



NATIONAL PLANNING FRAMEWORK 4 HOUSING TECHNICAL DISCUSSION PAPER

Response from Rural Housing Scotland

Thank you for the opportunity to comment - overall we are disappointed that the different housing market circumstances and housing requirements of rural Scotland are not acknowledged in the paper. It is written from the perspective of continuing housing development practice as currently organised and offers no ambition in regard to alternative development solutions. It is pertinent that the one organisation mentioned in the paper as a key stakeholder - Homes for Scotland - represents large volume builders, a largely urban membership and the maintenance of the status quo.

We would like to make three specific points:

- ▶ **there is no recognition of the failure of current HNDA and LHS processes to measure and meet rural housing needs and the proposed approach offers no mitigation to address these failures or rural/island proof policy**

Current methodologies for HNDAs fail to uncover housing needs within rural communities. Their analyses is not sufficiently detailed to identify pockets of deprivation and housing need within rural areas. HNDA's also entrench past trends reinforcing depopulation.

"Current HNDA methods are not fine-grained enough to provide insights below the Housing Market Area level and tend to be based on estimates of past trends in household formation. Small area estimates suggest that there are higher proportions of young people unable to form households in fragile areas with high house prices relative to incomes" Stimulating Housing Development in the Highlands & Islands p37

"The research also found that conventional Housing Need and Demand Assessments are not suited to providing the granular detail required for smaller communities. To address this it is proposed that local surveys such as those conducted by ... Rural Housing Scotland should be used to establish local need and demand"
Scottish Land Commission Land for Rural Housing 2020 Draft

Rural areas have substantial under reporting of homelessness and housing need with high levels of hidden homelessness and concealed households. Young households in particular are penalised for remaining in parental home with their housing need unrecognised and not acted upon. The number of these "young and stuck " households are highest in some of our most sparsely populated areas yet these households are deemed to be adequately housed and therefore no provision of investment or land is made to address this homelessness. These households vote with their feet and leave these communities.

"The current process of assessing need has been heavily criticised as failing to reflect the needs of rural areas, of entrenching past trends and failing to reflect the aspiration in many communities to reverse these, rather than incorporate them into future plans. This means the level of need and shortfall in supply may be

even greater, if the needs of hidden, and 'young and stuck' households were considered. In addition to the understatement of need in areas of historical population decline and hidden households, the current housing need and demand methodology do not allow for adequately evidencing housing need below sub market area, therefore obscuring the needs of smaller, fragile communities" .

Stimulating Housing Development in the Highlands & Islands p64

► **the paper makes no mention of housing land to enable rural repopulation despite this being a high level outcome of NPF4 and a major policy aim of the Programme for Government**

"We know that more young people want to stay, and now consider staying, in the areas they grew up, but we need to do more to stem rural depopulation and to attract more people to live and work in rural and island communities. We will develop an action plan to support repopulation of our rural and island communities and work with partners to test approaches using small scale pilots in rural Scotland."

Protecting Scotland's Future - The Government's Programme for Scotland p84

If this policy goal is to be met it is vital that processes and methodologies reflect this priority. The proposed approach reiterates the flawed current HNSA methodology which entrenches decline' fails to recognise the housing needs of young people and fails to accommodate regeneration and growth.

The proposed approach also leaves much of the identification of housing need and housing land within local authorities for whom repopulation may not be a priority. If repopulation is a national priority, guidance and the approach to the identification of housing need and housing land must reflect this. There must be an expectation that local development plans and local housing strategies will reflect this national priority and these documents audited to ensure local measures are in place.

The recent research by the James Hutton Institute "Demographic change in the Sparsley Populated Areas of Scotland" highlighted the demographic time bomb facing parts of rural Scotland. The research identified the annual net migration requirement required to halt the shrinkage of the working age population. Across the areas identified an annual net migration surplus of over 1000 people will be required over the next 30 years. If we are serious about stemming depopulation we need to include measures to ensure that there is sufficient housing land identified in these areas to enable this in migration whilst also meeting indigenous housing need and the greater housing needs of smaller households.

► **the paper does not consider whether the proposed approach will have a different effect within Island communities**

The Islands Act places an obligation on public authorities, when introducing a new or revised policy, strategy or service, to prepare an *island communities impact assessment*. For the reasons set out above the proposed approach will not be effective in identifying and meeting the housing requirements of island and rural communities. An alternative approach will be required and it is important that this is recognised and addressed within the methodologies adopted to set targets for land for housing; particularly to address the indigenous lack of affordable housing opportunities and to create ambitious targets for repopulation.