



SERVICES FOR THE COMMUNITY POLICY DEVELOPMENT AND SCRUTINY PANEL

SCOTTISH GOVERNMENT CONSULTATION ON HOUSING TO 2040

REPORT BY HEAD OF HOUSING, CUSTOMER AND BUILDING SERVICES

A. PURPOSE OF REPORT

The purpose of the report is to inform the panel of the council's proposed response to the Scottish Government's consultation on their draft housing vision and consultation paper "Housing to 2040: Consultation on outline policy options". The closing date for responses to the consultation document is 28th February 2020.

B. RECOMMENDATION

Services for the Community PDSP is requested to note:

- (i) The council's proposed response as set out in Appendix 2 of this report.
- (ii) That a report will be submitted to Council Executive on 25th February 2020 seeking approval to submit the response to the Scottish Government by 28th February 2020.

C. SUMMARY OF IMPLICATIONS

I	Council Values	Focusing on our customers' needs; being honest, open and accountable; providing equality of opportunities; developing employees; making best use of our resources; working in partnership
II	Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)	The Housing (Scotland) Act 1987 as amended in accordance with Homelessness (etc.) Act 2003 Housing (Scotland Act) 2001, Housing (Scotland) Act 2006, Housing (Scotland) Act 2014, Town and Country Planning (Scotland) Act 1997, Planning (Scotland) Act 2019, The Procurement (Scotland) Regulations 2016
III	Implications for Scheme of Delegations to Officers	None
IV	Impact on performance and performance Indicators	None

V	Relevance to Single Outcome Agreement	<p>4: We live in resilient, cohesive and safe communities.</p> <p>5: People most at risk are protected and supported to achieve improved life chances.</p> <p>6: Older people are able to live independently in the community with an improved quality of life.</p> <p>8: We make the most efficient and effective use of resources by minimising our impact on the built and natural environment.</p>
VI	Resources - (Financial, Staffing and Property)	Not yet fully determined.
VII	Consideration at PDSP	Yes
VIII	Other consultations	Consultation has been undertaken with West Lothian Council Planning and Building Standards.

D. TERMS OF REPORT

D.1 BACKGROUND

In July 2019, the Scottish Government published their draft vision for homes and communities; "Housing to 2040: A Vision For Our Future Homes and Communities". A copy of the document is contained in Appendix 1.

This followed the conclusion of the first phase of Housing to 2040 stakeholder engagement,(concluded November 2018) and the publication of a report on the outcome of the engagement in May 2019: "Scottish Government "Housing to 2040: Report on stakeholder engagement in 2018".

As part of the stakeholder consultation in 2018, a launch event with senior housing stakeholders was hosted by the Scottish Government and held in September 2018. At this event, stakeholders were asked to identify the key milestones between 2020 and 2040 to inform the Scottish Government's "route map" which will be published along with the final draft Housing to 2040 vision in summer 2020. West Lothian Council were represented at officer level at this consultation event.

The Scottish Government advises that the Housing to 2040 vision can assist to achieve many of the Government's ambitions for Scotland including eradicating child poverty and homelessness, ending fuel poverty and tackling the effects of climate change.

The Scottish Government's ambition is that everyone in Scotland should live in high quality, energy efficient homes that are affordable. Housing to 2040 sets out four key themes as follows;

- A well-functioning housing system
- High quality sustainable homes
- Sustainable communities

- Homes that meet people's needs

Under each of the themes fifteen high level principles are proposed which are highlighted in the main Housing to 2040 draft vision document in Appendix 1. The principles cover a number of key areas including housing supply, quality, energy efficiency, affordability and accessibility.

The proposed principles also promote:

- (i) A move toward "tenure neutral" space and standards.
- (ii) A need for a flexible housing market to meet people's changing housing needs.
- (iii) A need for the housing system to shift the balance away from the use of homes as a means to store wealth to supplying high quality affordable homes for people to live in and address inequalities in health, wealth and education.

D.2 Purpose of Consultation

The Scottish Government has requested comment on both the draft vision and principles and invited suggestions for "bold, imaginative and innovative proposals" in order to deliver the Housing to 2040 vision. The Scottish Government advise that the consultation document is designed to support a conversation about how the Scottish Government and key stakeholders can plan for "what we want our homes and communities to look and feel like in 2040"

To assist this next phase of the consultation process, the Scottish Government has requested responses to a number of guideline questions to enable consensus to be reached on the final vision and to enable the route map to be agreed.

The questions invite comment on:

- (i) The draft vision and principles.
- (ii) The scenarios and resilience of the route map or constraints and separately to the five themes of;
 - (iii) Affordability
 - (iv) Accessibility and Functionality
 - (v) Energy Efficiency and lowering carbon emissions
 - (vi) Quality standards and state of repair of existing and new housing.
 - (vii) Improving space around homes and promoting connected places and vibrant communities.

As part of the consultation process, a series of stakeholder engagement events are also being held throughout Scotland during January and February 2020 before the consultation deadline of 28th February 2020.

D.3 Summary Response

West Lothian Councils proposed response to Housing to 2040 is contained in Appendix 2.

Summary response to the draft vision and principles, resilience of the route map and constraints.

The council supports the main principles of the Scottish Government's draft Housing to 2040 vision. The ability to achieve the vision will however require a continued effort in terms of increasing the supply of affordable housing, improving standards of all new and existing housing, ensuring comprehensive support and care services are in place for those most in need and implementing measures to ensure that people have choice over their current and future housing options.

For the Scottish Government's 2040 vision to be realised, this will necessitate real increases in public expenditure over the next 20 years not only in housing but in other related sectors; health, education and social care and national and local infrastructure.

The constraints to the delivery of the Housing to 2040 vision are very high level and wide ranging and will require to be fully explored in more detail within the context of policy decisions and actions. The route map has not yet been developed and will be published in the summer of 2020. There is a need for the route map to identify key milestones between 2020 and 2024, which are fully costed with identified funding levels.

Summary response to the five themes listed at D.2 above

A continued increase in housing supply across all tenures would assist the aim of increasing housing choice. There also requires to be a realistic definition of "affordability" and for rent levels in both the public and private rented sector to be reviewed at a national level and affordable rents to be based upon a "whole life" cost approach.

Adoption of a "green energy standard" across all tenures with adequate funding would assist to make housing more affordable and increase housing choice. This along with "green deal" financial assistance for owners would also increase the energy efficiency of new and existing housing with reduced dependency on conventional energy sources.

With regard to the accessibility and functionality of existing and new housing, there is a need to align current guidance for both housing and the external environment with updated building standards on accessibility and functionality, coupled with a statutory requirement to increase the level of wheelchair accessible housing across all tenures.

There is a need also to increase the supply of housing for particular groups including meeting the needs of an ageing population and aligning with the Rapid Rehousing Transition Plan (RRTP) priorities to prevent homelessness.

With respect to a national "green energy standard" and "accessibility" standard, there requires to be a national high level standard which combines energy efficiency, accessibility and quality across all tenures. This new standard should rationalise and simplify existing standards (ESSH for example), allowing for easy validation, monitoring and regulation.

Finally a co-ordinated approach to land assembly, infrastructure provision and the provision of infrastructure grants all aligned with a national transport strategy will assist new housing supply and improve space and connectivity of new housing.

D.4 Next Steps

The proposed next steps are:

- (i) Attendance at consultation events in 2020 in Glasgow (5th Feb) and/or Edinburgh (17th February).
- (ii) Submission of the council's proposed response, attached as Appendix 2, to Council Executive on 25th February 2020, seeking approval for the response to be submitted to the Scottish Government by 28th February 2020.

E. CONCLUSION

The council has been invited to participate in the Scottish Government's consultation process on their draft housing vision for 2040 via their consultation document "Housing to 2040: Consultation on outline policy options". The council welcomes the opportunity to participate and provide a consultation response on the future vision and options for housing in Scotland.

F. BACKGROUND REFERENCES

Scottish Government "Housing to 2040: Report on stakeholder engagement in 2018.

<https://www.gov.scot/publications/housing-2040-report-stakeholder-engagement-2018/pages/2/>

Appendices/Attachments:

Appendix 1: Scottish Government "Housing to 2040: A Vision For Our Future Homes and Communities". July 2019.

Appendix 2: "Scottish Government Housing to 2040: Consultation on outline policy options" West Lothian Council's Response.

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CMT Member:

Ann Marie Carr, Head of Housing, Customer & Building Services

Date of Meeting: 4th February 2020

Appendix 1: Scottish Government “Housing to 2040: A Vision For Our Future Homes and Communities”. July 2019.

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 system¹ – 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.

¹ 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 (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 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 constant². 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.

²We 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 occupation³ 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.

³ 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 housing⁴, 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.

⁴ 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 home⁵.

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).

⁵ 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.

Appendix 2: “Scottish Government Housing to 2040: Consultation on outline policy options” West Lothian Council’s Response.

Housing to 2040

Consultation on outline policy options

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/

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 (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: https://www.gov.scot/publications/housing-to-2040/. Do you have any comments on the draft vision and principles?</p>
West Lothian Council's Response	<p>West Lothian Council supports the main principles of the Scottish Government's draft Housing to 2040 vision. The ability to achieve the vision will however require a continued effort in terms of increasing the supply of affordable housing, improving standards of all new and existing housing, ensuring comprehensive support and care services are in place for those most in need and implementing measures to ensure that people have choice over their current and future housing options.</p> <p>It is noted that publication of the final Housing to 2040 vision, to be published in the summer of 2020, will align with the Scottish Government's new Infrastructure Investment Plan and Capital Spending Review.</p> <p>For the Scottish Government's 2040 vision to be realised, this will necessitate real increases in public expenditure over the next 20 years not only in housing but in other sectors; health, education and social care. The link between good housing and other wider benefits in terms of health, well-being, social isolation, tackling child poverty, homelessness and improving education requires to continue to be a high priority.</p> <p>It cannot be assumed that the proposals, as outlined, can influence the housing market in terms of "shifting the balance away from the use of homes as a means to store wealth" and ensure "the cost of housing is under control" especially in the private sector. How much wealth individuals and families accumulate through their property requires to be fully understood.</p> <p>A continued increase in housing supply across all tenures would undoubtedly assist the aim of increasing housing choice. There also requires to be a realistic definition of "affordability" and for rent levels in both the public and private rented sector to be reviewed at a national level but also have the ability to reflect local circumstances including employment and employment opportunities.</p> <p>At the moment rent setting in the social housing sector still mainly takes account of the physical aspects of a property and also the short and long term maintenance costs. In reviewing affordability, account should be taken of all running costs including energy costs.</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 Annex C.</i></p>

West Lothian Council's Response	<p>The constraints are very high level and wide ranging will require to be fully explored in more detail within the context of policy decisions and actions.</p> <p>As outlined in response to Question 1 above, the ability of the Housing to 2040 vision to be implemented is dependent upon adequate and long term funding commitments for housing and other related areas such as care, health and also national and local infrastructure to enable new housing developments to be realised.</p> <p>The route map will require to include key milestones and timescales for the implementation of the proposals including timescales for addressing the constraints which exist as a barrier to the implementation of the proposals, especially where there are funding or resource constraints, or both.</p> <p>Short term milestones (within first 5 years), should be broken down annually, with five year milestones thereafter. To 2040. All milestones require to be fully costed with identified funding levels.</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"> • Who needs to make it happen and what type of action is required? E.g. facilitation, regulatory, financial, infrastructure, training etc. • How much it costs and who will pay? • Who is needed to do the work (workforce)? • How long the proposal would take to implement and whether it is a temporary or permanent measure? • When in the period 2021 to 2040 should it begin and does anything need to be done first? • 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.) • How does it help deliver the draft vision? Does it align with the draft principles? <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	Do you have any proposals that would increase the affordability of housing in the future?
West Lothian Council's Response	West Lothian Council considers that the policies and provisions outlined below will assist in ensuring that housing is made more affordable to people and are able to have a degree of choice over their current and future housing options. The majority of policy

	<p>provisions will require new legislation.</p> <ol style="list-style-type: none"> 1. One of the biggest challenges for West Lothian is the supply and demand issues for social rented housing along with the need for affordable housing. There is an ongoing challenge to eradicate homelessness. The impact of high market pressures areas such as the City of Edinburgh on neighbouring local authorities, such as West Lothian, affects both the supply and the cost of housing and the ability of residents who live in such areas to access affordable housing. 2. Increase the supply of affordable housing including housing for particular needs (ongoing). 3. Increase resources for local authorities including West Lothian across all sectors, especially care and support services. (immediate) 4. Review of capital and revenue funding for housing to ensure that housing is affordable across all tenures and most importantly that an adequate welfare system is in place to support those most vulnerable and those with particular housing and support needs. (by 2023) 5. Review of universal credit system in regard to the impact on tenants and landlords including reinstating the ability to deduct at source. (by 2021) 6. Increase the minimum wage to assist poverty including child poverty and assist access to affordable housing and exercise of choice. (by 2021). 7. Review of consumer credit regulations which at present affect the ability of landlords to offer payment plans to owner occupiers for major repairs and comprehensive improvement works to common areas. This is an issue in West Lothian where there are common flats factored by the council or a local RSL and especially where there is a concentration of mixed tenure tenement stock. (by 2021). 8. Establishment of a national energy company to provide affordable energy for all. (by 2025). 9. Enforcement of the implementation of "green energy" measures in both the private and public sector; electric car charging e.g , air source heat pumps, increased insulation standards and other measures and introduction of appropriate levels of funding to both individuals and local authorities/private sector to install such measures. It is also important that local authorities, such as West Lothian, are able to use their statutory planning, environmental health and building standards powers to enforce standards with respect to energy efficiency and climate change. (by 2021). <p>West Lothian Council considers that legislation would need to be introduced and amended for many of the above measures with short timescales due to the urgency of the issues especially around the</p>
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	<p>minimum wage, affordable rents, social care and support and energy costs.</p> <p>Increased funding in the form of grants and subsidies would encourage individuals to implement green energy measures at individual dwelling level, thus reducing reliance on conventional sources of power and reducing the cost of heating individual homes. Improvement and energy efficiency grants could be means tested.</p> <p>Investment in housing across all tenures would mean employment and growth in the construction industry via the supply of skilled labour, goods and materials across the EU resulting in a net contribution to the Scottish and UK economy.</p> <p>Response aligns to Principles (i), (iii), (iv), (xiii)</p>
Q4	<p>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)?</p>
West Lothian Council's Response	<ol style="list-style-type: none"> 1. Removal of current Housing for Varying Needs guidance and the introduction of minimum mandatory internal and external accessibility measures across all tenures and incorporation of these into minimum national Building Standards which all providers including private developers must meet. (by 2021). 2. Use of West Lothian Council local and also national planning policy to increase the supply of fully wheelchair accessible new build accommodation across all tenures to meet local housing needs. (2021 onwards) 3. Implementation of a national accessibility audit and implementation of measures such as kerb lowering at key access and crossing points to aid wheelchair manoeuvre through our town and cities. (by 2025). 4. Increase in grant funding for aids and adaptations to existing rented and owner occupied stock, based upon needs including a system of "self-referral" for minor adaptations and aids instead of the lengthy OT/GP referral system, removing increasing pressure on GP surgeries. (2021 onwards). 5. Implementation of a National Housing Needs survey for older and disabled people (by 2023). 6. Introduction of enforcement measures to ensure more single storey and wheelchair accessible properties are built by the private sector. (by 2023) 7. Implementation of a national public transport strategy with appropriate subsidy levels especially around cycle, train and bus

	<p>travel, making it affordable to all. (2020 onwards).</p> <p>8. Making better use of our town centres, especially in areas where retail is failing due to other pressures including out of town and internet shopping and wider economic pressures. This could include conversion of ground floor retail units to provide accessible accommodation for the elderly enabling access to other town centre services.</p> <p>People's needs, change over time and the support provided should not only relate to the physical adaptation of the house but the level of support that people require to live in a community setting and prevent them from being admitted to hospital.</p> <p>There is an ongoing need in West Lothian for specialist housing provision for older people and other care client groups and a requirement for the planning system to be aligned with Health and Housing and Social Care priorities to meet these needs over all tenure types. This can be achieved partly at individual local authority level, however will also require legislative input to ensure that private sector developers are also part of the solution.</p> <p>In addition, there may be a requirement to redistribute and increase resources to ensure that people can live independently for longer provided they live in housing which meets their needs and there is appropriate levels of support in place. This would assist to address current local and national issues of delayed hospital discharge and reduce costs to the NHS, which could in turn be redistributed to housing.</p> <p>The response made aligns to Principles (xii), (xiv) and (xv)</p>
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Q5	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?
West Lothian Council's Response	<ol style="list-style-type: none"> 1. Sustainable design of housing is very important in relation to increasing energy efficiency, warmth and lowering carbon emissions. Consideration requires to be given to developing appropriate heating systems to limit carbon emissions. The aim should be in the future to construct housing that does not require heating by substantially improving insulation. (from 2020) 2. Regulation should be introduced as a matter of urgency that all new build dwellings do not continue to rely on natural gas as the main fuel source for heating. (from 2021) 3. Increase the requirement for the installation of energy efficiency measures on new and existing housing through the building regulations and provide greater incentives for the work to be done with approved suppliers. (from 2024) 4. Move toward "passive haus" standard as norm for new build and where possible retro fit; natural ventilation systems, air source heat pumps, no boilers, zero reliance on gas. This strategy also includes the introduction of solar and wind power wherever possible. (by 2025) 5. Introduction of minimum mandatory energy efficiency/zero carbon measures for the private sector via the Building Regulations; minimum Gold Standard for all new build across all tenures. (2021 onwards) 6. Increased grants for energy efficiency measures especially for private owners including continued improved insulation measures to existing stock. (2021) 7. Introduction of minimum mandatory eco standards for the private as well as the public sector including environmental measures; SUDS, minimum levels of new tree planting, eco planting, culverts etc. (2021) 8. Promote the use of new materials with proven high thermal qualities; terracotta promoted in passive haus developments, for example, (2020 onwards) <p>The response made aligns to Principles (i), (ix) and (xiii)</p>

Q6	Do you have any proposals that would improve the quality, standards and state of repair of existing and new housing?
West Lothian Council's response	<ol style="list-style-type: none"> 1. Increased powers to local authorities and factors to implement common repairs and improvements to factored flats where the majority are in favour including common external areas and tenement back courts. This would also involve a review of the definitions of "improvement" and "repair". (2021 onwards). 2. Consider a "Green Deal" type of financial grant assistance to enable homeowners to maintain and or improve the quality of their dwelling. Grants which are received should be able to be paid back at a low/ zero interest rate. The condition of many existing properties would benefit greatly from financial assistance. This would not only improve the energy efficiency but also the visual amenity of an area where such buildings exist. (2021 onwards) 3. In relation to affordable housing, there needs to be alignment and coordination of housing standards in the social rented sector. In the longer term and once EESSH 2 is implemented, consideration should be given to the development of one standard that includes house condition and energy efficiency measures. This would be easier to implement, monitor and regulate. Validation, monitoring and regulation of this new standard requires to be at a more simplified level rather than the current complexities which surround/ have surrounded SHQS and EESSH validation, monitoring and reporting. (2025 onwards) 4. As part of comprehensive Asset Management strategy and where housing stock is declared not to have a long term future, increased mechanisms are required for councils and RSL landlords to build and offer new housing for outright sale (through either new build or improvement for sale). (2023 onwards) 5. Extension of Housing Act provisions in relation to Housing Renewal Areas which predominantly focus upon renewal of stock and where there is currently limited grant assistance.(2023 onwards) 6. Update the National House Condition Survey to support the above and inform investment decisions linked to an updated national high level standard across all tenures. (by 2023). 7. Review of procurement arrangements; quality and price assessments/frameworks which do very little to encourage small and medium and local companies unable to compete with larger companies who specifically employ bid consultants/staff. <p>The response made aligns to principles (i), (v), (vi) and (vii).</p>
Q7	Do you have any proposals that would improve the space around our homes and promote connected places and vibrant communities?

<p>West Lothian Council's response.</p>	<ol style="list-style-type: none"> 1. Continued promotion of Brownfield sites and also review of land use zoning (commercially zoned land) for residential purposes.(ongoing) 2. Review of grant funding for Brownfield and reclaimed land making it easier for both developers and landlords to access funding to remediate land with high abnormal site costs. (by 2021) 3. Implementation of a national and local public transport policy aligned with local development plans and also care delivery plans; integrated housing, transport and healthcare. (by 2023) 4. Develop a strategic and coordinated approach to use and disposal of public sector land including land owned by the NHS. Where land is no longer required for a purpose e.g. hospital or school, the first option should be to consider the land for housing. This would assist with housing land supply and ensure that sites were not left unused for long periods of time. There should be sufficient public sector funding available to ensure that large scale projects do not rely on land values for delivery. (2021 onwards) 5. Some sites require substantial investment in infrastructure or remediation to bring them forward. The level of infrastructure required (and associated developer contributions) may make sites unviable. A “development agency” approach, whereby infrastructure is provided by Government and sites made “oven ready” could be one approach to assist in unlocking sites and assisting with both the viability and deliverability of new build projects. (2021 onwards) <p>Future deliverability is one of the main concerns within West Lothian. Housing sites can be allocated in the Local Development Plan but the council has limited control over these coming forward. The sites may be in areas where regeneration initiatives are supported through council policy or community initiatives, however, they may not be in areas which are attractive to the development of industry and an could be considered for housing. Mechanisms such as (5) above, need to put in place to unlock such sites, encourage community regeneration and a variety of choice to encourage people to locate or remain within their local communities.</p> <p>The response made aligns to Principles (xi) and (xii)</p>
<p>Q8</p>	<p>Any other comments?</p>
<p>West Lothian Council's response</p>	<p>In summary, West Lothian Council considers that there requires to be a whole system approach to public sector funding and service provision. to ensure that revenue and expenditure meets future needs and that the major constraints to enable the Housing to 2040 vision to be realised are removed.</p> <p>The council also considers that there requires to be an ongoing commitment to investment in housing and understanding of the contribution that good housing makes to health, education and environmental objectives.</p> <p>The funding allocation for housing and social care for local authorities including West Lothian, requires to be considered in the long term (20 years plus) to ensure that commitments made can be delivered. Funding allocations should also be increased to reflect the savings made in other areas of local authority and NHS expenditure.</p>

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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 Government¹ 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.

¹ '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 Outcomes² 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

² 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 budget³. 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;

³ 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 billion⁴ 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 billion⁵.) 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.

⁴ This means closer to £100 billion than either £10 billion or £1 trillion.

⁵ 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 broadly⁶.
- 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 Principle⁷, 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.

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

⁷ 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; 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.

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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Any enquiries regarding this publication should be sent to us at

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