

Dumfries and Galloway Local Housing Strategy 2011 -2016

DRAFT

A. The national legislative, policy and economic context

1) The Housing (Scotland) Act 2001 placed a raft of new statutory responsibilities on local authorities including a requirement to produce a Local Housing Strategy (LHS).

2) The LHS sets out a shared understanding of the housing and related priorities of Dumfries and Galloway and addresses how the Council and its key partners will meet these and contribute toward the delivery of the Council's Single Outcome Agreement with the Scottish Government. Dumfries and Galloway Council and its strategic partners are undergoing a review of the single outcome agreement. The LHS will be a key contributor to a number of strategic outcomes.

3) The first round of local housing strategies was produced in 2004 and set out key changes to the format and detail of local housing strategies in accordance with the new relationship between central and local government. The new LHS is focussed on strategic outcomes and will not describe all the processes and activities involved in preparing the document. The LHS is the sole strategic document for housing, homelessness and support issues.

4) The Scottish Government has developed 5 strategic objectives that underpin its purpose and describes the kind of Scotland we would like to live in. These objectives are:

- **Wealthier and fairer** – Enable businesses and people to increase their wealth and more people to share fairly in that wealth.
- **Smarter** – Expand opportunities for Scots to succeed from nurture through to life long learning ensuring higher and more widely shared achievements
- **Healthier** – Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care.
- **Safer and stronger** – Help local communities to flourish, becoming stronger, safer place to live, offering improved opportunities and a better quality of life.
- **Greener** – Improve Scotland's natural and built environment and the sustainable use and enjoyment of it.

5) The Local Housing Strategy will contribute primarily to the national strategic objective of a safer and stronger Scotland by helping to deliver well designed sustainable places where we are able to access the amenities and services we need. Well designed sustainable places, both urban and rural, support people's physical and mental wellbeing. They provide ease of access to the

work places and services by locating these conveniently with high quality housing as part of a mixed community. However, the impact of good quality and well designed housing contributes to most of the national objectives.

6) The economic climate in the UK has significant implications for the delivery of the Affordable Housing Investment Programme in Dumfries and Galloway. There is likely to be an extended down turn in the economy accompanied by extensive cuts in public spending. Public finances have shown record post war budget deficits resulting in the current Westminster Government introducing large cuts in expenditure. The budget reductions at a UK level have had a negative impact on the money made available through the Scottish Affordable Housing Investment Plan for 2011/12 and is likely to affect funding for a number of years.

7) Additionally, the well documented difficulties households currently face in securing mortgage finance because of a contraction in the lending markets is fuelling increasing demand in the private rented sector.

8) Increasing the supply of affordable housing is also recognised as a priority within the South of Scotland Competitiveness Strategy which informs the Dumfries and Galloway Regional economic Strategy. This is in recognition of the need to retain and attract people of working age into the area to sustain our rural economy.

B. Strategic structures to deliver the LHS

1) The Council has established a Housing Sub Committee with full delegations from the Planning Housing and Environment Committee to deal with all issues that relate to its' role as Strategic Housing Authority.

2) The Housing Sub Committee also established a Strategic Housing Forum (formerly Local Housing Forum and Strategic Housing Partnership) which brings together key community planning partners to develop a joined up approach to housing issues.

3) The Strategic Housing Forum includes representation from

- Elected Members
- RSL Board members
- Representatives of private rented sector
- Representatives of the third sector
- Representatives of house builders
- Senior Council , Health and RSL officers

The Strategic Housing Forum meets every 4 months.

4) The LHS was developed through an initial full day session of the Strategic Housing Forum in June 2010 where many of the ideas contained in this document were captured and developed. This was followed by a further workshop session in November 2010 where a more detailed set of proposals

for the proposed LHS Outcomes was discussed. All members of the Strategic Housing Forum received a copy of the draft LHS and many invited to the joint workshops arranged with Development Planning as part of the joint consultation approach with the Main Issues Report. Specific interests groups such as the Older Peoples' Consultative Group and LGBT Group were also consulted. The draft LHS was subject to formal public consultation from 18 March 2011 to 13 May 2011 and placed on the Council's web-site and received 283 hits.

4) The consultation process resulted in a number of issues being raised that have been considered and resulted in some changes to the LHS. A summary of the issues raised through consultation is set out below.

| Comments |
|---|
| <ul style="list-style-type: none"> • Promote flexible delivery models for affordable housing • Do no set housing supply targets by HMA • Increase target for Mid Galloway HMA |
| <ul style="list-style-type: none"> • Do no set housing supply targets by HMA • Supports approach on affordable housing |
| <ul style="list-style-type: none"> • More explanation on rationale for HMA targets • Strategic targets should not be defined by land supply or past completion rates • Review and reduce affordable housing % |
| <ul style="list-style-type: none"> • More detail on services for homeless households • More detail on in-migrant impacts on housing sector • More detail on equality and discrimination • Strengthen methodology • More detail on market housing • Expand on role of private sector |

5) As a result of the consultation, the final version of the LHS has been changed quite significantly, particularly in relation to setting out the rationale for the HMA housing supply targets, fuel poverty , homelessness and housing support outcomes.

C. The profile of Dumfries and Galloway

1) Dumfries and Galloway has a current population of approximately 149,000 made up of 68,900 households. The population has remained relatively static since 2001, although the number of households has increased by 5%. There is a projected decrease of 2.7% in the region's population by 2031, although the number of households is projected to increase by 10% due to the trend for smaller households, predominantly single and couple newly forming households..

2) Over the shorter term, the total number of households in the region is projected to increase by 346 per annum up till 2016. This is substantially

lower than the Scottish average. Taking account of the global economic crisis, a banded forecast for household growth of 200 – 350 households per annum to 2016 might be anticipated.

3) Over the next 10 years the number of family households is projected to decrease by 26%. The proportion of older person households (over 75) is expected to increase by 27%. Linked to this will be the predicted increase in numbers of over 75s living with a long term condition and frailty and the need for us to develop housing and tele-care solutions to meet this demand.

This increase in older person households is almost twice the national average and indicates the development of appropriate housing and care options will be a particularly key consideration in planning for the future.

4) The operation of the housing market in the region will influence the ability of households to meet their housing need. In the recent past, despite the relatively easy accessibility of mortgage finance and the low cost of borrowing, market turnover between 2003 and 2007 increased by only 6% significantly lower than other areas in Scotland. The current economic downturn impacted on the housing market locally with 32% less sales in 2008 than 2007. However it is important to understand this drop reflects a contraction in mortgage finance rather than a reduction in housing need and demand.

5) Exceeding national trends, house price inflation between 2003 and 2007 was 75%. This slowed to 5% in 2008 indicating a return to a more stable market. Affordability remains a significant challenge with only 56% of households able to access the private housing market at entry level. The average entry price for the region in 2008 was £86,213 but this varies significantly across the region. The highest average market entry price was in the Stewartry at £110,000.

D. Housing Need and Demand in Dumfries and Galloway

1) The Council undertook a Housing Need and Demand Assessment (HNDA) during 2009. The principal aim of the HNDA was to assist policy development, decision-making and resource allocation processes by;

- Enabling the local authority to develop long term strategic views of housing need and demand to inform the LHS and LDP;
- Provide robust evidence to inform policies aimed at providing the right mix of housing across the whole housing market;
- Identification of Housing Market Areas in the region using recognised best practice, quantifying imbalances between supply and demand within each HMA;
- Assessing housing provision to allow housing supply targets to be set.

An important part of this work was to analyse the operation of the housing market in Dumfries and Galloway and to define housing market areas. An analysis of the origin of purchases was conducted using the Register of Sasines covering the 5 year period 2003 – 2007. With an average of 71% of

purchases originating from within Dumfries and Galloway the region can be described as reasonably self contained.

Market Housing

2) The HNDA carried out a calculation to assess the ability of the private housing market to meet housing need and demand. An estimate of need and demand for market housing per annum was matched to a profile of available properties based on recent sales activities in the market. This match of households to homes was performed in each housing market area as well as each quartile of the private housing market. Quartile analysis demonstrated whether there was an over or under supply of properties at specific price points relative to the proportions of households who can afford these prices. The overall projections are as follows;

- There is evidence of a clear imbalance in the availability of market housing at specific price points with an apparent under supply at the lower end of the market (-1,071 in year 1) and an over supply at the upper end of the market (333).
- At the lower end of the housing market , unmet need for market housing accumulates from -1,071 in year 1 to -5,284 units by year 5(an increase of 80%) and further deteriorates to a total shortfall position of -10,061.
- Over time , increasing shortfalls at the lower end of the market are evident in all housing market areas with Mid Galloway and Stranraer providing the most pronounced examples
- At the upper end of the market, an initial surplus of 333 units is evidenced, which increases by 81% by year 5 (up to 1,748 units) ; and again by a further 57% in year 10 (2,019) creating a total cumulative surplus of 4,108 units.
- However, given the tendency that purchasers within the higher quartile market range are likely to bring higher levels of equity to any purchase a reasonable assumption is that surpluses will be absorbed by the enhanced financial ability of some household groups, and particularly in-migrant households
- From the evidence available it is likely that the upper quartile surplus will tend to be taken up by in-migrants and households with an existing level of equity. However the high level of evidence for demand for lower value properties combined with the current mortgage environment should be borne in mind when setting housing supply targets.
- Future projections on the level of market demand from in migration are predicated on the principle that 2008 sales activity (801 transactions) will remain static in years 1-3 of the projections, with incremental increases in the level of sales from years 4-10.

3) The evidence supports the view that by 2019 there will be a shortfall of almost 6000 market dwellings throughout Dumfries and Galloway. In addition, given that the model assumes an annual new build supply of 200 units per year, the overall land requirement will be for just under 8000 market dwellings.

Affordable Housing

4) A detailed modelling exercise was performed to identify the extent and nature of unmet need for affordable housing in Dumfries & Galloway by housing market area, property size and type. A detailed match of households in need to available homes was performed in order to assess firstly the sufficiency of available supply; and secondly to identify whether that supply was fit for purpose in relation to its area, size and type. A key indicator of both tests was whether the backlog of households in current need could be addressed over time given existing resources. The overall results of the projections are as follows:

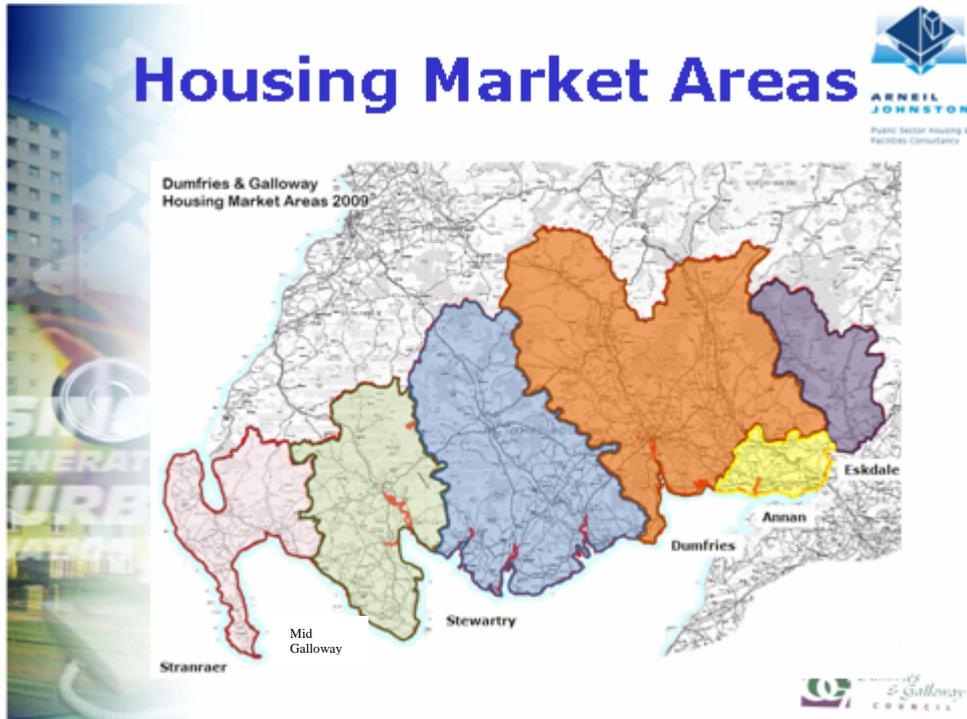
- **Backlog Need:** Over the period to 2018/19 the backlog need increases significantly from **2,057** the baseline year to **3,267** in Year 10 (59%) over the 10 year period;
- **Supply:** There is a sharp fall in supply between the baseline year of **1,654** and year 1 (1,114), thereafter supply remains fairly steady ending at **1,214** by Year 10; and
- **Newly Arising Need:** Newly arising need remains fairly steady over the whole plan period. It **1,319** in the baseline year and **1,321** by year 10.

The level of newly arising need outstrips available supply in every year with the exception of the base year. This results in a large and increasing level of net outstanding need.

Unmet need for affordable housing grows from 1,723 in the baseline year (2009) to 2,814 in year 5 and then 3,375 in year 10.

The key factor within this increasing shortfall is that the level of newly arising need continues to outstrip annual supply throughout the plan period.

5) A key element of the HNDA was to define for the first time functioning Housing Market Areas based on actual sales activities and analysis of the origins of purchasers. Through this work 6 housing market areas were defined. These are set out in the map below:



7) An assessment of current and projected market conditions concluded that that the identified need will then be met over a 15 year period.

Table 2 – Total HNDA - 15 year Requirement

| Housing Market Area | Market Housing | Affordable Housing | Total |
|--------------------------------------|----------------|--------------------|----------------|
| Annan | 883 | 632 | 1,515 |
| Dumfries | 194 | 801 | 995 |
| Eskdale | 2,299 | 391 | 2,690 |
| Mid Galloway | 2,673 | 752 | 3,425 |
| Stewartry | -824 | 110 | -714 (surplus) |
| Stranraer | 2,729 | 689 | 3,418 |
| Dumfries & Galloway Total | 7,954 | 3,375 | 11,329 |

8) However, the figures in table 2 were used as a starting point for the process of defining Housing Supply Targets for each HMA. National housing and planning guidance makes it clear that the scale, nature and distribution of the housing requirement for a Housing Market Area identified in the local housing strategy (and subsequently in the local development plan) should be based on the outcome of the housing need and demand assessment. However, it is not just a straightforward statistical analysis. Wider strategic economic, social and environmental policy objectives should also be taken into account when determining the scale and distribution of the housing requirement and the housing supply target for a Housing Market Area. It is reasonable to direct development to particular locations to achieve desired

policy outcomes. In such circumstances the planned level or direction of growth may not reflect past trends. Given this process, the requirements have then been adjusted to take account of wider policy interventions, the operation of the housing market, past completion rates, infrastructure and environmental constraints and the capacity of settlements to accommodate change. The housing supply targets for each Housing Market Area are shown below:

Table 3 LHS Housing Supply Targets 2009-2024

| Housing Market Area | Market Housing | Affordable Housing with LHS Policy intervention | LHS Housing supply target |
|--------------------------------------|-----------------------|--|----------------------------------|
| Annan | 883 | 423 | 1306 |
| Dumfries | 2896 | 537 | 3433 |
| Eskdale | 230 | 26 | 256 |
| Mid Galloway | 668 | 126 | 794 |
| Stewartry | 667 | 74 | 741 |
| Stranraer | 682 | 116 | 798 |
| Dumfries & Galloway Total | 6026 | 1302 | 7,328 |

9) These targets provide an opportunity in each Housing Market Area for new build provision to support the broad approach of long term sustainable development. It is considered to be more realistic, in current market conditions, with limits on public spending, contraction in mortgage availability and wider employment pressures, to plan this level of development over 15 years. Should there be a quicker recovery in the housing market then this approach will be reviewed as part of the five-yearly LHS/ LDP review processes. It is the function of the LDP to identify sufficient sites to meet the housing supply targets set out in the LHS, for both affordable and market housing.

10) In order to establish demand within each quartile of the market it has been assumed that households will seek to purchase within the price quartile they can afford. The assumption made is that households will purchase within a quartile that is 3.5 times their household income. To determine the proportion of households who could afford to purchase in each quartile CACI Pay-check household incomes were benchmarked to quartile house prices within each housing market area.

11) The highest proportion of demand for market housing in Dumfries and Galloway is focused in quartile 1, where 42% of households can afford to purchase. This varies across HMA with just 30% of demand focused in Quartile 1 in Eskdale; whilst 60% of demand in Mid Galloway relates to Quartile 1 prices. Conversely, 25% of all demand for market housing is focussed at the upper end of the market in quartiles 3-4. Again this varies significantly across each HMA, with Mid Galloway and Stewartry exhibiting a low level of affordability at the upper end of the market at 13% and 15% respectively. The table below shows the proportion of total demand for market housing by quartile and HMA:

Table 4 ; Demand for Market housing by quartile and HMA

| Area | Quartile 1 | Quartile 2 | Quartiles 3-4 | Total |
|----------------------|-------------------|-------------------|----------------------|--------------|
| Annan | 40% | 35% | 25% | 100% |
| Dumfries | 40% | 32% | 28% | 100% |
| Eskdale | 30% | 33% | 37% | 100% |
| Mid Galloway | 60% | 26% | 14% | 100% |
| Stewartry | 55% | 30% | 15% | 100% |
| Stranraer | 33% | 39% | 28% | 100% |
| Total D&G | 42% | 32% | 25% | 100% |

12) The Housing Needs and Demand Assessment evidenced that without intervention in the region's housing system there will be an increasing shortfall in affordable housing provision over time. In relation to the Council's Affordable Housing Policy, the approach adopted is to set an optimum target of 20% across all 6 HMAs , but fully accepting that each project requires to be assessed on a development by development basis.

13) The approach is to provide flexibility in terms of the amount of affordable housing required and the method of delivery. For example, an approach that proposes different tenure solutions , commuted sums , off site provision and other innovations could all be legitimate routes to meeting affordable housing provision and will be reflected in the Council's Affordable Housing Policy, This policy will set out in full how private sector builders will contribute to the delivery of affordable housing through the planning system.

14) Affordable housing is broadly defined as housing of a reasonable quality that is affordable to people on modest incomes. The types of housing that are included in this definition are

- Social rent
- Mid market rent
- Subsidised low cost sale
- Shared ownership
- New Supply Shared equity
- Open Market Shared equity
- Entry level housing for sale

(PAN 2/2010)

15) The principal policy will be contained within the Local Development Plan and Supplementary Planning Guidance will also be prepared which will describe how the affordable housing contributions will be delivered in each of the 6 Housing Market Areas.

Table 5: Benchmark for affordable housing policy by HMA

| HMA | Proposed Benchmark |
|---------------------|---------------------------|
| Eskdale | 20% |
| Annan | 20% |
| Dumfries | 20% |
| Stewartry | 20% |
| Mid Galloway | 20% |
| Stranraer | 20% |

16) The methodology for setting the housing supply targets for each HMA is summarised below:

16.1) Annan HMA: - The proposed approach for this HMA is to implement the HNDA figures in full. Although this would result in a doubling of the past housing completions of 631 units between 1998 and 2008, this will provide the opportunity to capitalise on regeneration initiatives including the Annan Regeneration Master-plan, the Gretna, Lockerbie, Annan Corridor and Chapelcross. In addition water constraints in Gretna have recently been resolved and Scottish Water are in the process of implementing the solution.

- **Market Housing 883**
- **Affordable housing 423**

16.2) Eskdale HMA: - There are 1,878 households (2001 Census) in this HMA, the HNDA identifies a need and demand for 2,690 new housing units. To identify land to accommodate this number of units would have a significant impact on existing communities as there are a limited number of settlements. As the proposed spatial strategy identifies 90% of development will be allocated to District and Local centres, this would focus the majority of activity in only 1 District Centre (Langholm) and 1 Local Centre (Canonbie) where new development can be allocated. There are significant infrastructure constraints, mainly flooding which makes it difficult to identify land for development in these areas. The proposal is to set 10% of the HNDA need and demand figure which equates to 256 units which is an increase on past completion rates of 48 units between 1998 and 2008.

- **Market Housing 230**
- **Affordable housing 26**

16.3) Dumfries HMA: - A clear strategic objective is to support Dumfries as Regional Capital. This HMA has 48% (30,520) (2001 Census) of Dumfries and Galloway's households, it has the Regional Capital, 6 District Centres and 8 Local Centres. There are also fewer infrastructure and environmental constraints in identifying land for development. There have been 2,494 completions between 1998-2008. The policy priority for this HMA is to ensure there is choice and growth across the whole HMA in what is the most populace and active HMA. It contains the largest number of district and local

centres and it is important to enable and create sustainable economic growth in these locations. Equally, the role of Dumfries as regional Capital needs to be strengthened through ensuring a generous supply of housing, which includes explicit support for key flagship development opportunities. The proposal to increase the housing supply target for quartiles 1 & 2 by 75% to a figure of 2,896 to provide opportunities for development and growth at the lower end of the market where there is evidence of a lack of supply. In relation to affordable housing, the target is, in line with other HMAs, arrived at by reducing the HNDA figure by 33% to allow for other policy interventions. In arriving at this figure, consideration was given to the housing and planning guidance (see paragraph 8) that states the assessment of housing supply targets is not just a straightforward statistical analysis. Wider strategic economic, social and environmental policy objectives should also be taken into account when determining the scale and distribution of the housing requirement and the housing supply target for a Housing Market Area. It is reasonable to direct development to particular locations to achieve desired policy outcomes. Given this, the Housing Supply Target for this HMA has been adjusted to support the over-riding strategic and policy objectives described above.

- **Market Housing 2,896**
- **Affordable housing 537**

16.4) Stewartry HMA: - The HNDA identifies a surplus of 714 houses in this HMA however this masks a shortfall in lower quartile market housing of 381 over a 15 year period. The HNDA also highlights shortfall in affordable housing over the same planning period of 110 units. It is important when planning for affordable housing that it is within a model that promotes mixed tenure developments. Therefore the opportunity for market housing to complement the affordable housing element is critical. Added to this, patterns of in-migration, the high number of market houses that are at the upper end of quartile 4, a reduction in newly forming households, average house prices significantly higher than the Dumfries and Galloway average (average lower quartile price is £100,000 compared to £82,000 for the rest of the Region) all point to positive policy interventions to provide opportunities to reverse this trend. To try and address these issues it is proposed to use as a basis for the housing supply targets, the cumulative shortfalls in affordable housing (reduced by 33% to take account of other policy interventions) and lower quartile market housing, plus an additional 75% of this deficit. This is to address the particular issues in the Stewartry relating to the relatively high number of properties coming to the market that are in the top end of quartile 4. Given the wider policy issues summarised above, this is a reasonable basis on which to proceed, and will provide an opportunity for development and growth in a manner that supports the local population.

- **Market Housing 667**
- **Affordable housing 74**

16.5) Mid Galloway HMA: - The HNDA identifies a need for 3,425 units, if implemented in full this would be 13 times the past completion rate of 263 units between 1998-2008. To try and implement the HNDA figures in full in this HMA would have a significant impact on existing communities of which

there are 3 District Centres and 5 Local Centres. The proposed approach is to deliver 25% of the identified need which would result in 794 units, which is a significant increase on past completion rates. It is anticipated that the majority of the 668 housing supply target for market housing would be targeted at lower quartile units as the HNDA identifies a significant deficit at these price points, compared with a surplus in the higher quartiles.

- **Market Housing 668**
- **Affordable housing 126**

16.6) Stranraer HMA: - The HNDA identifies a need for 3,418 units which is almost 8 times the past completions rate of 443 units between 1998-2008. The proposed approach is to provide for 25% of this figure. This is in line with Mid Galloway HMA. It is still nearly two and half times past completion rates. This approach will provide the opportunity to capitalise on the regeneration of Stranraer waterfront. It is anticipated that the majority of the 974 housing supply target for market housing would be targeted at lower quartile units as the HNDA identifies a significant deficit at these price points, compared with a much lower deficit in the higher quartiles.

- **Market Housing 682**
- **Affordable housing 116**

17) In summary it should be emphasised that this approach maintains a clear link to the HNDA findings but adopts a flexible approach based on the different issues identified within each HMA. It also provides an opportunity in all areas for development in excess of past completion rates, the approach being proposed is considered to be realistic in the current market. Whilst the above sets out the broad strategic approach for setting housing supply targets, it must also be acknowledged that, especially in a rural region like Dumfries and Galloway, there must also be a flexible approach to the delivery of affordable housing in those small rural communities which have identified specific issues and pockets of demand. The approach that will be taken is to encourage community surveys and innovative small scale projects to meet this demand which is also reflected in the revised proposals for planning policies in the countryside which will set out a criteria based policy to encourage sustainable rural development.

E. Integrating the LHS with other plans

LHS and Local Development Plan

1) Dumfries and Galloway Council is also currently preparing a new Local Development Plan that will replace the current Structure Plan and 4 Local Plans. The Local Development Plan will provide guidance and policies on the type and location of development. The Scottish Government has undertaken a national review of the planning system with the intention of making it more responsive. This should have the effect of ensuring the delivery of key national and local strategic developments. At a national level the drive to align

and integrate housing and planning is seen as critical. Locally, the Council is working effectively across services to ensure this integration is delivered..

2) The Local Housing Strategy sets housing supply targets across all tenures for inclusion in the Main Issues Report, a key step in the production of the Local Development Plan. This provided the main opportunity for discussing ideas and options before a final strategy is put in place. It also included a Spatial Strategy that described the Council's preferred approach to land use within the Local Development Plan. Key to this is the allocation of a generous land supply for housing development across all tenures throughout the life of the plan. The Council consulted on its Main Issues Report and Local Housing Strategy simultaneously to ensure a consistent approach to housing issues.

3) The Scottish Government supports five guiding principles of sustainable development set out in the UK shared framework on sustainable development. The five principles are:

- Living within environmental limits
- Ensuring a strong healthy just society
- Achieving a sustainable economy
- Promoting good governance
- Using sound science responsibly

6) It is critically important that the development of the Local Housing Strategy considers these issues in tandem with the Main Issues Report and Local Development Plan.

LHS and Regional Economic Strategy

7) The Regional Economic Strategy sets out 5 strategic priorities which are ;

- Dumfries : Regional Capital
- Stranraer and Loch Ryan Gateway
- Corridor Regeneration Strategy – CoReS
- Sector Development – Tourism, Forestry, Food and Drink ; Renewable energy
- Public procurement opportunities

8) Housing is an important underpinning factor in the successful delivery of the Regional Economic Strategy. Annual reviews of the LHS will assess the contribution it has made in building the region as an innovative and sustainable rural economy.

LHS and Health/ Care Plans

9) In April 2011, the Council and NHS Dumfries and Galloway signed up to a Joint Statement of Intent which makes explicit commitments to why and how the two organisations will work together. Throughout the LHS there is evidence of close strategic links with Health in relation to

- Health and Homelessness,

- Health and Housing support
- Housing for particular needs
- Housing for older people

Through the plan period we will continue and build on the partnership approach with NHS Dumfries and Galloway to ensure a clear strategic fit in relation to investment in new affordable housing and the provision of services.

F. Investment in Affordable Housing

1) A key function of the LHS is to set out how we will promote and deliver investment in new affordable housing. Dumfries and Galloway's Strategic Housing Investment Plan set a target to deliver over 1250 units of affordable housing in the planning period 2009 – 2014. It is estimated that this will require a total funding package of over £150m. Housing Association Grant is the primary subsidy from the Scottish Government that enables Registered Social Landlords in Dumfries and Galloway to build new affordable houses.

2) It is the Scottish Government's view that the current levels of subsidy are unsustainable. The level of Housing Association Grant has been reduced already and is likely to reduce further. The "credit crunch" also means private finance contribution to overall development costs has become more difficult to secure. This combination of factors means that new, and increasingly local, solutions will need to be developed if the delivery of housing is to remain close to the levels achieved in recent years.

3) To help achieve these aims, the Council has now agreed to participate in a new housing initiative, The National Housing Trust, which will allow the delivery of new homes for mid market rent. This will have the added economic benefit of stimulating, and sustaining, the local house building sector. This is an innovative, high value for money approach. The properties that could be delivered through NHT will be targeted at households on low to moderate incomes, who can not afford market rents, but are not currently in a priority group for accessing social housing. These properties will remain at mid market rent for a period between 5 – 10 years following which the sitting tenant will be given the first opportunity to purchase. They will then be sold on the open market.

4) The Council also supports the funding of SHIP projects through the targeted use of income from Council Tax on second homes. Since 2005 the Council has received on average an additional £750,000 through this mechanism which has provided over £3m of additional funding to support 9 projects that will deliver a total 164 new homes and 15 refurbished properties. It is an increasingly important funding source in the current climate and assists in delivering strategically important projects across the region.

5) A potential flagship project to deliver an innovative mixed tenure new community is the Scottish Sustainable Communities Initiative proposal for Ladyfield in Dumfries. The project has received national backing and the broad proposal is to develop housing, work spaces and community facilities

on a key Greenfield site in the Southern sector of the town. Its aim is to encourage a sustainable approach to support the growth of Dumfries as regional capital whilst supporting employment in the business, education and health sectors based on and around the Crichton Campus.

6) With the announcement of the Government's new Innovation and Investment Fund programme, the Council has formally supported 10 housing affordable housing development bids submissions for assessment. If all bids are successful this would deliver 208 new homes representing a total investment of £28.113m.

Outcome 1 : There will be more new affordable housing to meet the needs of our communities.

Actions

- 1) Work collaboratively with Planning Services to
 - ensure a generous land supply , including land designated for affordable housing development
 - develop and fully implement the Affordable Housing Policy
- 2) Establish a Special Purpose Vehicle of NHT to deliver mid market homes across the region
- 3) Complete the delivery of the Neighbourhood Renewal Master-plans for North West Dumfries and Stranraer
- 4) Promote Ladyfield site in Dumfries as a Sustainable Community which will include the delivery of new housing
- 5) Promote rural affordable housing development through the continued funding of DGSCHT and promote RHOG /REPG funding
- 6) Apply Council Tax Income to support the delivery of affordable housing across the region , particularly in rural locations
- 7) Maximise AHIP through provision of robust evidence and on going dialogue with the Scottish Government, which includes political lobbying from a cross-party group of Members from the Housing Sub Committee .
- 8) Maximise assets of the Council and other partners to unlock resources
- 9) Develop and engage with innovative funding mechanisms to increase investment opportunities (Innovation and Investment Fund or its successor)

G. Fuel Poverty

1) The eradication of fuel poverty is a priority within the Housing (Scotland) Act 2001. Section 89.(5)(b) of this act requires the Council, through its Local Housing Strategy, to ensure so far as reasonably practicable, that persons do not live in fuel poverty. This obligation relates to all housing tenures.

2) The Scottish Government defines fuel poverty as *“a household is in fuel poverty if, it would be required to spend more than 10% of its income (including Housing Benefit or income support for mortgage interest) on all household fuel use”*.

3) This message was re-enforced in the Statement to Scottish Parliament and Review of Fuel Poverty in May 2008 which set out the continued aim of eradicating fuel poverty.

Fuel poverty is considered to be the ‘by product’ of certain factors interacting with each other. These include:

- Energy efficiency of the home
- Fuel costs
- Household income
- Under Occupancy
- Household choices

4) Scottish Government programmes such as EAP, the Warm Deal and Central Heating Programme, together with SHQS, the Energy Efficiency Commitment and Carbon Emissions Reduction targets (CERT) have all contributed to a significant change in the energy profile of Scotland’s housing stock.

5) There are a number of general statistics which are good indicators of the prevalence of fuel poverty. Dumfries and Galloway has 9 data zones in the 15% most deprived in Scotland- 0.9% of national share (SIMD2009). There are 19 data zones at the 20% data zone threshold, 1.5% of national share. The most deprived data zone in Dumfries and Galloway is Stranraer, ranked 156- it had been ranked 90 in SIMD 2006 (SIMD 2009).The six most deprived data zones in Dumfries and Galloway (SIMD 2009).They are ;

- Stranraer West
- Lincluden and Lochside
- Stranraer West
- Nithside
- Annan North
- Whithorn

Although there are a small number of data zones in the 15% most deprived in Scotland (see above) , there are significant levels of income and employment deprivation that are spread through-out Dumfries and Galloway. There are therefore obvious difficulties in targeting services and initiatives at such a dispersed group.

6) For Dumfries and Galloway, fuel poverty is a significant issue. The latest Scottish House Condition Survey (2009) shows 41% of all households are in fuel poverty .This compares with 28% for Scotland as a whole. The region has the third highest levels of fuel poverty across all Scottish local authority areas.

7) Fuel poverty is a particular issue for private housing sector within Dumfries and Galloway which makes up 81% of the total housing stock, of which 13% is in the private rented sector (compared to 8% nationally.) However, there is a larger private rented sector in rural Dumfries and Galloway (27%) than in the larger towns (10%). Given the known stock condition issues of poor insulation, solid wall construction, many properties being 'off-grid' , the problem of fuel poverty in rural areas is endemic. The approach we are taking to tackle fuel poverty, given the limited resources available, is to focus primarily on rural areas.

8) A key issue for Dumfries and Galloway is to look to introduce a cost effective system to deal with poorly insulated solid wall properties as the scope for offering cavity wall insulation is some of the most rural parts of the region is very limited. There needs to be more creative solutions to tackle the kind of stock that most rural households occupy and we are working in partnership with Energy Advice Centre networks and others in looking at what can be achieved that is both affordable and technically practical. This work is likely to be part of a future UHIS submission.

9) The partnership approach has been demonstrated through the successful implementation of Dumfries and Galloway's Home Insulation Scheme which ambitiously targeted over 7000 rural properties across the region. Although it was a logistical challenge, the scheme proved that by harnessing resources problems can start to be addressed. However, this issue is one that needs to be addressed in the long term with resources available year on year to improve insulation, heating and other measures.

10) In tackling issues around climate change , there are a number of ways which can assist in dealing with the three strands of ;

- Mitigation
- Adaptation
- Sustainability

11) In relation to mitigation, the LHS has set out a number of initiatives in development that will tackle harmful emissions in existing stock. There are a wide variety of funding mechanisms available. Some schemes are designed to improve the energy efficiency of buildings by improving their thermal efficiency, others help to fund the generation of renewable heat and energy. These are described below;

- Carbon Emissions reduction Target (CERT). This is funded by the utilities who are required by UK Government to fund reductions in carbon emissions. Energy companies have largely used CERT to fund cavity wall and loft insulation in urban areas. Dumfries and Galloway is a rural local authority with a higher proportion of solid wall properties which has resulted in less investment being targeted at our region.
- Community Energy Savings Programme (CESP) Also funded by the utilities, but focussed on alleviating fuel poverty in rural areas and in poorer areas and only post codes within the lowest 15% of areas in multiple deprivation. DGHP has attracted CESP funding and this has

been applied the village of Whithorn. This project is underway and the outcomes will be assessed as part of the next review of the LHS.

- Feed in Tariffs – Supports the generation of renewable electricity through the payment of a guaranteed sum for renewable energy. Eligible technologies include hydro, wind, photo-voltaic and bio-mass. In Dumfries and Galloway, Loreburn HA, in partnership with the Council and Forest enterprise, have developed a bio-mass power plant as part of a new rural development located on the edge of Ae Forest. Also, DGHP, again in partnership with the Council, has developed as part of their award winning scheme in Municipal Terrace, Dumfries, photo-voltaic generation.

12) In relation to adaptation and sustainability, this will be delivered in tandem with planning policy initiatives. Scottish Government advice is clear that strategies should enable the development of well designed, energy efficient, good quality housing in sustainable locations. The aim should be to create places with a distinct character and identity, promote a well integrated mix of uses including well designed homes of different types and tenures. The broad strategic aim is to create, support and promote sustainable communities, and one of the main dimensions of sustainability is locating housing, employment, and services closely together. In addition to reducing the need to travel (and consequently, carbon emissions), this approach can help to promote vibrancy, the viability of services, and well used community facilities.

Outcome 2 : There will be 20% fewer people living in fuel poverty in Dumfries and Galloway by 2016.

There are a number of current and future projects across the region that are aimed at tackling fuel poverty and will contribute to meeting the overall strategic outcome. The Council is committed to delivery the action plan below:

Actions

1. The Council agreed its new Scheme of Assistance in March 2010 which included specific measures to tackle fuel poverty
 - £130, 000 allocated to Dumfries and Galloway Housing Partnership to help fund owners costs to refurbish and retrofit energy efficiency measures in sub standard mixed tenure housing in Dumfries. This scheme recently won the UK Green Apple Award for Sustainable Retrofit Project of the year.
 - £145,000 allocated to DGHP to establish a factoring service to enable improvements to the housing stock in mixed tenure developments enabling Registered Social Landlords to achieve the Scottish Housing Quality Standard by 2015.
2. The Council supports the delivery of Fuel Poverty Services for Older People –
Dumfries and Galloway Council supports the Fairer Scotland Fund and its Poverty Inequality and Deprivation Working group to deliver this service,

which provides a flexible and comprehensive advice and assistance fuel poverty service for older people.

3. Scottish Housing Quality Standard (SHQS)–

The Council supports RSLs in implementing their Delivery Programmes to meet the SHQS, which includes standards for energy efficiency by funding capital programmes on mixed tenure developments through Scheme of Assistance. According to the latest available figures over 66% of socially rented housing in Dumfries and Galloway meets the standard.

4. Home Insulation Scheme –

The Council made a successful application to participate in the Home Insulation Scheme, which is delivered by the Energy Savings Trust. It offered energy saving advice and measures to households across Scotland. The Scheme targeted over 7000 rural properties in 6 defined areas across the region. In summary the HIS scheme achieved the following results;

| | |
|--|---------------|
| ○ Advice contacts | 5,759 |
| ○ Home Energy Checks | 2,304 |
| ○ Insulation referrals | 1,200 |
| ○ Benefit and Tax credit check referrals | 411 |
| ○ Social Tariff referrals | 481 |
| ○ Stage IV referrals | 345 |
| ○ Lifetime CO2 savings | 21,805 tonnes |
| ○ Properties contacted | 6492 |

As well as providing general advice about energy efficiency it will also provide low cost or free home insulation measures. The Council is now preparing a bid for a share of the Universal Home Insulation Scheme which will continue the work of HIS.

5. Community Energy Savings Programme (CESP) –

The Council applied with Dumfries and Galloway Housing Partnership to secure funding for this programme which will improve the energy efficiency of homes in Whithorn. The aim of the programme is to improve the energy efficiency of as many homes in Whithorn as possible, across all tenures and will be delivered by DGHP. Again, the Council will look at future opportunities to access funding from this programme as well as CERT funding for other suitable areas.

H. Making better use of social rented housing

1) In order to tackle the lack of affordable housing it is clear that the answer cannot just be about new supply. The Council and its partners must look at existing stock and resources in the social rented sector and ensure that it is being utilised to its' full potential to meet housing need. There is a need to maximise the flexibility of Registered Social Landlords to encourage improvements in the management of their stock.

Table 6: The stock profile within D&G

| Area | Social Rent | Private Rent | Private owner |
|------------------------------|--------------------|---------------------|----------------------|
| Annan HMA | 21% | 9% | 70% |
| Dumfries HMA | 20% | 13% | 68% |
| Eskdale HMA | 10% | 24% | 65% |
| Stewartry | 15% | 15% | 70% |
| Mid Galloway | 18% | 15% | 68% |
| Stranraer | 24% | 14% | 62% |
| Dumfries and Galloway | 19% | 13% | 68% |

Outcome 3 : Affordable housing will be easier to access with improved choices in areas where people wish to live. Households will be able to live independently for longer.

Actions

- 1) The Council will co-ordinate the implementation of the development of a Common Housing Register utilising 'collaborative software by identifying a lead RSL partner. This will include an action for RSLs to ;
 - Ensure that RSLs allocations policies attach appropriate weight to overcrowding and under-occupation.
 - We will examine the potential to re-shape sheltered accommodation to ensure it is maximised and appropriately targets those with greatest need
 - Ensure that RSLs mutual exchange policies are maximised by increasing public awareness of them
 - Pursue Pressured Area Status designation where the core evidence indicates a need to protect existing stock from being lost through Right To Buy.
 - Ensure RSLs review their allocations policies to confirm they are responsive to their tenants who experience harassment, discrimination or abuse
 - Support proposals to prioritise ex service personnel through allocations policies
- 2) The Council will encourage RSLs to explore the use of financial and other incentives offered to tenants who are currently under occupying a property to move
- 3) The Council will support tackling vacant or empty homes through targeted regeneration initiatives.
- 4) The Council and its partners will continue to develop flexible tenure options, for example mid market rent and maximising the use of SSST
- 5) Explore the potential to fund the development of handy-van services to RSL tenancies to enable older people to maintain their tenancies.

I. The Private Sector and Scheme of Assistance

1) The role of the private rented sector in Dumfries and Galloway is well established. The size of the sector equates to about 13% of all stock. This compares to about 8% of all stock nationally. There is an even larger proportion when looking at each HMA, with Eskdale having the most significant sector as a proportion of its total stock at 24% and Annan having the lowest at 9% (which is still higher than the national average.)

2) Given the size of the private rented sector it is critically important that the LHS focuses on the range of measures available to ensure access, quality, management and affordability are improved. The Scottish Housing Quality Standard (SHQS) was announced by the Minister for Communities in February 2004. The SHQS consists of 5 criteria. The dwelling must be:

- above the statutory Tolerable Standard
- free from serious disrepair
- energy efficient
- with modern facilities and services; and
- healthy, safe and secure

It is currently not a requirement for private sector households to meet the SHQS. However, it is a useful measure to assess private sector condition in comparison to social housing. The 2004-2007 Scottish House Condition Survey provides an indication of overall condition in Dumfries and Galloway and clearly provides a comparison of condition by tenure:

Table 7; SHQS assessments

| Tenure | RSL | RSL | Private | Private | Total | Total |
|-----------------|-------------|-------------|----------------|----------------|--------------|--------------|
| | Pass | Fail | Pass | Fail | Pass | Fail |
| D&GC | 36% | 64% | 21% | 79% | 24% | 76% |
| Scotland | 28% | 72% | 29% | 71% | 28% | 72% |

In total the level of SHQS failures in Dumfries and Galloway is comparable to the trend for Scotland as a whole. However, by tenure a higher proportion of private sector dwellings failed the SHQS (79%) as compared to dwellings in the social sector (71%).

3) The Housing (Scotland) Act 2006 requires local authorities to develop a 'Scheme of Assistance' for providing assistance to owners and private tenants when carrying out work on their house. Section 72 requires local authorities to publish a statement setting out priorities for improving house conditions in the private sector. The statement defines what assistance will be provided by the Council, and what will be the responsibility of home owners.

4) This Scheme of Assistance sets out how the Council provides advice, information and assistance to help homeowners improve the quality of private housing in Dumfries and Galloway. It also sets out the assistance, including financial support available, for owners to adapt their homes to meet the needs of people with disabilities.

5) Over 70% of the houses in Scotland are owned by, and are the responsibility, of private owners. The figure for Dumfries and Galloway is slightly below the national average at 68%. Too many of those houses are of poor standard, poorly maintained or prevent disabled people who live in them from maximising their independence. The Scottish Government considers that the extent of poor standards and unsuitability justifies intervention by government. They have stated that national and local government should work in partnership to improve the standard and suitability of existing houses in the private sector. However, this is not as straightforward as the primary responsibility for the private sector stock lies with individual owners.

6) Government does not have the direct role that it plays in social rented housing and it must respect individual owners' property rights. It therefore needs to use a mixture of encouragement and assistance, backed up by clear and consistently applied enforcement measures.

7) Dumfries and Galloway's Scheme of Assistance was adopted in March 2010 after a period of public consultation. It has been developed around 6 key strategic priorities. These are:

- Improve the rural private rented sub sector
- Pursue the designation of parts of Dumfries town centre as a Housing Renewal Area.
- Support the establishment of a factoring service
- Tackle properties that are Below Tolerable Standard
- Support and streamline the delivery of Care and Repair (including the establishment of a Handy van Service)
- Provide financial assistance for people with disabilities who require adaptations to their home.

8) In relation to the most significant of these priorities, the following summarises the position.

- Pursue designation for a Housing Renewal Area

A Housing Renewal Area is a specified location that the Council has assessed as requiring improvement in the condition and quality of housing in that location. This could be because housing in the area is sub standard or lowering the appeal of the neighbourhood. The designation of a Housing Renewal Area within Dumfries Town Centre will provide the Council with new powers to deal with the issue of poor quality housing. Queen Street, Friars Vennel and Brewery Street were selected as a pilot area because

there are concentrations of poor quality housing in these locations. It is hoped that by making these areas more attractive places to live and work it will contribute to the Council's aspiration to fully develop the town's potential as regional capital. If implementation proves successful then the Housing Renewal Area approach to improving the quality of housing and appeal of neighbourhoods will be taken forward in other locations facing similar difficulties.

- **Below Tolerable Standard**

The Council undertook a review of its Scheme of Assistance in March 2011 and agreed to lower the threshold for financial assistance to repair those homes that are defined as BTS. The Tolerable Standard consists of a set of criteria covering the elements of a house that are fundamental to its being habitable. The criteria address issues of public health, comfort and safety. The tolerable standard applies to houses of all tenures. However it is anticipated that direct support from the Council would be targeted at private tenants and qualifying owner / occupiers. The current Scheme of Assistance defines significant breaches of the tolerable standard as follows:

- The main fabric of the property is structurally unstable.
- There is not an adequate supply of wholesome water and does not have a sink provided with a satisfactory supply of both hot and cold water within the house.
- Does not have a water closet or waterless closet available for the exclusive use of the occupants of the house and located within the house.
- is substantially free from rising or penetrating damp
- has a fixed bath or shower and a wash hand basin, each provided with a satisfactory supply of both hot and cold water and suitably located within the house
- has an effective system for the drainage and disposal of foul and surface water.

8) The above strategic priorities are underpinned by a commitment to appropriate advice, assistance, intervention or enforcement.

9) In addition the Council has agreed to become a partner with Landlord Accreditation Scotland to promote the significance of good quality private rented accommodation, particularly in more rural areas and to improve engagement with private landlords.

Outcome 4 ; Households in the private sector will live in well-maintained properties that meet their needs. There will be a private rented sector that offers good quality, well-managed accommodation that provides real choice and improved affordability.

Actions

1. The Council will implement its Scheme of Assistance which includes
 - The pursuit of designation of Housing Renewal Area in specific locations in Dumfries town centre to improve private sector housing quality and the amenity of the area as part of the regional capital.
 - Support the establishment of a factoring service
 - Tackle properties that are Below Tolerable Standard
 - Support and streamline the delivery of Care and Repair (including the establishment of a Handy van Service)
 - Provide financial assistance for people with disabilities who require adaptations to their home.
- 2) The Council will continue to support any further applications under the Homes for Rent project that aims to deliver affordable homes in pressured rural markets.
- 3) The Council will support the private rented sector through continued engagement with the Landlord Accreditation Scotland scheme and full enforcement of landlord registration scheme and HMO licensing.
- 4) As part of the on-going review of the Scheme of Assistance improves the co-ordination and promotion of the variety of funding and advice services available locally and nationally that focus on stock improvement and energy efficiency.

J. Homeless Strategy

1) The Council's approach to tackling homelessness is now required to be set out in the LHS. To support the high level outcomes and actions in this section of the LHS, there will also be further detailed plans in the Homelessness Plan, Temporary Accommodation Plan and Housing Options Implementation Plan. The existing homeless strategy is structured around the 5 key themes of:

- Prevention
- Responding to homelessness
- Securing permanent accommodation
- Support provision
- Partnership working

2) The Housing (Scotland) Act 2001 and Homelessness etc (Scotland) Act 2003 introduced a raft of new measures to tackle homelessness and the implementation of the majority of these measures is scheduled to be completed by 2012, with the last legislative change being the abolition of priority need. This means that all applicants currently assessed as unintentionally homeless, but not in priority need, will have a right to

permanent accommodation by 31st December 2012. The key factors that impact on housing supply and availability are:

- The abolition of priority need test means unintentional homeless households previously assessed as not having a statutory priority would from 2012 have the right to secure permanent accommodation , thus placing increased pressure on Registered Social Landlord waiting lists
- The number of RSL lets to homeless households impacts on the availability of housing to other priority groups (transfer and waiting list applicants)
- The growth of homeless application results in a greater number of households within the homelessness system and leads to increased pressure on temporary accommodation

3) There have been over the recent past consistently over 1500 households per year who have made a presentation to the Council as homeless. This trend has reduced slightly over the last two years and the trend continues to reduce. The following is a summary of the Homelessness statistics from 2005 -2010

Table 8 Homeless presentations in D&G

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Applications | 1694 | 1623 | 1568 | 1508 | 1390 | 1309 |
| Assessments | 1659 | 1588 | 1582 | 1560 | 1424 | 1309 |
| Priority H'less h'holds | 844 | 824 | 870 | 926 | 876 | 767 |
| SST secured | 484 | 545 | 513 | 621 | 550 | 367 |
| Non Priority decisions | 288 | 277 | 207 | 164 | 151 | 184 |

4) The HNDA identified a total newly arising need for housing of 1,328 households per year of which 927 are homeless households with priority need. The average number of nights a homeless household stays in temporary accommodation is 119 , which is about 70% longer than the previous year. Around 40% of all homeless households come from within the Dumfries HMA and 30% are in the 16 – 24 age band. Over 50% of all homelessness is caused by a family or relationship breakdown.

Outcome 5 : More households will receive appropriate housing options advice to prevent homelessness and fewer households will become homeless.

Actions

1) Develop and implement a Housing Options approach to tackling homelessness and the threat of homelessness.

- The Council will fully engage with the Housing Options 'Hub' for South West Scotland.

- The Council will re-model service delivery and assessment to focus on preventative interventions for those at risk of homelessness
- 2) The Council will reduce the use of Bed and Breakfast temporary accommodation by 50%
 - 3) The Council will review its temporary accommodation provided and managed by RSLs to ensure costs are minimised and improve efficiency
 - 4) The Council will support the implementation of furnished Scottish Secure tenancies offered by RSLs to improve tenancy sustainability
 - 5) The Council will increase the opportunities to discharge the statutory homeless duty into the private rented sector through the use of S32a referrals through a partnership approach with Landlord Accreditation Scotland. Key to the success of this approach would be to ensure there is sufficient housing support services focussed on this sector
 - 6) The Council will undertake an impact assessment of the proposed changes to UK Housing Benefit Regulations to assess the affects any changes will have on both homeless households and those at risk of homelessness.

K. The Provision of Housing Support to Homeless People

- 1) The Council's approach to commissioning and delivery of housing support services is now required to be set out in the LHS. The provision of Housing Support is a key element in preventing homelessness, tackling the problems that create homelessness, minimising the stress of being homeless and enabling people to sustain tenancies. It is a key element in ensuring housing need is met as part of the wider issues around appropriate interventions that contribute to tenancy sustainment.
- 2) This has been re-enforced at a national level by the provisions within the Housing (Scotland) Act 2010 which will define housing support services as statutory services.
- 3) There are currently a variety of specialist support services available to homeless people who are placed in temporary accommodation. They are a combination of outreach and accommodation based services. These services are currently being reviewed. The review methodology was structured around the following themes:
 - Standards of Service Delivery
 - Value for money
 - Strategic fit with the Council's Homelessness Strategy
 - Type of support delivered
 - Client Group
 - Geographical area covered/location of accommodation
 - Uptake of Service
 - Gaps in provision
 - Duplication of provision
- 4) A total of 36 Housing Support contracts, delivered by 31 providers, with a value of £3,588,436 are being reviewed. The outcomes of this process will be

reported to the Council's Housing Sub Committee in due course. The report will also set out the Council's approach to the procurement. This will move towards an outcomes approach to service design and delivery. The Council has worked closely with housing support providers to develop their understanding and capacity to participate in the tender process. The training provided covered the following areas:

- Background on recent policy shift around housing provision and support that underpins the move to tendering of services
- How to submit a winning response to a competitive tender process
- Outcomes approach to service design and delivery, and how to monitor and report on outcomes performance
- How to identify potential partners to jointly deliver services
- How effective partnerships can be fostered and managed.

5) These processes will realign and target housing support services at the strategic priorities set out in our Homelessness Strategy. .

Outcome 6 : Homeless households and those threatened with homelessness will develop the skills to allow them to sustain their housing choices and be able to live independently.

Actions

- 1) Undertake the Service Review and procurement in line with the Strategic Commissioning and Delivery Framework to ensure the right type of support services, in the right location and to the standard specified by the Council.
- 2) The Council will re-focus service provision by
 - Prioritising and improving flexible outreach support
 - Increasing specialist housing support provision (for example victims of domestic abuse). This will include new build specialist provision with on site support and an increase in floating support across the region
 - Ensuring consistent accommodation with support in the right locations
 - Promote use of Mortgage to rent and Mortgage to Shared Equity schemes to prevent those in mortgage arrears becoming homeless
- 3) On an on-going basis, Strategic Housing will monitor and evaluate support provision to ensure alignment with strategic outcomes.

L. Housing For People with Particular Needs

1) The HNDA identified 29% of all households contained an individual who has some form of special need. This equates to 20,834 across the region. It should be noted that the need identified was that perceived by the household itself. It is not necessarily a medical or social care assessed based need.

2) The categories with the highest level of need related to mobility/physical disabilities (18%) and long term illness (11%). Only 5000 of the 20834 households were currently being assessed by any housing, social care or health care agency.

3) A further assessment was undertaken in the HNDA which looked at housing suitability, this identified over 800 households with particular needs who were living in accommodation that they describe as not well suited to their current needs. In particular, there was unmet need identified for 157 wheel chair accessible properties.

4) A particular issue for Dumfries and Galloway is the increasingly ageing population. The national policy agenda of shifting the balance of care away from institutional services and towards care and support at home remains a priority and is also the preference of the great majority of people with particular needs. The challenge for Dumfries and Galloway is to accelerate this shift in line with need resulting from this population profile. To achieve this a key proposal is to set ambitious targets for new supply of housing for people with particular needs including housing for older people. This will not only meet the current need but also release existing general needs stock as this client group has the opportunity to move to more suitable accommodation.

5) Future provision will need to be planned to take account of this evidenced need. The Council has developed a number of initiatives and new developments which support this shift in the balance of services. The Scottish Government has approved a national change fund of £70m to support the Reshaping Care For Older People agenda. The Dumfries and Galloway Partnership has been allocated £2.5m of this fund and a partnership agreement has been put in place between NHS, the Council and Third sector partners. This fund will support more older people in their own homes and provide more preventative and enablement services.

Outcome 7: People with particular needs will be able to live independently and fulfil their potential.

Actions

1) The Council will further develop and broaden its nominations agreements and allocations processes to improve access to affordable housing for particular needs.

2) The Council will undertake a study to map the range of current accommodation for people with particular needs to identify any over or under supply and develop investment plans through the SHIP to address any shortfalls.

3) The Council will work with partners to prioritise specialist new build provision through key projects identified in the Strategic Housing Investment Plan, eg specialist provision for people with dementia.

4) The Council will set a target of 20% for the provision of housing for older people and those with particular needs on all new supply SHIP projects.

5) The Council will undertake a Service Review and procurement of housing support services for older people (including sheltered accommodation) in line with the Strategic Commissioning and Delivery Framework to ensure the right type of support services, in the right location and to the standard specified by the Council.

- 6) The Council will continue to promote effective partnership working with NHS and Third Sector through enhanced joint strategic planning processes.
- 7) The Council , in partnership with NHS and the RSL sector , will establish a short life working group to look at the potential of re-shaping sheltered accommodation.

M. Gypsy Travellers Housing Requirement

- 1) The Council's HNDA reviewed the needs of gypsy travellers. The Scottish Governments twice yearly count from August 2008 indicated an increase in established Gypsy Travellers households from 9 in 2005 to 24 in 2008. However the Council provides 2 official sites with a total of 32 pitches. The occupancy rate of 69% indicates that despite the growth in overall numbers of Gypsy Traveller households the area is well equipped in terms of pitches and services available. Similarly the Scottish Government reports on gypsy travellers recorded only 3 unauthorised encampments over a 4 year period.
- 2) The Council has well established policies and procedures for such incidents. The Council has established a gypsy traveller liaison meeting which provides a forum for community leaders to meet with policy makers and service providers to review progress and raise issues.
- 3) There was also no identified current need for specialist provision for travelling show people. A long standing lease arrangement is in place to provide appropriate sites for 'show fairs' regularly throughout the year.

Outcome 8 ; The gypsy traveller community will have opportunities to access appropriate short and long term accommodation to meet their needs.

Actions

- 1) Ensure the Gypsy traveller liaison meeting considers the HNDA findings to affirm they correspond with the views of the gypsy traveller community.
- 2) The Council will ensure that accommodation and related services for the gypsy traveller community are reviewed and remain responsive to changing needs.
- 3) The Council will ensure that the arrangements for the provision of sites for travelling show people are appropriate.

N. BME & hard to reach households

- 1) The Council and its partners recognise that households from particular social or ethnic groups can differ in terms of housing need. We will ensure all reasonable steps are taken to protect Lesbian, Gay, Transsexual and Trans Gender (LGBT) people from harassment in their homes from neighbours or in their neighbourhoods. We will try and ensure that staff working in the housing sector in Dumfries and Galloway are aware of the issues facing LGBT young

people and adults. The HNDA study and consultation process did not identify any particular unmet need for BME or other hard to reach groups. To ensure the policy and strategy proposals being developed do not in any way disadvantage BME and hard to reach households it will be subject to a full equality impact assessment which will include stakeholder engagement with representative organisations, for example LGBT, Multi Cultural Association and Older Peoples Consultative Group.

Outcome 9 : All households will live in tolerant and supportive communities.

Action;

- 1) We will continue to ensure representation from BME and hard to reach groups on the Strategic Housing Forum.
- 2) We will encourage Registered Social Landlords, the Council's Homelessness Service and relevant Housing Support providers to participate in the LGBT Charter Mark Scheme.

O Equality and Impact Assessments

- 1) An Equality and Diversity Impact Assessment was carried out to assess the likely impact of the Outcomes and Actions set out in this LHS. A copy of the Assessment will be placed on the LHS web page.
- 2) A Strategic Environmental Assessment Screening process and , if required, full SEA assessment will be undertaken before the final LHS is submitted to the Scottish Government.