and wellbeing outcomes in the area and is included within the Inverclyde Housing Contribution Statement to 'assess whether a buyback programme assisted by the Affordable Housing Supply Programme (AHSP) might better address health inequalities & build stronger communities.' The premise of this action is to seek opportunities for partner RSLs to acquire former Council housing sold off through the now abolished 'Right to Buy' policy.

To achieve the Scottish Government's Housing to 2040 vision in Inverclyde, rationalisation of the Inverclyde housing stock is required to address problematic mixed tenure housing and poor stock condition. Bringing properties and mixed tenure blocks back into full ownership of RSLs ensures there is ongoing investment on the condition of the property, energy efficiency improvements and an increase of affordable homes within the region.

An Acquisition and Refurbishment strategy will be prepared in partnership with local RSLs to demonstrate a requirement for continued investment in existing housing beyond 2021, to purchase existing properties rather than focus solely on new build housing. Re-provisioning of current RSL stock across Inverclyde could also address the specialist housing requirements and provide a more suitable allocation of homes to further streamline the Rapid Rehousing process.