

Members' Library Service Request Form

Date of Document	30/08/23
Originator	Rebecca Pringle
Originator's Ref (if any)	Team Manager Housing Strategy
Document Title	Consultative Draft Housing Strategy 2024-29

Please indicate if access to the document is to be "unrestricted" or "restricted", with regard to the terms of the Local Government (Access to Information) Act 1985.

Unrestricted	\square	Restricted			
--------------	-----------	------------	--	--	--

If the document is "restricted", please state on what grounds (click on grey area for drop-down menu):

ı	For Publication	
ı	I'OI I UUIICatioii	

Additional information:

Authorised By	Wendy Mcguire	
Designation	Head of Housing	
Date	30/08/23	

For Office Use Only:	
Library Reference	91/23
Date Received	31/08/23
Bulletin	August



REPORT TO: Member's Library Service

BY: Executive Director for Place

SUBJECT: East Lothian Consultative draft Local Housing

Strategy 2024-29

1 PURPOSE

1.1 The purpose of this report is to outline the key elements of the consultative draft Local Housing Strategy 2024-29 prior to consulting formally on this draft for an eight week consultation period.

2 RECOMMENDATIONS

- 2.1 It is recommended that Members note Consultative draft Local Housing Strategy 2024-29 which will be presented to Cabinet on 12th September 2023.
- 2.2 It is recommended that Members note the next steps in preparing an approved Local Housing Strategy.

3 BACKGROUND

Legislative context

- 3.1 The Housing (Scotland) Act 2001 requires local authorities to prepare a Local Housing Strategy (LHS) for their area. The Act also states that the LHS must be supported by an assessment of need and demand, of housing provision and related services. The LHS must be submitted to Scottish Ministers and local authorities must keep their LHS under review.
- 3.2 The LHS sets out the strategy, priorities and plans for the delivery of housing and related services across East Lothian for the period 2024 2029 and within the context of the current financial challenges.
- 3.3 The LHS is the sole strategic document for housing, bringing together a wide range of housing related priorities into one place and enabling a co-

ordinated response in terms of action. The LHS plays a number of important roles, including:

- Setting out the strategic direction of the Council and its partners to delivering high quality housing and related services, to meet identified need across the county.
- Outlining the Council's approach to meeting its statutory housing responsibilities, i.e. in relation to homelessness, house conditions and fuel poverty.
- Summarising the response to national housing priorities, i.e. the Scottish Housing Quality Standard; town centre living; reduction in carbon emissions and supporting the development of sustainable communities, while also reflecting the needs and priorities of the local area.
- Demonstrating how housing can contribute to improvements in health and wellbeing, the reduction of poverty and influence the effective integration of health and social care.
- 3.4 The consultative draft LHS has been developed in line with 2019 <u>Scottish</u> <u>Government Guidance</u>, taking into account any recent relevant legislation such as the National Planning Framework 4.

Engagement

- 3.5 The Housing (Scotland) Act 2001 requires local authorities to consult on their proposed LHS. To inform preparation of this Consultative Draft LHS, a process of engagement commenced in February 2022 and ended in January 2023. Over 1,000 people participated in this process which included a range of online surveys, in person focus groups and workshops.
- 3.6 Engagement workshops included:
 - 5 online surveys spanning a range of topics including: early engagement, rural housing, older people, children & young people, and health & housing.
 - 6 service provider workshops with our third sector partners.
 - Engagement sessions with Area Partnerships and Community Councils, capturing the views of 120 people.
 - Equalities workshops for staff across Health and Social Care Partnership, the third sector, and wider ELC teams, involving approximately 80 people.
 - A range of 1:1 interviews, focus groups and engagement were conducted over 9 sessions with 'lived experience' groups, hearing the experience of 71 individuals.

- Specific workshops held for teams and departments who wanted to directly input into the LHS. This included: 10 workshops with community housing and homelessness teams, 3 workshops with OT & Acute Hospital Team and 3 workshops with Justice Social Work Team.
- 3.7 The proposed strategic vision, corresponding priority outcomes and actions were developed through the Engagement process. An impact analysis narrowed the proposed actions down, while ensuring they would meet the proposed priority outcomes and strategic vision.

Structure

- 3.8 The LHS has been undertaken under the backdrop of the UKs withdrawal from the EU, the Covid-19 Pandemic, the War in Ukraine and most recently, the Cost of Living Crisis. Underpinning all of the challenges in the LHS is the increasing financial uncertainty and funding gap faced by East Lothian Council.
- 3.9 Taking account of the key housing issues identified; the changing strategic planning framework; local context and engagement from local communities, the proposed strategic vision for East Lothian is that by 2029

People in East Lothian have access to warm, high quality, affordable homes which meet their needs and enables them to live in communities with the support and services they require.

- 3.10 To underpin this vision, five priority outcomes have been identified:
 - Communities are supported to flourish, be distinctive and well connected.
 - Housing supply accessible, affordable and provides a range of choices to meet the needs of households across East Lothian.
 - Homelessness in prevented as far as possible, where unavoidable, a rapid response with the appropriate support is provided.
 - Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.
 - All homes in East Lothian are maintained to a high standard, are energy efficient and contribute to meeting climate change targets.
- 3.11 An action plan underpins and supports these priorities, which will direct and target resources and activity over the period of the LHS. The proposed draft actions are set out from page 122 of the LHS.

Next Steps

- 3.12 Following approval from Cabinet the consultative Draft LHS will be formally consulted on for an 8 week period from 13th September to 3rd November 2023.
- 3.13 A series of consultation events have been planned which will give residents, tenants and community groups an opportunity to comment on the draft Strategy. An online consultation will also be available.

Saturday 30 th September	10.00-16.00	Fisherrow Centre, Musselburgh	
		(Musselburgh Communities Day)	
Wednesday 4 th October	16.30-19.30	Haddington Primary School,	
Monday 9 th October	13.30-17.30	Pennypit Centre, Prestonpans	
Wednesday 18th October	16.30-20.30	Bleachingfield, Dunbar	
Tuesday 24 th October	16.30-20.30	The Fraser Centre, Tranent	
Friday 3 rd November	12.30-17.30	Hope Rooms, North Berwick	

- 3.14 A drop-in consultation event will be held on Thursday 9th November between 10.00-16.30 for ELC, H&SCP members of staff and elected members to attend.
- 3.15 During the consultation period, the LHS is also subject to a peer review process led by the Scottish Government. The consultative draft LHS will be submitted to the Scottish Government to trigger this process.
- 3.16 Following the 8-week consultation period, the LHS will be reviewed in light of the responses, feedback from the Scottish Government and Peer Review.
- 3.17 It is proposed that the Local Housing Strategy 2024-2029 is submitted to cabinet in January 2024 for sign off before being sent to Scottish Government and becoming an official Council document in the new financial year.

4 POLICY IMPLICATIONS

4.1 There are no policy implications arising from this report.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 An integrated impact assessment (IIA) was carried out on the Consultative Draft LHS. This forms **Supporting Paper 1** of the LHS. Three areas were picked up during the IIA process:
 - The need to ensure that the LHS is updated to utilise the Census Data when it is published. This recognises that the existing Census is now over 10 years out of date, and is normally a key resource for reporting on equalities data.
 - The need to continue to make efforts to reach out to groups which haven't been as well represented within engagement sessions. This includes LGBT+ and ethnic minorities. Housing will work alongside ELH&SCP and ELC's respective Equalities Officers and VCEL who have also identified similar gaps.
 - To ensure that the Consultative LHS is fully accessible and includes Alternative Text (Alt Text) where there are tables or graphics. This has now been completed.
- 5.2 Due to the significant positive contribution Housing can make to the lives of children and young people, and in recognition of the UNCRC, a Children's Rights and Wellbeing Impact Screening and a Full Assessment (CRWIA) was carried out. This is the first time a CRWIA has been carried out for an LHS. Both documents can be found in **Supporting Paper 3** of the LHS.
- 5.3 Housing is also a key enabler of positive health and wellbeing across all client groups. A Health Inequalities Impact (HII) Matrix was carried out on all the actions of the LHS. A workshop has been organised with Public Health Consultants within Public Health NHS Lothian which will form part of the final Local Housing Strategies Supporting Papers.

6 RESOURCE IMPLICATIONS

- 6.1 Financial There are no financial implications arising from this report.
- 6.2 Personnel Significant staff time will be required to complete, monitor and oversee the development of the LHS.

7 BACKGROUND PAPERS

7.1 None

Appendices to this report:

Consultative Draft LHS 2024-29

Supporting Papers of the LHS 1-4:

Supporting Paper 1: Integrated Impact Assessment

- Supporting Paper 2: Engagement & Consultation Plan
 Supporting Paper 3: Children's Rights and Wellbeing Impact Assessment
- Supporting Paper 4: Housing Supply Target
- Supporting Paper 5: Research into the Private Rented Sector in East Lothian (November 2022)

AUTHOR'S NAME	Wendy McGuire
DESIGNATION	Head of Housing
CONTACT INFO	Rebecca Pringle, Housing Strategy Team Manager: rpringle@eastlothian.gov.uk
DATE	23/08/2023



2024-29 LOCAL HOUSING STRATEGY

Enabling access to high quality homes of different tenures which meet resident's needs and enables them to live in communities with the support and services they require.



Contents

Introduction	3
Achievements LHS 2018-23	11
Strategic & Policy Context	12
East Lothian Profile	16
1 Vibrant and Connected Communities	28
2 Housing Supply and Affordability	47
3 Preventing and Responding to Homelessness	68
4 Suitable Housing & Support	88
5 High Quality & Sustainable Homes	112
LHS 2024-29 ACTION PLAN	127
Appendix 1: Acronyms and abbreviations	145
Appendix 2: 8-fold Urban-Rural Classification Introduction	148
Appendix 3: Scottish Index of Multiple Deprivation Introduction	149
Appendix 4: Affordable Housing Delivered in East Lothian	150
Appendix 5: Overview of the Housing Options service	152

Supporting Paper 1: Integrated Impact Assessment

Supporting Paper 2: Engagement and Consultation Plan

Supporting Paper 3: Children's Rights and Wellbeing Impact Assessment

Supporting Paper 4: Housing Supply Target Methodology Paper

Supporting Paper 5: Research into the Private Rented Sector in East Lothian

Introduction

The Housing (Scotland) Act 2001 places a statutory duty on local authorities to produce a Local Housing Strategy (LHS) to direct investment in housing and housing related services over a 5 year period. The Local Housing Strategy is the Council's sole strategic document for housing, outlining the key issues and challenges within a changing demographic and economic context. This Local Housing Strategy 2024-29 sets out the strategic vision, policies and plans which will enable the Council and its partners to deliver high quality housing and housing services which meet the needs of the local population across all tenures, in line with national strategies and priorities.

Most significantly, the LHS has been developed against a backdrop of unprecedented economic, political and environmental challenges, such as the COVID-19 global pandemic and the UK's exit from the European Union (EU), changing legislation and increased ambitions from Local Government and more recently, the cost of living crisis. This has all come at a time when Local Authority Finance is facing acute financial pressures.

East Lothian is the second fastest growing population in Scotland, with a rapid increase witnessed over the previous 5-10 years. However this has placed increasing demands on infrastructure and housing and significant inequalities exist within and between communities. This has created further challenges as the growth has not been met with an increase of revenue funding to support them.

East Lothian has a highly pressurised housing market, with high house prices and high private rents resulting in significant demand for affordable housing. The council also faces significant homeless pressures and the economic climate continues to impact upon the ability of many households to meet their housing needs.

Introduction

Context

1. Vibrant & Connected Communities

Housing Supply & Affordability

3. Preventing & Responding to Homelessness

4. SuitableHousing &Support

5. High Quality& SustainableHomes

The scale of financial challenges now facing the Council will require a creative approach with regard to how services are delivered and prioritised to ensure we maximise opportunities and best meet the needs of residents and local communities. This will require collaboration with other partners and stakeholders both regionally and locally to maximise opportunities to redesign and modernise service delivery. Taking this into account, our consultation exercise resulted in five priority outcomes and a range of actions to achieve a fairer and more accessible housing system for everyone.

Our Vision & Priority Outcomes

This LHS builds on the success of the previous LHS, taking account of legislative changes and opportunities to deliver differently as a result of the Covid-19 pandemic. The Vision and Priority Outcomes also align with a range of national and local policies as well as address key issues identified through engagement and consultation.

This LHS's strategic vision for housing over the next 5 years is that by 2029:

People in East Lothian have access to warm, high quality, affordable homes which meet their needs and enables them to live in communities with the support and services they require.

Five priority outcomes will help achieve the vision and contribute to the Council's wider policies of improving equalities and eradicating poverty:

Communities are supported to flourish, be distinctive and well connected.

Housing supply is accessible, affordable and provides a range of choices to meet the needs of households.

Homelessness
is prevented
as far as
possible,
where
unavoidable a
rapid
response with
the
appropriate
support is
provided.

Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.

All homes are maintained to a high standard, are energy efficient and contribute to meeting climate change targets.

Key Principles

This LHS adheres to six principles:

Equalities: East Lothian Council is committed to tackling and reducing inequalities, as set out within the <u>East Lothian Plan</u>. The <u>Fairer Scotland Duty</u> places a legal responsibility on local authorities and other public bodies in Scotland to actively consider how they can reduce inequalities. The Housing (Scotland) Act 2001 requires LHS's to set out how they will comply with equalities legislation. To ensure the LHS takes a comprehensive approach, the Integrated Impact Assessment was given consideration at regular intervals during the LHS process. This can be found in *Supporting Paper 1*. Equalities were also a key theme in the engagement process prior to writing the LHS. More information can be found about our approach in *Supporting Paper 2*.

Rights-based Approach: By taking a rights-based approach to the LHS, the Scottish Governments commitment to the <u>United Nations Convention on the Rights of the Child</u> (UNCRC) and this is demonstrated within the Housing to 2040 ambitions. This is the first LHS

in East Lothian to undertake a Children's Rights and Wellbeing Impact Assessment. This can be found in *Supporting Paper 3*.

Trauma Informed Approach: East Lothian Council is committed to adopting a Trauma Informed Approach across its services and strategies. A trauma informed approach has five guiding principles: safety, choice, collaboration, trustworthiness and empowerment. These principles have been adhered to throughout the engagement and consultation period as well as informing the range of actions.

Gendered Analysis: Housing and housing outcomes are undoubtedly experienced differently depending on the gender an individual associates themselves with. Men are over represented in the single homeless population. Women have a longer life expectancy, experiencing multiple health issues as they navigate older age. Not enough is yet known about those who identify with other genders, with further research required. By ensuring a Gendered Analysis approach was conducted throughout the research and writing stages, the LHS shows a commitment to ensuring that:

- Gender equality issues are adequately addressed.
- Targeted approaches can be developed.
- Constraints, challenges or gaps in gender equality issues can be highlighted for further research.

Health & Wellbeing: The critical links between housing and health are undeniable. Housing has a key role to play in improving the health and wellbeing of communities across East Lothian. Through the provision of high quality homes free of damp and mould, a reduction in fuel poverty and access to outdoor space, health can be improved. Homelessness also impacts on physical as well as mental health. A Health Inequalities Impact Assessment was undertaken as part of the overall Integrated Impact Assessment. A workshop will take place with Public Health colleagues on this draft LHS to inform the final LHS.

Sustainability: The Environmental Assessment (Scotland) Act 2005 requires local authorities to carry out a Strategic Environmental Assessment (SEA) for certain strategies and plans. It was formally determined that a SEA is not required for LHS' given their relationship with Local Development Plans (LDPs). This LHS is in advance of the next LDP, therefore as per guidance, a pre-screening notification was submitted. Confirmation was given that the LHS does not require a full SEA due to the reasons stated above.

Methodology

The LHS is underpinned by an assessment of housing need and demand to provide key evidence of our priorities and plans for the delivery of housing and related services. The following areas of research have been undertaken to inform the LHS.

 $^{^{\}mathrm{1}}$ Scottish Government (2019) LHS Guidance, page 19

South East Scotland Housing Need and Demand Assessment 3 (HNDA3), SES Authorities (2021): Analysis of key housing market drivers in order to estimate future demand for housing. It provides a shared evidence base for the LHS, LDP and informs the setting of a Housing Supply Target (HST) and Housing Land Requirement (HLR).

Strategic Needs Assessment of Housing & Older People, East Lothian Council (2022): Provides estimates of need and demand for housing and housing related service for older people. It provides a clear evidence based link between the needs of older people and the outcomes identified in the LHS.

Strategic Needs Assessment of Children & Young People and Housing, East Lothian Council (2022): Provides estimates of need and demand for housing and housing related services for children and young people within the context of UNCRC. It provides a clear evidence based link between the needs of a range of identified groups and the outcomes identified in the LHS. The following groups were included in the analysis: Care Experienced Young People with and without an allocated social worker; Children and families known to the children's disability team and those who are being provided with education out with the area due to complex care needs; young carers and vulnerable 16 and 17 year olds at risk of/or currently experiencing homelessness.

Local Housing Systems Analysis (LHSA), East Lothian Council (2022): Analyses key elements of the housing system within the wider housing strategy landscape and economic and demographic context. It highlights key emerging trends, projections, issues and challenges, providing a detailed understanding of the local housing system and to what extent it is working well or 'in balance'.

Research into the Private Rented Sector (PRS) in East Lothian, Arneil Johnston (2022): The research provided evidence on the role and operation of the PRS to inform strategy interventions to support the development and improvement of the sector and its interaction with other housing tenures.

A range of statistical evidence was gathered to help inform the LHS. This includes:

CACI paycheck: Gross household income from all sources including earnings, benefits and investments. It provides income by band from £5,000 up to £200,000+ as well as mean, median, mode and lower quartile. This is provided at postcode and Area Partnership level.

Hometrack: Rental and property data for East Lothian at postcode and Area Partnership level. Data includes: postcode, property type, property style, beds, sold date, asking price, sold price, time on market. For private rented properties, listed price and date let is also given.

Engagement and Consultation

Engagement and Consultation are critical to the process of developing and delivering the LHS. During 2022, the engagement phase of the LHS took place. A summary of Engagement and Consultation is provided below and a full breakdown including a report on the views collected throughout the process can be found in *Supporting Paper 2*.

In line with the place-making principle², the consultation process followed the themes of the Place Standard Tool when engaging with different stakeholders and the public. Consultation sessions were carried out in collaboration with partners such as East Lothian Health and Social Care Partnership (ELH&SCP) and Planning Services to offer holistic discussions around the challenges and solutions within communities.

Scottish Government Guidance sets out five areas which Engagement and Consultation for the LHS must meet. These are set out below together with evidence of how this LHS meets those requirements.

Table 0.1: Engagement and Consultation	able 0.1: Engagement and Consultation Requirements			
LHS Guidance Requirements	Engagement & Consultation in East Lothian			
Engagement and Consultation should be undertaken early on in the LHS development process and should be continued through the development and subsequent annual review.	Engagement and Consultation for the LHS began in February 2022, 10 months prior to the process of drafting the LHS. The focus at this stage was to ensure forums and events helped shape the themes and priorities of the LHS.			
	Now in draft form, various consultation events will take place across each of the Area Partnerships in East Lothian. An online survey will also be available.			
	As the actions in the LHS are progressed, the Housing Service will continue to engage with tenants and residents, Community Councils and Area Partnerships, third sector providers, health and social care partnership and NHS public health to ensure that the actions progress and remain relevant. The annual review of the LHS will also provide an opportunity to add additional actions where evidence and engagement supports it.			
Use a range of media to ensure as wide an audience as possible within local communities and from relevant representative groups including people with or who share protected characteristics.	Advertising for events took place on social media platforms such as Twitter and Facebook. East Lothian Council's website also had a dedicated page with consultation information and monthly summaries posted. East Lothian Health & Social Care Partnership			

² According to <u>www.ourplace.scot</u> the place principle promotes a shared understanding of place, and the need to take a more collaborative approach to a place's services and assets to achieve better outcomes for people and communities.

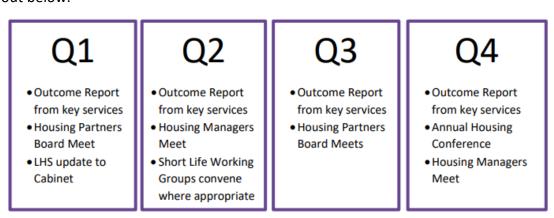
	also shared information on events, as did Community Council's and Area Partnerships. Specific third sector services and community groups were also targeted for bespoke events and workshops to ensure those with protected characteristics were represented. East Lothian's Tenants and Residents Panel (ELTRAP) also participated and advertised events.
Ensure effort is made to end inequality, and that the make-up of the local population is accurately reflected.	A range of surveys and engagement events were targeted at specific age groups. There was low uptake of online surveys amongst young people aged below 35. To counteract this, a specific housing survey for young people was set up and Officers attended youth clubs to engage directly with children and young people.
Recognise that some people's views may not be readily heard through traditional engagement methods and provide evidence of how those less willing or able to engage, were given opportunity to do so.	Moving away from traditional focus groups and surveys, Officers took part in walking football, lunches, gardening and activities put on by youth clubs. By attending existing clubs and events, those who might have otherwise not attended a formal consultation event were able to participate. This included older people, those in rural areas and vulnerable groups.
Show how this has influenced the development of LHS priorities, outcomes and actions.	The LHS themes, priorities, outcomes and actions all reflect the conversations and information gathered over the period of Engagement and Consultation. <i>Supporting Paper 1: Engagement and Consultation</i> brings evidence collated during the Engagement phase under each LHS priority heading showing the clear strategic links.
Source: Scottish Government, LHS Guidance & ELC	

The key highlights from our Engagement events are outlined below.

700 6 Service All Community Housing & 44 tenants from Homelessness frontline staff responses to Provider **Sheltered Housing** Workshops took part in workshops to 5 online complexes engaged were held develop the LHS. surveys 80 staff from ELC, EL OT & Acute Hospital Team, Older Across 9 sessions, 71 **H&SCP** and Third Adult Mental Health Team, Justice 'lived experience' Sector took part in Social Work Team had specific voices were heard workshops designed for their teams. Equalities workshops Overall, over 1,000 people across East Lothian took part in our 120 people engaged Engagement activities. From online surveys, to the Strategy through Area team participating in Youth Clubs, Walking Football and offering Partnership & bespoke workshops, we were able to reach more people than Community Councils ever.

Governance

An East Lothian Housing Partners Board will be formed during Q1 2024/25 to monitor the implementation and delivery of East Lothian's LHS. Quarterly outcome reports on key measures will be produced to inform the Housing Partners Board of achievements and risks. The function of the Housing Partners Board and related governance arrangements are set out below.

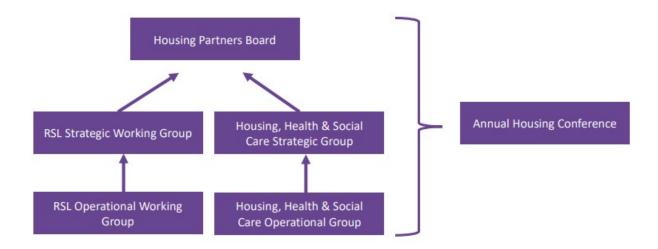


<u>Housing Partners Board</u> will oversee the implementation and delivery of the LHS, and approve the progress of the action plan to meet the objectives of the Strategy. It will bring together internal staff with other stakeholders including RSLs, Housing Support Services, the third sector and H&SCP partners. The Board will monitor risk and agree key priorities for the coming year, with short life working groups to be established where necessary to lead on key areas of implementation and risk mitigation.

<u>Quarterly Outcomes Report</u> – Relevant services will submit quarterly outcome reports to the Housing Strategy Team. The Housing Partners Board will reflect on the quarterly outcome reports to identify key priorities and instruct any relevant short life working groups to be convened in Quarter 2.

<u>Annual Housing Conference</u> – will provide an opportunity for all relevant and interested services, RSL partners and third sector providers to come together to share best practice, problem solve and reflect on annual targets. Outcomes from the Conference will help inform key priorities for the following year.

A series of existing working groups will also feed into the new strategic structure. The interaction between these groups is set out in the diagram below.



Achievements LHS 2018-23

Affordable Homes Delivered 2018-2023

- √ 643 units for social rent.
- ✓ 229 units for Mid-Market Rent.
- ✓ 23 units for low-cost home ownership.
- √ 100 units purchased on the open market for social rent.
- ✓ Total of 995 affordable homes delivered in East Lothian.

Health & Social Care

✓ Over 40 units of housing provision delivered in partnership with Health and Social Care for Social Care Users with care & support needs.

My Place

- ✓ My Place (flat share model for young people supported by a Peer Flatmate and the Rock Trust) received 3-year funding in 2019 from The Life Changes Trust.
- ✓ Eight 3 bed properties were purchased via the Council's Open Market Acquisition program.
- ✓ Established primarily for careexperienced young people. Now extended to unaccompanied asylum seeking young people and homeless young people.

Energy Efficiency Improvements

- √ 181 houses benefited from cavity wall insulation in the private sector.
- √ 72 homes benefitted from external wall insulations in the private sector.
- √ 181 heat pumps implemented in the social rented sector.
- √ 72 solar panels integrated into homes in the social rented sector.

Regeneration

- Over £1m invested in Conservation Area Regeneration Schemes in Tranent and Cockenzie.
- The schemes supported the refurbishment of pre-1919 priority buildings, small public realm improvements and outreach events to promote traditional skills.

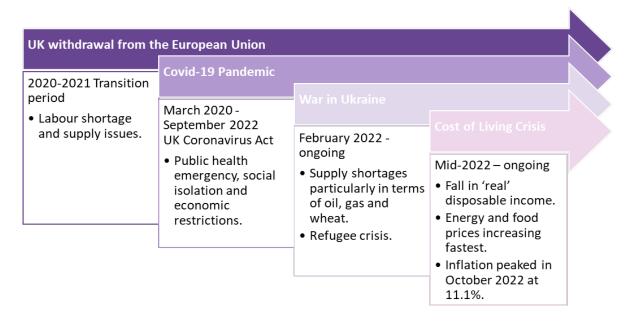
Other

- ✓ New Allocations Policy delivered 2019.
- Delivery of six new build units for disabled veterans.
- ✓ Compliance with SHQS 86.94% as at 31/3/23.
- ✓ EESSH compliance at 90.86% as at 31/3/23.

Strategic & Policy Context

Global Economic Context

The delivery of new housing contributes towards the economy through investment in materials and labour, and increased spending within the local area. The delivery of the required level of housing is also influenced by the economic challenges experienced on a global and national scale. The unprecedented and combined effects of the UK's exit from the EU, the Covid-19 pandemic and the war in Ukraine have placed significant constraints on the economy. Most recently, the cost of living crisis has resulted in the fall of disposable income, whilst energy and food prices continue to rise. The affects are seen in high inflation, supply chain issues and rising interest rates, all of which can adversely affect residents, the local authority and investment in the local housing market.



National Strategic and Policy Context

The LHS reflects the national strategic landscape. A range of overarching key policy documents impact the LHS. National policy which is topic specific will be outlined within the corresponding chapters.

The strategic documents set out below are ambitious and a number of their outcomes are still to be considered and set out within guidance and legislation. In line with LHS 2019 Guidance, the LHS will be updated annually to account for updated evidence i.e. new census outputs and any new guidance or relevant legislation.

<u>Housing to 2040</u> is the first national strategy which sets out a vision for housing in Scotland to 2040, together with a route map on how to get there. It aims to deliver the Scottish Government's ambition for everyone to have a safe, good quality and affordable home that

meets their needs in the place they want to be. The strategic document represents the biggest overhaul to the housing system Scotland has seen and includes a range of ambitious policies which will be touched on throughout this LHS.

<u>National Planning Framework 4 (NPF4)</u> is the national spatial strategy for Scotland. It sets out Scotland's spatial principles, regional priorities, national developments and national planning policy. The six overarching spatial principles are: just transition, conserving and recycling assets, local living, compact urban growth, rebalanced development and rural revitalisation.

The <u>Scottish Social Housing Charter</u>, introduced in April 2012, set out the standards and outcomes that all social landlords should be aiming to achieve for their customers. It also sets out what tenants and other customers can expect in terms of the: quality and value for money of the services they receive, standard of their homes, and opportunities for communication about, and participation in, the decisions that affect them.

<u>Scottish Housing Quality Standard (SHQS)</u> was introduced in February 2004 and is the main way the housing quality of housing in measured in Scotland. SHQS ensures that social landlords make their tenants' homes are energy efficient, safe and secure, not seriously damaged, and have kitchens and bathrooms that are in good condition.

Energy Efficiency Standard in Social Housing (EESSH) was introduced in March 2014 and since that time has set multiple milestones for social landlords to meet for their social homes meeting EPC ratings. In 2019 it was confirmed that all social rented homes must meet EESSH2 by December 2032 meaning all social rented homes either meets, or can be treated as meeting EPC Band B, or is as energy efficient as practically possible and within the cost, technology and necessary consent. The Scottish Government is undertaking a 2023 review of EESSH2 to strengthen and realign the standard with the target for net zero heat in houses from 2040. This is not likely to be published until late 2023.

<u>Heat in Buildings Strategy</u> sets out the Scottish Government's ambitious programme to deliver climate change targets by reducing Scotland's dependence on gas and oil for heating homes and other buildings.

The LHS also reflects the commitments made to national priorities through the <u>East Lothian Council Plan 2022-27</u>, which sets out the intention to embed human rights and person centred approaches such as trauma-informed practice into council policies and practices. The Council Plan also sets out the following commitments which are relevant to this LHS:

- Incorporating the <u>United Nations Convention on the Rights of the Child</u> (UNCRC) into council policies and practices.
- Implementing the recommendations of the <u>Independent Care Review</u> to shift policy, practice and culture to #KeepThePromise to care experienced infants, children, young people and their families.

- Embedding Trauma Informed practice into everything we do recognising the prevalence of trauma such as Adverse Childhood Experiences, and its impact on the emotional, psychological and social wellbeing of people.
- Implementing <u>Equally Safe</u>, the strategy to eradicate violence against women and girls.

<u>Public Bodies (Joint Working) (Scotland) Act 2014</u> provides a framework for the integration of health and social care services in Scotland. It places a duty on integration authorities (IA) to create a Strategic Plan for the integrated functions and budgets they control. The Act focuses on the importance of effective joint strategic planning and commissioning of services. The regulations that underpin the Act set out which health and social care functions and services must be delegated, which, as a minimum, must include all of adult social care, adult primary and community health care and a proportion of adult acute services. With regards to housing, the following are delegated in East Lothian: Housing Support and Aids, Equipment and Adaptations.

Regional Context

To accelerate growth within the region, the <u>Edinburgh and South East Scotland City Region</u>
<u>Deal</u> (ESESCRD) was created in August 2018. The partnership includes East Lothian,
Midlothian, West Lothian, Scottish Borders and part of Fife. The City Region Deal reflects the
commitment of the city region partners and the Scottish Government to deliver the regional
housing programme and transform housing supply.

The city region deal brought together funds from the six local authorities within the Edinburgh and South East Scotland region, regional universities, colleges and the private sector. Collectively it has a value of £1.3 billion which is divided into five key themes.

• Research, Development and Innovation: £750 million.

• Integrated Regional Employability and Skills: £25 million.

• Transport: £156 million.

• Culture: £45 million.

Housing: £313 million.

The <u>Regional Housing Programme</u> aims to, amongst other things, accelerate the development of affordable housing and enable the development of seven strategic housing sites - including East Lothian's new town, Blindwells.

<u>Housing Options Hubs</u> bring together neighbouring councils by region in Scotland to promote, develop and share information and best practice on the prevention of homelessness. East Lothian is a key participant in the Edinburgh, Lothian's & Borders Hub.

Local Strategic and Policy Context

The LHS sits alongside a range of other East Lothian strategies and plans which it will support and dovetail with. Table 0.2 is split into three parts: Plans and Strategies which are East Lothian wide, encompassing all sectors and services; those which belong and are the responsibility of East Lothian Council only; and those which belong to the Area Partnerships.

Table 0.2: Local Strategies and Plans				
	Local Development Plan			
	Integrated Joint Board Strategic Plan 2022-2025			
East Lothian wide	Climate Change Strategy 2020-25			
	Local Economy Strategy (forthcoming)			
	Open Space Strategy (forthcoming)			
	Poverty Plan (forthcoming)			
	Procurement Strategy 2023-28			
	Local Outcome Improvement Plan 2017-27			
East Lothian	Council Plan 2022-27			
Council	Equality Plan 2021-25			
	Community Justice Local Outcome Improvement Plan 2021-24			
	Children and Young People's Services Plan 2023-26			
	Corporate Parenting Plan 2020-2023			
Area Partnerships	Area Partnership Plans			

East Lothian Profile

The LHS considers the present and future housing needs of East Lothian's population. To ensure the actions produced within the LHS support those living in East Lothian, it is essential to gain an understanding of the county's population, one of the fastest growing in Scotland. This chapter will introduce the geographic, demographic and economic context within East Lothian, noting identified changes since the publication of the last LHS.

Geographic Profile

East Lothian is located in the eastern central Lowlands of Scotland. The county borders three other local authorities; Edinburgh to the west, Midlothian to the southwest and the Scotlish Borders to the south.

East Lothian has a land-mass of approximately 270 square miles. It has a distinct and unique geography, including 43 miles of coastline, multiple river networks and the Lammermuir Hills. East Lothian's natural landscape and historic towns have made it a sought after place to live, offering a taste of countryside living whilst being well connected to Edinburgh and other popular localities.

East Lothian is divided into six Council wards; Dunbar and East Linton, North Berwick Coastal (NBC), Haddington and Lammermuir, Preston Seton Gosford (PSG), Tranent, Wallyford and Macmerry (TWM) and Musselburgh. Each of these wards have a main town and the majority of them, with the exception of Haddington and Tranent, are located along the coastline. All the main towns benefit from travel links to Edinburgh, including frequent buses and trains.

Introduction

Context

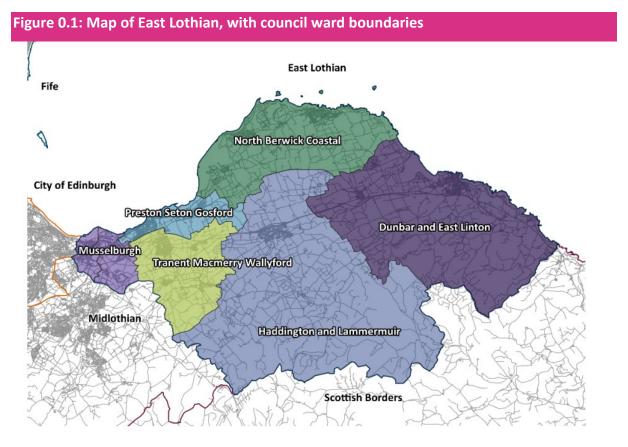
1. Vibrant & Connected Communities

2. Housing Supply & Affordability

3. Preventing & Responding to Homelessness

4. SuitableHousing &Support

5. High Quality& SustainableHomes



Source: Each map in this chapter is made with QGIS. Contains Ordnance Survey data © Crown copyright and database right (2022) | Copyright East Lothian Council, Contains OS data © Crown copyright and database right (2022)

Wards and Area Partnerships have only slight geographical differences. Area Partnership boundaries were not updated to reflect Ward changes in 2011. Throughout this document it will be made clear when there is reference to Ward or Area Partnership boundaries.

East Lothian has a population density of 156.7 persons per kilometre square.³ Figure 0.2 highlights the differences in population density within the county, through mapping buildings and the <u>8-fold urban-rural classification</u>.

Figure 0.2 indicates that Musselburgh is densely populated. Musselburgh is the only area in East Lothian categorised as a "large urban area". In comparison, areas in the south of the county are sparsely populated.

The majority of East Lothian is classed as an "Accessible rural area"- defined by a population of less than 3,000 and within a 30 minute drive of a settlement of 10,000 and over.

East Lothian's rurality has changed over the past six years, with areas becoming more populated and better connected. For example, there are no longer "remote rural areas" in the county, and towns, such as Dunbar, have grown in size and are now classed as "other urban".

17

³ Scottish Government (2021) Mid-year population estimates.

Legend North Berwick Buildings Urban Rural Classification - 8 fold Large Urban Areas Other Urban Areas Accessible Small Towns Gullane Remote Small Towns (none in ELC) Very Remote Small Towns (none in ELC) Dunbar **East Linton** Accessible Rural Areas Remote Rural (none in ELC) Longniddry Very Remote Rural (none in ELC) Haddington Musselburgh Tranent **East Lammermuir** Gifford Pencaitland Humbie

Figure 0.2: Map of East Lothian showing 8 fold urban-rural classification and building density

Source: East Lothian Council, 2023

Population Demographics

East Lothian's population has been steadily increasing since 2000. Growth is projected to continue year-on-year well into the future. The county is expected to see the second largest population percentage change in Scotland from 2023-2033. In this period, it is predicted that the population will increase by 6.3%.

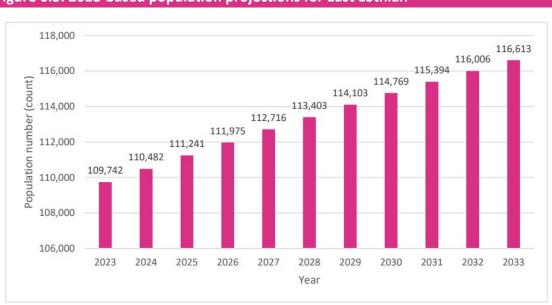


Figure 0.3: 2018-based population projections for East Lothian

Source: National Records of Scotland (NRS), 2022

Population projections, by age-group, estimates that those aged:

- 0 to 15 and 45-64 will decrease by 1.8% and 2.8%, respectively, by 2028.
- 16-24 are expected to increase by 6.7% by 2028, compared to -0.9% in Scotland.
- 75+ are expected to have the largest increase in population, at 32%.
- 65 to 74 will also have a significant increase in population of 23.2%, highlighting East Lothian's ageing population.

The county's ageing population is expected to increase challenges for services. There will be a higher demand for accessible and adaptable homes. Likewise, Health and Social Care supports needs will increase and a sustaining workforce within this sector able to afford living in East Lothian will be crucial.

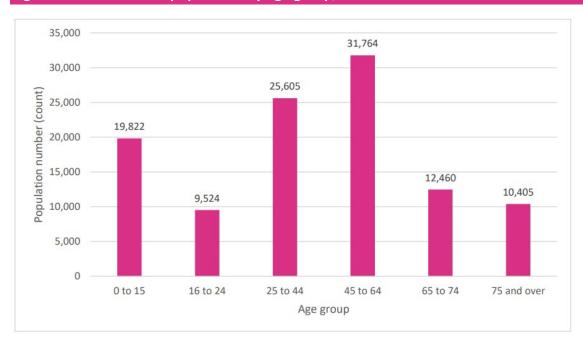


Figure 0.4: East Lothian population by age group, 2021

Source: National Records of Scotland (NRS), 2021

Life Expectancy

Residents of East Lothian are expected to live longer than the average person in Scotland. Women in East Lothian are expected to live an average 82.6 years, whilst males are expected to live 78.9 years. In contrast, life expectancy for Scotland, stands at 80.8 years for women and 76.5 years for men.

Healthy Life Expectancy is defined as the average number of years of life that people spend in good health. This measure is 60.7 years for males and 68.4 for females in East Lothian. This is higher than the Scottish average of 60.4 and 61.1 respectively.

Migration

East Lothian has a significantly high number of people moving into the county. In 2020/2021, East Lothian's net migration, (the difference between out-migration and in-migration), was 1,820 people. This equates to a net migration rate of 16.6 people per 1,000 population, compared to 5.1 people per 1000 population nationally.

When comparing age groups, those aged 15-19 had the lowest net migration rate in 2021 at -45 closely followed by those aged 20-24, at -42. This shows that young people are more likely to leave the county than move in. They are most likely in pursuit of higher education or employment opportunities. However, housing affordability can also play a role for young people. Conversely, those aged 30-34 had the highest net migration rate at 360, followed by those aged 35-39 at 333. These age groups may have established jobs and savings, and are likely to establish their lives and families in East Lothian, due to the attractive lifestyle the county offers.

Households

It is estimated that in 2023 there were 48,440 households in East Lothian. The number of households in East Lothian has grown significantly over the past two decades, increasing by 26.7% between 2001 and 2021, the second highest increase within Scotland. Similar to population growth, the number of households in East Lothian is expected to grow annually, as shown in Figure 0.5.

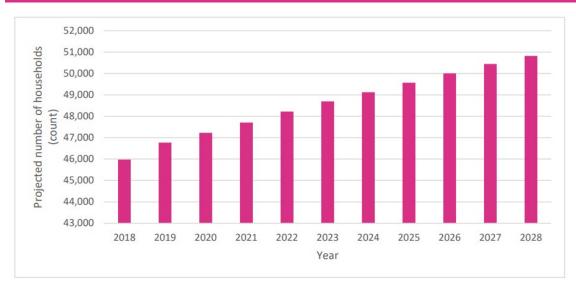


Figure 0.5: 2018-based household projections for East Lothian

Source: National Records Scotland (NRS), 2021

All household types are expected to continue to increase. However, single adult households are predicted to have the highest percentage change (14.3%). Two adult households show similar levels of growth to single-person households, increasing by 13.2% between 2018 and

2028. Households with children or more than three adults are predicted to see low levels of change, at 5% and 2.2% respectively⁴.

Although household sizes are decreasing, Covid-19 has changed the way households are living. The shift towards home working can often result in households under-occupying homes, or requiring an additional room (often a bedroom as an office space). Although household sizes may decrease, the need for smaller accommodation may not.

The increase in single adult households can be partially explained by the growth in older populations, who are statistically more likely to live alone. 2028 projections show that 86% of those aged 80-84 in Scotland will be in single-person households. This will may not necessarily have a direct effect on the size of properties however as care at home should be considered.

Economic Profile

The economic profile helps provide a picture of the economic wellbeing of East Lothian's residents. Since the last LHS, Scotland as a whole has faced some significant challenges. The global pandemic, war in Ukraine and the interrelated cost of living crisis and rising inflation have reduced people's spending power.

Inflation does not affect people equally. Cheaper food alternatives have risen at a faster pace than headline CPI inflation in recent months, meaning that low-income households who have less choice will experience higher pressure than other groups in society. Rising living costs may increase the risk of homelessness,

Since the pandemic food and social security support demand has significantly increased:

- Free school meals in primary schools have been rolled out with reduced eligibility criteria and the uptake has been considerate. 62.2% of primary pupils receive free school meals, compared to 10.9% of secondary pupils, where this service hasn't been rolled out yet⁵.
- Foodbank referrals have increased by 80% 2020/21-2021/22⁶.
- Scottish Child Payments increased by 48% between March 2022 and 20237.
- 15% of households receive universal credit, a significant increase since the pandemic⁸. Between January 2019-2023, the number of households on UC increased by 62%.

⁴ NRS (2021)

⁵ Scottish Pupils Census 2018-2021

⁶ East Lothian Food Bank Annual Report 2022

⁷ Scottish Government (2022) Scottish Child Payment Statistics

⁸ UK Government (2021) <u>Universal Credit Statistics</u>

Scottish Index of Multiple Deprivation

East Lothian is, on average, a fairly affluent county. The county benefits from strong connections to neighbouring settlements, has high levels of attainment and reasonably high average incomes. However, this is not felt equally throughout the county.

Figure 0.6 maps the SIMD⁹ across East Lothian. The map shows that there are pockets of deprived areas surrounded by areas which are significantly less deprived, with a concentration of deprived areas in the west of the county.

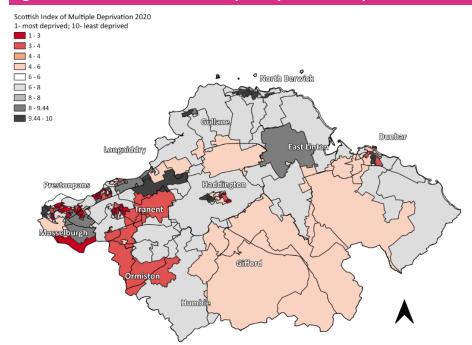


Figure 0.6: Scottish Index of Multiple Deprivation map of East Lothian

Source: East Lothian Council, 2023

There are eight areas in East Lothian which fall into the 20% most deprived areas in Scotland. There are a further two areas in East Lothian which are within the 10% most deprived areas in Scotland. All of these areas are found within the west of the county.

The SIMD focuses on concentrations of deprivation. However, not all households living in deprivation are represented here. This can effectively hide individuals living in deprivation who do not live in these categorised areas, underestimating the spread of deprivation across East Lothian. Inequalities which impact health and wellbeing should be viewed on a scale, effecting people at various levels. Whilst those in the most extreme deprivation will see the most severe outcomes, implications associated with inequalities will affect those at the mid to high levels of the scale. Therefore, SIMD cannot provide a complete image of

⁹ The Scottish Index of Multiple Deprivation (SIMD) is a tool which maps relative levels of deprivation. The SIMD collates statistics within domains including income, employment, health, and education, access to services, crime and housing. This then produces a rank for each area from the most deprived and least deprived.

deprivation within East Lothian. Further evidence should be used to indicate economic challenges faced by those within the county.

Employment

East Lothian's economy is influenced by its close proximity to Edinburgh. Estimates show that up to half of East Lothian residents commute from the county for employment, many to take up higher paid jobs in Edinburgh. Higher uptake in working from home since the pandemic has seen further locational differences between where people live and work.

Between October 2020 and September 2021, 54,600 (80.9%) of the working-age population in East Lothian were economically active. This is relatively high in comparison with the Scottish average of 76.1%. A significant proportion of individuals are registered as self-employed, accounting for 12.2% of the total working-age population.

At the end of September 2021, 80.8% of men in East Lothian were in employment, whilst 74.6% of women were employed during the same period. ¹⁰ Employment rates for both genders are higher than Scottish levels, which stand at 75.3% of working age men and 70.6% of working age women. The gap, however, does highlight inequalities in employment between genders, which leave women more vulnerable to poverty.

National statistics group employment in to nine occupations. East Lothian has a relatively high percentage of people employed in higher earning groups 1-5 (Table 0.3). However it has a shortage of social care staff and customer service occupations (groups 6-7). This may be because people in those groups are unable to afford to live in East Lothian.

Although a large proportion of people living in East Lothian have higher paid jobs, the cost of living crisis is now putting pressures on middle income households.

_

¹⁰ NOMIS

Table 0.3: Employment by Occupation (January 2021-December 2021)			
	East Lothian (no's)	East Lothian (%)	Scotland (%)
Soc 2000 Group 1-3	27,400	50.7	48.2
1. Managers and senior officials	5,100	9.3	8.7
2. Professional occupations	13,200	24.4	23.8
3. Associate professional and technical	9,100	16.8	15.5
Soc 2000 Group 4-5	10,500	19.3	18.9
4. Administrative and Secretarial	5,400	10.0	9.9
5. Skilled trades occupations	5,000	9.3	9.0
Soc 2000 Group 6-7	8,800	16.2	17.8
6. Caring, leisure and personal service occupations	5,500	10.2	9.4
7. Sales and customer service occupations	3,200	6.0	8.4
Soc 2000 Group 8-9	7,500	13.8	15.2
8. Process plant and machine operatives	3,600	6.7	5.2
9. Elementary occupations	3,800	7.0	9.9
Source: Nomis 2021	ı		ı

Income and Earnings

The mean household income in East Lothian in 2020 was £45,105. When comparing wards, North Berwick Coastal had the highest household mean income, at £53,402. Tranent Wallyford Macmerry had the lowest mean income at £40,152. However, this remains above the mean figure for Scotland, £31,605.

Table 0.4: Average Household Earnings by Area Partnership, East Lothian		
Area	Mean Income	Lower Quartile income
Dunbar & East Linton	£41,688	£25,739
Haddington & Lammermuir	£46,998	£21,842
Musselburgh	£43,333	£25,256
North Berwick Coastal	£53,402	£29,907
Preston, Seton, Gosford	£43,615	£22,568
Tranent, Wallyford, Macmerry	£40,152	£21,842
East Lothian	£45,105	£24, 526
Source: NRS, CACI 2021 & East Lothian Counc	il	1

Economic Inactivity and Unemployment

As of September 2021, 19.1% of East Lothian's population were economically inactive compared with 23.9% nationally. Students (21.5%) and the long term sick (28.1%) comprised significant proportions, reflecting the national picture with corresponding figures of 25.9% and 29.4%. This decreases the number of housing options individuals are able to afford, driving up demand for social rented housing which is already in short supply.

Unemployment

The Office for National Statistics reports not only that Covid-19 has impacted most acutely on employment, unemployment and inactivity of young people in Scotland, but that these impacts have been proportionately greater in Scotland than across the UK. ¹¹ Covid-19 created uncertainty as workers were furloughed ¹² and unemployment increased by 1.4% from 2019 to 2020.

Workless households are defined as those households where no-one aged 16 or over is employed or economically active. The level of workless households across Scotland have reduced from 2009-2019. In the south east, Edinburgh experienced the highest reduction of 4.8% whilst East Lothian saw a drop of 3.6%.

Housing

In 2021, there was estimated to be 50,641 dwellings in East Lothian. A 27.5% increase compared to 15.3% seen throughout Scotland.

¹¹ ONS (2020) Annual Population Survey

¹² Furlough is the suspension or discharge of a worker or workers on account of economic conditions or short of work, especially when temporary.

Owner-Occupier	Social Housing	Private Rented
67.8%	23.7%	8.5%

Tenure Split in East Lothian. East Lothian Council (2021)

Since the publication of the previous LHS 2018-2023, homeownership has increased in East Lothian by 2.7% and the private rented stock has dropped by 2.8%. The split in tenures is not even across East Lothian wards, and can be summarised as (Figure 0.7):

- North Berwick has the highest proportion of owner occupiers.
- Musselburgh has the highest percentage of people living in the private rented sector.
- Tranent, Wallyford and Macmerry has the highest percentage of residents living in the affordable housing sector.

Figure 0.7: Tenure split by Ward 80.0% 70.0% % of total dwellings in ward 60.0% 50.0% 40.0% 30.0% 20.0% 10.0% 0.0% Dunbar & East Haddington Musselburgh North Berwick Preston, Seton Linton Coastal and Gosford Wallyford and and Lammermuir Macmerry Ward ■ Owner Occupied ■ PRS ■ Social ■ Other

Source: East Lothian Council (2023)

High house prices and high private rents has come at a time when councils are recovering from a global pandemic as well as within a context of the highest level of homelessness and with the highest numbers of people in temporary accommodation. Added to this there is the need to meet the increasing demands placed on us regarding refugees and asylum seekers all within the context of significant growth and a cost of living crisis. Whilst acknowledging recent legislative changes have all been well intentioned, the adverse impacts have been concerning, resulting in a broken and unbalanced housing system.

Summary

This chapter has outlined some key challenges which will impact housing, housing related services and the economy:

- A rising population and increase in the number of smaller households.
- An ageing population will require more accessible homes so they can live at home for longer while receiving adequate social care.
- Global events such as the pandemic and war have led to material shortages and increases in the cost of living, making house building more expensive and household finances increasingly pressurised.
- Cost of living crisis has increased financial pressure on households generally, increasing their reliance on services and in turn putting pressure on the Local Authority.
- The SIMD in East Lothian may show the population which is severely affected by poverty, however it is likely many households on higher incomes will also suffer.
- High Homelessness pressures.

1 Vibrant and Connected Communities

Vibrant and Connected Communities sets out East Lothian's commitment to creating and maintaining resilient communities and homes at the heart of great places. This section will explore not only the bricks and mortar of housing, but the surrounding environment, and the communities who live at the heart of these places. This chapter creates the framework for sustainable communities by:

- Establishing opportunities for community engagement and digital inclusion;
- Understanding our existing communities and town centre investment opportunities; and
- Recognising the importance of maintaining open spaces and neighbourhoods.

Priority Outcome: Communities are supported to flourish, be distinctive and well connected.

1.1 The National Context

Housing to 2040 identifies sustainable communities and a well-functioning housing system as the route to ensuring homes at the heart of great places. The pandemic reinforced that good housing benefits access to green spaces; digital connectivity; as well as increased community engagement.

The <u>Community Empowerment (Scotland) Act 2015</u>, strengthens the voices of communities in decision-making regarding public services. It places a duty on Local Authorities to establish Community Planning Partnerships, known as Area Partnerships in East Lothian. The Act also empowers communities to manage land by introducing <u>asset transfer requests</u> and <u>community right to buy</u>.

The <u>National Planning Framework 4</u> (NPF4) defines Placemaking as 'the process of creating good quality places that promote people's health, happiness and wellbeing'. The planning system takes every opportunity to create high quality places by taking a design-led approach; direct the right development to the right place and support high quality development.

Introduction

Context

1. Vibrant & Connected Communities

2. Housing Supply & Affordability

- 3. Preventing & Responding to Homelessness
 - 4. SuitableHousing &Support
- 5. High Quality& SustainableHomes

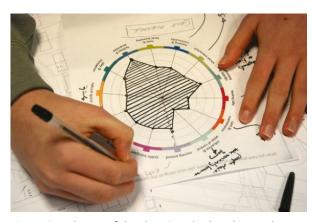
According to the Scottish Government, Placemaking can be achieved through the following principles:

- Place principle¹³ working and planning together alongside local communities to enable better outcomes, like connected housing developments.
- Town Centre First¹⁴ Putting the health of town centres at the heart of decision making, e.g. bringing back empty properties for housing and services.
- 20 Minute Neighbourhoods¹⁵ living well locally, giving people the ability to meet most of their daily needs nearby.
- <u>The Place Standard Tool</u> prompts people to think about the physical and social aspects of place.

1.2 The Local Context

The East Lothian Council Plan 2022-2027 seeks to 'develop a place based approach to deliver services designed around our local communities, focusing on community led regeneration'. One of its main objectives is to

'Give people a real say in the decisions that matter most and provide communities with the services, infrastructure and environment that will allow them to flourish.'



Picture 0.1: The use of the Place Standard Tool in North Berwick. Source: Kevin Murray Architects (2017)

In line with the Council Plan, Housing to

2040 and NPF4, the place making principles and six qualities of places have been taken into account by this LHS.¹⁶ The LHS is committed to creating diverse and vibrant communities; enabling a sense of belonging, being safe and economically secure, access local services, and opportunities and to enhance their life chances while remaining resilient in the face of difficulties.

Aligning the LHS with other council strategies like the <u>Open Space Strategy</u>, the Local Development Plan 2, and the <u>East Lothian Play Policy</u>; will ensure that the surrounding environment such as open spaces and good transport connections are a key priority in East Lothian. A supportive environment leads to higher sense of belonging and vibrant communities where people can access support which contributes towards sustaining their homes.

¹³ Our Place (2023) https://www.ourplace.scot/about-place/place-principle

¹⁴ NPF4 – Annex D

¹⁵ Housing to 2040

¹⁶ The full definition of each of the qualities can be found in Annex D of the National Planning Framework 4.

1.3 Sustainable Places and Communities

Housing is more than just bricks and mortar, the external environment is critical to creating a sense of place, belonging and brings a range of benefits. This was especially seen during the Covid-19 pandemic, where access to open spaces, was critical for national wellbeing. New housing should always, where possible, be designed to promote healthy lifestyles with good walking and cycling routes as well as possibilities for social connectedness through dementia friendly and accessible recreational opportunities.

Giving people the opportunity to interact within physical and social spaces, such as parks or community activities, reduces social isolation and creates means of community outreach for local authorities. ¹⁷ Area Partnerships, in particular, generate a wealth of community empowerment, delivering vital projects for their residents.

As part of sustainable living, local residents need to have choice and opportunities to find affordable homes where they would like to live. The LHS recognises that a mixture of different tenures; i.e. homeownership, private and social rented homes; is crucial to widen such opportunities. Further details on this commitment can be found in Chapter 2.

Both housing and planning functions work with wider services such as landscape and countryside, transportation, health, connected communities, education and many others to ensure sustainable places with the right house types and tenures are created meeting the needs of East Lothian's unique communities.

The LHS is based on a collaborative, communities first approach to understand the needs of our communities and those most vulnerable. By engaging with communities, third sector providers, partners, and council services; data, knowledge, and information can be unlocked. Current knowledge gaps and opportunities for engagement are highlighted throughout the LHS. The LHS has also undergone extensive engagement as outlined within the Introduction. Collaboration will be maximised by:

- (a) Engaging with key stakeholders to support delivery across all tenure types ensuring that we meet the needs of our communities by increasing supply, improving accessibility, affordability and standards.
- (b) Working with key services at a corporate level to improve integration and support people to live more independently in their homes across all client groups such as our older people, our young people and our vulnerable homeless.
- (c) Exploring opportunities to improve front line services through digital transformation and allow staff to be more connected with those that are most vulnerable.

¹⁷ Woodcraft et al. (2002) <u>Design for Social Sustainability: A framework for creating thriving new communities.</u>

(d) Ensure staff are equipped with the skills and information to help those in most



need, taking a trauma informed approach in supporting people. A Local Investment Framework will be prepared with communities, building upon Area Plans, to direct strategic investment to deliver homes to ensure a balanced mix of house types and sizes across all areas to meet local needs.

This framework will combine evidence and data across all tenures within each Area Partnership, ensuring investment and strategic decisions made are specific to local challenges. Collaboration across services such as Planning, Economic Development, Countryside and Leisure and Connected Communities will be crucial to deliver the Framework.

1.4 Community Engagement

East Lothian residents are key to helping to achieve the goals set out in this strategy. The cost of living crisis has increased financial pressure on households, increasing their reliance on services. Likewise, East Lothian's population is growing and increased service demand is putting further financial pressures on the council's ability to maintain excellent services. By working together with local communities, residents, third sector providers and other partners; the continuation of excellent service provision is supported.

To support, strengthen and create sustainable communities, residents should be enabled to take part in decision making processes for the provision of housing and related services. The LHS supports ongoing community engagement and participation through various partners and strategies mentioned within this chapter; for example <u>Area Partnerships</u>, the Tenant Participation Strategy, and the Anti-social Behaviour Strategy.

Engagement with partners

Housing Services regularly reach out to a range of service providers and the third sector who support people from different walks of life. East Lothian has a range of community forums which are used by Housing Services as a stepping stone to reach out to residents. These include, Volunteer Centre East Lothian, Tenant and Residents Associations, Area Partnerships, and Community Councils.

Ensuring engagement reflects the make-up of the population, and that all residents have the same opportunity to participate can be very challenging. The ability to engage depends on the capacity and resources available to a community. The LHS is committed to a rights-based approach and additional steps will be taken to engage with children and young people, in line with UNCRC.

Area Partnerships, supported through the Connected Communities Service, are a crucial point of contact and provide various opportunities to engage with local residents. The Area Partnerships are further discussed in <u>section 1.5</u>.

Cross-service projects such as Conservation Area Regeneration Schemes (CARS), discussed in section 1.6, integrate community engagement as part of their delivery. These projects create opportunities for East Lothian Council to address different challenges in a more holistic manner.

Engagement ensures that organisations are aware of existing services provided by East Lothian Council and are able to refer their clients to relevant services. Collaboration with organisations such as working with the 'Change Collective' allows for community engagement with people from a wide range of backgrounds and lived experiences.

Action 1.2 We will continue to build on existing links with other organisations and are open to engaging with organisations who have an interest in improving housing and housing services in East Lothian.

Engagement with tenants and landlords

Housing Services have strong ties with organisations such as the <u>East Lothian Tenant and Residents Panel (ELTRP)</u>. ELTRP contributed towards the existing Tenant Participation Strategy 2020-2023 which sets out how council tenants can *influence and scrutinise the housing services* delivered by East Lothian Council. This strategy is considered an exemplar in Scotland and Housing Services are keen to build on the existing strategy. The strategy is now coming to an end and will be reviewed and updated in due course.

To support vibrant communities, a balanced mixture of tenures needs to be provided across neighbourhoods. The Private Rented Sector (PRS) offers a flexible tenure for households who may not wish to or are unable to afford to purchase a property. The PRS has also proven to be a pathway to house some homeless households. Unfortunately, significant changes to PRS legislation as well as the economic situation has created uncertainties within this tenure, and the private rented stock is at risk of decreasing.

Currently, landlords in East Lothian are informed by Licensing Services about new requirements via a newsletter. 'Research into the Private Rented Sector in East Lothian', commissioned in 2022, highlighted that further engagement with tenants and landlords within the private rented sector would be highly beneficial.

Action 1.3

To support both private landlords and tenants, ongoing and meaningful engagement on current reforms will be identified to solidify the role of the PRS in East Lothian.

Digital inclusion

Digital connectivity and inclusion allows residents and services to engage with each other in a more flexible manner than meeting in a physical space. This can be beneficial for people living more remote rural areas, people who are less mobile or when people have to shield for their health. Scotland's Updated Digital Strategy to create a *fully digitally inclusive nation* discusses how improved digital connectivity can also lead to better community engagement. The strategy recognises that not all areas in Scotland are equally connected to broadband.

Digital connectivity is a means to improve access to services. Alternative options to accessing services will remain to residents in East Lothian, such as phone calls and paper forms.

East Lothian does not have areas classified as remote, however some rural areas do lack reliable digital connectivity which requires to be addressed The Dunbar and East Linton Area Partnership, for example, facilitated better broadband in the rural community of Stenton. Such projects are supported and promoted by East Lothian Council.

The national Digital Strategy highlights the importance of digital inclusion of public services. The provision of digital services addresses challenges including limited service location and time restrictions and allows for better service access, particularly for people with mobility barriers.

East Lothian Housing Association

East Lothian Housing Association (<u>ELHA</u>) are digital leaders in the housing sector, and the first UK Housing Association to offer rent discounts as an incentive for tenants to go digital. ELHA is one of East Lothian Council's key partners and the largest housing association in East Lothian.

All of ELHAs Housing Services are accessible via elha.com and My Home, where tenants can manage their own tenancy. For those who may not be able to manage their tenancy or communicate effectively online, ELHA offer a Friends & Family Service which can be enabled by default where a Power of Attorney is in place, or on request from a tenant. In 2023, 88% of ELHAs tenants had a My Home account, and 85% were paper-free.

Ensuring that Housing Services are digitally accessible and promoting digital inclusion is,

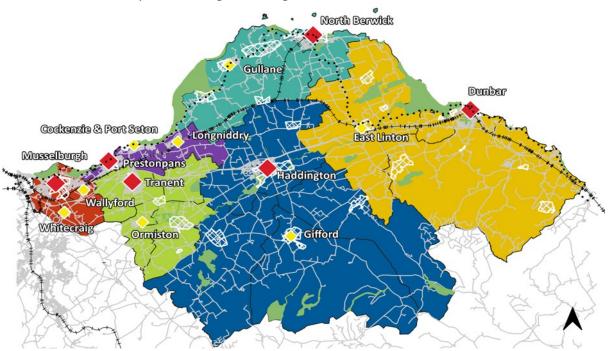
Action 1.4 therefore, a crucial step in becoming more inclusive. As part of this, Housing Services have begun the process of creating a new Housing Management IT System with the aim for it completed during the lifetime of this LHS. The new system will improve time efficiencies for staff, clients, stakeholders and tenants, as well as improving communication.

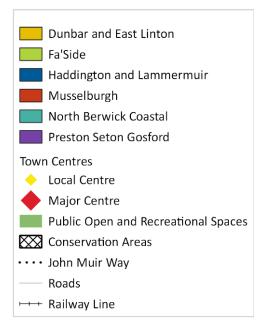
¹⁸ Scottish Government (2021) A Changing Nation: How Scotland will thrive in a Digital World.

1.5 Communities of East Lothian

Across the county, six Area Partnership (AP) geographies are formally recognised as having distinct characteristics and challenges particular to their areas. The six areas are: Dunbar and East Linton; Fa'side; Haddington and Lammermuir; Musselburgh; North Berwick Coastal and Preston Seton Gosford. Each Area Partnership has one major town centre and further smaller local centres which all contribute towards the local economy and access to services. This section sets out a clear narrative of the distinctive areas in East Lothian.¹⁹

Each Area Partnership has a delegated budget from East Lothian Council to deliver



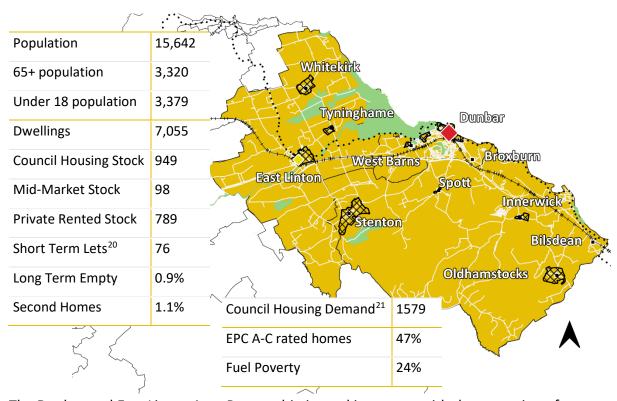


improvements unique to their area. As such, Area Partnerships are responsible for delivering an Area Plan. These are developed alongside residents and stakeholders to identify local priorities and how to deliver them. The challenges of each Area Partnership will be addressed through the Local Investment Framework.

Alongside Area Plans, communities can now also prepare land use plans, known as Local Place Plans. At the time of publication, no Local Place Plans have been registered by the East Lothian Planning Authority.

¹⁹ Each map in this chapter: Made with QGIS. Contains Ordnance Survey data © Crown copyright and database right (2022) | Copyright East Lothian Council, Contains OS data © Crown copyright and database right (2022)

Dunbar and East Linton



The Dunbar and East Linton Area Partnership is rural in nature, with the exception of Dunbar. Dunbar is the largest settlement in this AP and was extended towards the south during the last LHS period. It has the highest number of mid-market properties in East Lothian. Dunbar has seen the delivery of 116 affordable homes in the past five years, including 17 wheelchair and ambulant disabled accessible properties.

East Linton is an accessible rural village with a small local centre. At the time of writing, the new train station was under construction. The new station will improve sustainable transport connections, with East Linton being connected to Edinburgh and London.

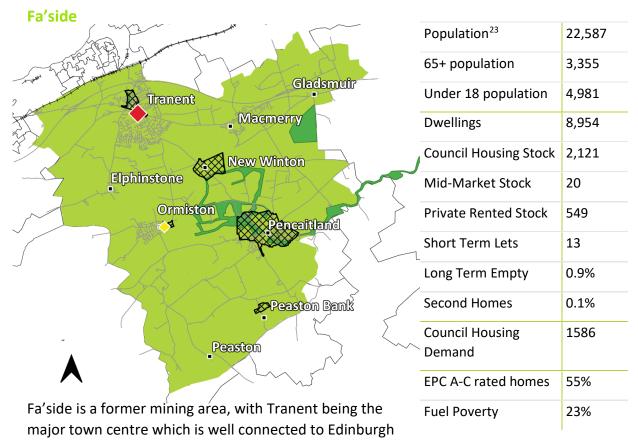
Good digital connectivity is crucial to supporting rural communities and their access to services. Stenton and Innerwick are the second and third most <u>deprived areas</u>²² in terms of 'access to services' in East Lothian. Affordable housing and improved digital access improve access to services, these themes will be explored as part of the Local Investment Framework.

Fuel poverty affects 25.2% of private households living in Dunbar town centre and 23.8% of residents in rural areas of the AP. Dunbar has been selected for the next <u>CARS</u> fund 2022-2027. The fund will help to improve the fabric of historic buildings within the town centre; increase their energy efficiency and refurbish buildings at the 'back of the High Street'.

²⁰ Snapshot numbers from East Lothian Council (2022) Research into the Private Rented Sector in East Lothian.

²¹ Number of people selecting this AP as their desired location. Multiple locations can be selected.

²² Calculated by the population weighted average time taken to reach key services including primary and secondary school; GP surgery; post office; retail centre; and petrol station.



by public transport. Tranent town centre has undergone significant regeneration in recent years with the CARS fund which ended in 2022. The fund opened up additional opportunities such as the development of 28 housing units as part of the redevelopment of the former Co-op Department Store.

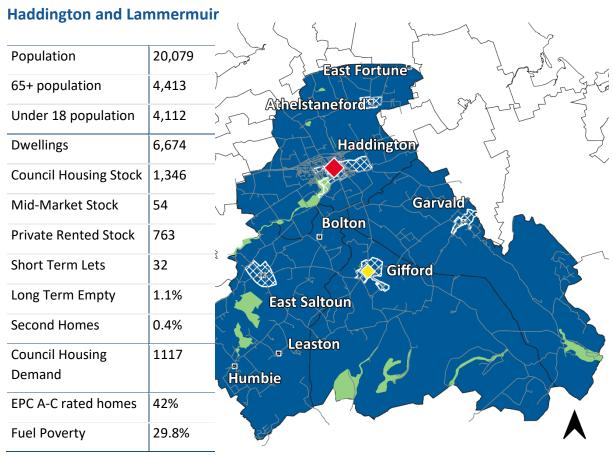
Fa'side has the highest proportion of people under 18 (22%) with a smaller proportion of people aged 65 and over (15%) compared to all other Area Partnerships. 23% of households live in fuel poverty, a smaller percentage than other areas. This may be because of a high proportion of council housing stock (23%). Social rented properties face stricter energy efficiency criteria in comparison to private sector housing.

The Area Partnership Plan has a strong focus on improving public spaces alongside creating safer traffic routes; promoting active travel and physical movement and reducing air pollution.

Over the last five years, a total of 155 affordable homes were developed in Fa'side of which 54 were wheelchair or ambulant disabled units. Pencaitland will see the completion of 30 new council homes in 2024, the first in the village since 1985. Macmerry has also seen significant additional housing supply in recent years. With the increase in housing in smaller villages, it is vital that residents have access to amenities and sustainable travel options in line with the 20 minute neighbourhood principle.

36

²³ Scottish Government (2022) Population Estimates by Electoral Ward Mid-2021



Haddington is home of the local government central offices in East Lothian, and is a major town centre with a mix of local shops and chain stores. The rest of the AP is rural in nature with many smaller settlements like Gifford which also has a historical local centre.

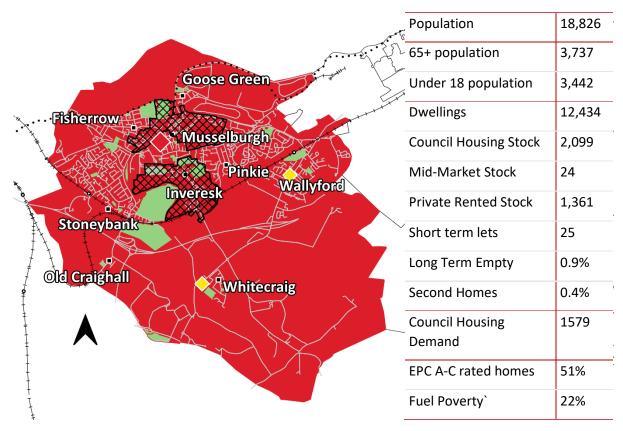
The AP overall averages at the 6th decile of the <u>SIMD</u>.²⁴ However, some of the rural villages are in the top 3% of the most deprived in term of 'access to services' across Scotland (SIMD of 1 and 2). This has an impact on people's health and wellbeing with care services and amenities being hard to reach. Additional affordable housing can offer opportunities for people working in care services to live closer to rural areas in need of better access to services.

Housing delivery in this AP has focused on Haddington where existing access to amenities, services and transport connections are already in place. In the past five years the area has seen the development of 159 affordable homes including 71 ambulant disabled and wheelchair accessible homes. Further affordable homes are to be developed as the Letham site progresses and a planning application for the Herdmanflat site redevelopment has been submitted.

29.8% of residents face fuel poverty as this AP has a high number of pre-1919 buildings with most settlements being located in Conservation Areas. Residents in more rural areas are less likely to be connected to main energy supplies, relying on oil and biomass heating.

²⁴ The SIMD decile divides population deprivation into 10 equal parts. 1 being the most and 10 the least deprived.

Musselburgh

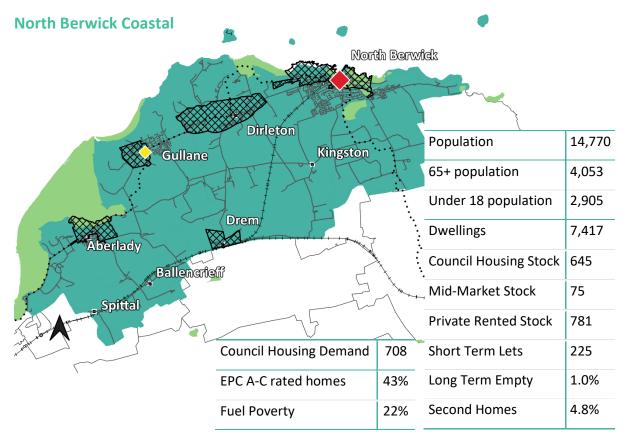


Musselburgh is the most populated AP in East Lothian, bordering both Edinburgh and Midlothian Council. Over the past five years 166 affordable homes were developed. 131 properties were wheelchair and ambulant disabled accessible; the highest level of provision within East Lothian. The Area Partnership's actions focus on improving public and green spaces and active travel to provide safe and accessible places and reduce health inequalities.

Musselburgh town is well connected to Edinburgh, Tranent, and Prestonpans by public transport. Musselburgh's town centre is a high traffic area and is under air quality management. The town is prone to flooding and the proposed Flood Protection Scheme is to be finalised in 2024. It is estimated that the scheme could protect around 900 properties from major flood events in the future.

Access to services for those outwith Musselburgh town declines sharply. Whitecraig and Wallyford are service access and education deprived, even though each has a local centre. Wallyford has seen a major expansion to the west in recent years including a primary and secondary school. Land to the north and south of Whitecraig is also allocated for development and will be delivered following the expansion of the local primary school.

Alongside the Innovation Hub at Queen Margaret University (QMU), a project funded by the <u>Edinburgh and South East Scotland City County Deal</u>, 1,500 homes were granted permission at Old Craighall in 2018. The delivery of homes has started and the A1 junction has been upgraded. A new on-site primary school was also approved at the end of 2022.

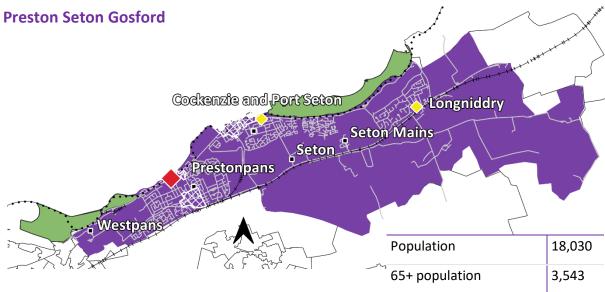


The North Berwick Coastal Area comprises of North Berwick as its major town centre and a local centre in Gullane. Both centres are located within conservation areas, as are other villages including Aberlady, Direlton and Drem. Buildings in conservation areas are often older and less energy efficient. In comparison to other APs in East Lothian, a lower proportion (22%) of people live in fuel poverty.

North Berwick Coastal is considered East Lothian's most affluent area with an SIMD average of 8.3. Inequalities across SIMD categories are less prominent than in other Area Partnerships. However, issues of affordability for lower income households have become prominent as house prices increase. Households along North Berwick harbour are more deprived in terms of education and housing. All other, more rural, areas within the AP are service access deprived, lying below the 3rd SIMD decile.

The area attracts considerable tourism activity, which is vital for the local area, but also creates challenges. For example, there is a relatively high number of short term lets and second homes within North Berwick, whilst there remains pressures on having sufficient homes for people to live locally as well as for those working for the service and the care sector.

Across the AP, 242 affordable homes were developed over the past five years, including 75 mid-market properties, and 129 wheelchair and ambulant disabled accessible homes. This provision of affordable housing has been higher than in any other AP due to the level of new housing developments in this area.



The Preston Seton Gosford (PSG) Area Partnership stretches out along the Firth of Forth. Most parts are well connected to Edinburgh with train stations at Prestonpans and Longniddry.

The main town centre is Prestonpans, which is partially located in a conservation area, making it ineligible for the <u>CARS</u> fund. The Cockenzie local centre has benefited from the CARS fund which has now come to an end.

This AP has a high fuel poverty rate of 28.8%, however considering the SIMD, large disparities can be found. Housing deprivation is high in Prestonpans and gradually declines towards the east of the AP. Prestonpans also experiences high education and employment deprivation (lowest two deciles of the SIMD) which also impact

ropulation	10,030
65+ population	3,543
Under 18 population	3,549
Dwellings	8,084
Council Housing Stock	1,847
Mid-Market Stock	40
Private Rented Stock	582
Short Term Lets	13
Long Term Empty	0.9%
Second Homes	0.3%
Council Housing Demand	1511
EPC A-C rated homes	50%
Fuel Poverty	28.8%

income and health deprivation which lie around the 3rd and 4th decile. New funding opportunities introduced by Historic Environment Scotland will allow for the regeneration of town centres out-with conservation areas such as Prestonpans in the future. This could allow for the improvement of properties in Prestonpans and open opportunities for education and training within the construction industry.

Between 2018 and 2023, 156 affordable homes were built across Preston, Seton and Gosford, including 71 wheelchair and ambulant disabled homes. Longniddry is expanding to the south adjacent to the existing rail station. A café, purpose built holiday lets and office spaces are proposed within the listed farm buildings as well as improvements to the existing local centre. The integration of the new development and their residents within the existing AP will be a crucial focus point as the development progresses.

Blindwells

480 units approved so farBlindwells Primary School approved



Picture 0.2: Blindwells Masterplan as approved in planning application 21/01580/PM. Source: EMA Architecture + Design Ltd (2022)

Blindwells is a new settlement which was allocated for development in the 2008 Local Plan. Blindwells is located to the north east of Tranent and south of Port Seton and is connected to the A1 to the south of the site and the A198 to the north. The vision for Blindwells is:

To shape a high quality expandable mixed community consistent with the sustainable development principles set out in national, regional and local planning policy.

Blindwells is set to be a new town which will minimise travel whilst ensuring the vitality of existing town centres. The site is approximately 130 hectares and can accommodate 1,600 homes of which 30% are to be affordable. Land has been allocated for employment and a town centre is planned alongside local facilities, amenities and green recreational spaces, including a 'destination park' and a loch. High quality urban connections, public spaces and facilities will contribute towards establishing a community identity.

Blindwells currently sits within the Preston Seton Gosford (PSG) Area Partnership. In line with the Place Principle, existing communities have been active in discussions around connecting the new site to Prestonpans and Longniddry through foot and cycle paths. The new town offers the opportunity to create mixed and resilient communities as well as contributing towards East Lothian's housing need in terms of both, market and affordable housing. The PSG AP has been liaising with Longniddry Church who have been delivering welcome packs when properties have been handed over to new residents.

The first phase of Blindwells is now well underway with 480 residential units approved so far and the landscaping within Phase 1, including sustainable urban drainage systems, has been implemented. By the end of 2022, 60 council homes had been allocated to new residents. The development of the Blindwells Primary School including playing fields, play grounds and car parking spaces was approved in December 2022. At the time of writing, details of the town centre are being prepared and the delivery schedule of parks is currently being established.

1.6 Town Centre Regeneration

Town Centres are an important feature of all towns in East Lothian, each with their own unique characteristics. The Town Centre First Principle was adopted by East Lothian Council in 2014/15. It seeks to deliver the best local outcomes, align policies and target available resources to prioritise town centre sites, encouraging vibrancy, equality and diversity.

Town Centres in East Lothian have not faced the same high level vacancy rates as the national average, nevertheless, there remains many opportunities to energise our local centres²⁵.

Town centres face a range of challenges. Due to the older nature of the building stock, with many tenements pre-dating 1918, residential and commercial buildings have higher levels of disrepair, poor conditions and low energy efficiency ratings. These buildings become vacant when improvements become too cost intensive. This often leads to properties becoming long term empty homes.

One of the major challenges has been the ability to improve the council's knowledge of housing conditions of properties in town centres. To support the Town Centre First Principle, more knowledge around the quality of properties and their adaptability is needed to deliver a fabric first approach²⁶.

Housing has a key role to play in the revitalising of town centres. Where housing developments have occurred at the edge of towns or away from town centres, residents often rely on cars and become less likely to depend on local services found in town centres. Town Centres are also critical to NPF4 policy approach of '20 minute neighbourhoods'.

The rise in Short Term Lets has also brought challenges. They can provide a degree of revitalisation to Town Centres. However, where they are not occupied for the full year, they can also create an economic gap, to the detriment of Town Centres. More information on Short Term Lets can be found in Section 2.7 of Chapter 2.

East Lothian Council has led a number of Conservation Area Regeneration Schemes (CARS), a Historic Environment Scotland fund for heritage-led regeneration in Conservation Areas, in recent years. CARS brings a range of opportunities for the re-use of buildings and bringing empty properties back into use in town centres.

The scheme consists of a combination of larger priority building repair projects, smaller repair grant schemes, activities which promote community heritage engagement and training in traditional building skills (all concerning pre-1919 buildings). East Lothian's Regeneration Team have successfully delivered several schemes using this fund, summarised in Table 1.1. Success of CARS in East Lothian has been down to the level of community engagement and ensuring that 'place-making' is at the heart of all engagements.

²⁵ East Lothian Council Economic Development Strategy 2012-2022

²⁶ A fabric first approach focuses on reducing a home's heat loss at the early designs stages be it for new developments or refurbishment projects.

Table 1.1: CARS in East Lothian									
Area	Funding Period	Scheme Fund	HES Fund	Main focus of delivery					
Haddington	2009-2014	£1.73m	£935k	 Comprehensive repair and enhancement of 14 core town centre tenements. 					
				 Public realm works on Lodge Street. 					
				14 Repair Grants incl. 8 Shopfronts.					
T	2045 2022	60071	65701	 Fraser Centre Community Cinema. 					
Tranent	2015-2022	£887k	£570k	 Designing of a new town centre mural with the contribution of 200 children. 					
				 Support of 1 priority building on Cockenzie High Street. 					
Cockenzie	Cockenzie 2018-2023 £1.22m £6	£600k	 Support of several small grant repair projects in the High Street and elsewhere. 						
				 20% of budget towards training for traditional training skills in collaboration with EL Works and the Ridge. 					
Dunbar	2022-2027	£2.58	£1.11m	 Support of 5 priority buildings identified in the town centre, 					
		 Support of 20 buildings through general repairs fund. 							
				 Small public realm improvements and heritage education with the community. 					
Source: East Lothi	an Council (2023)								

A new successor fund by HES, the Heritage & Place Programme, is now available to

Action 1.5

contribute to the development of vibrant and sustainable places, through community-led regeneration of the historic environment. Housing Strategy will work with Economic Development to maximise opportunities for area based regeneration.

1.7 Caring for open spaces and neighbourhoods

High quality open spaces play a critical role in the life of a community, providing a range of facilities and places for quiet reflection, physical activity, sport and fun. Green spaces act as a meeting ground, promote active travel, and improve people's mental and physical wellbeing. Green spaces also form an integral part of mitigating climate change and promoting biodiversity.

The East Lothian Council Tenant Satisfaction Survey 2022 highlighted that satisfaction of neighbourhood management lay at 88.4% in 2022. Anti-social behaviour and estate management were of highest concern across East Lothian.

The Open Space Strategy (2018), currently under review, provides the policy framework and vision for the management of existing provision, of new open space and outdoor sports areas. It sets out the minimum open space provision for new housing developments. It also considers the management and maintenance of existing open spaces. This does not only include parks but also playgrounds and sports pitches as well as private garden grounds. Communities are a key partner in setting out new open space standards. Housing Services will collaborate with Countryside and Leisure where appropriate to help maintain those standards.

Benefits of open spaces

Sense of place	Active Travel	Climate change	Mental and Physical Wellbeing
Allotments.Sports facilities.Playgrounds.Seating Areas.	 Public transport links. Pedestrian and cycle paths. Access to nature. 	 Flood prevention. Sustainable drainage systems. Urban cooling through tree shading, green roofs and walls. 	 Improving air quality. Space for physical activity. Multigenerational meeting spaces to socialise.

Discussions with communities around their green space needs are vital, particularly in the face of increasing budgetary constraints. Community engagement, alongside collaboration

with Countryside and Leisure, Amenities, Landscape and Planning are crucial to offer a coordinated delivery of well-maintained places.

In terms of Anti-social behaviour (ASB), the county has seen an increase in complaints since the Covid-19 pandemic. Community Housing and the Safer Communities Team collaborate regularly on managing ASB across East Lothian.

Action 1.6 The existing ASB Strategy is also currently under review and due to be completed during the lifetime of this LHS.

1.8 Moving forward

The following summarises some of the key challenges identified in this chapter and actions that will be taken over the lifetime of this LHS. The full list of detailed actions can be found within the LHS Action Plan.

Key Challenges

- Financial constraints on communities and public services as a result of the pandemic and cost of living crisis. Increased need to work alongside communities and other partners to deliver services differently.
- The need to expand and diversify community engagement whilst managing resource constraints.
- Risk of a decreasing private rented sector and need to identify creative solutions to increasing supply in this sector. .
- Improving digital access to services.
- Funding opportunities for Town Centres are limited due to eligibility criteria and limited knowledge of housing stock quality.
- Rise in complaints around Anti-Social Behaviour.

Actions

✓ Prepare a Local Investment Framework with communities, building upon Area Plans, to direct strategic investment in and around homes, ensuring a balanced mix of house types and sizes across all areas to meet local need.

- ✓ Continue to build on existing links with other organisations and are open to engaging with organisations who have an interest in improving housing and housing services in East Lothian.
- ✓ Ongoing and meaningful engagement opportunities on current reforms will be identified to support landlords and their tenants to solidify the role of the private rented sector.
- \checkmark Implement a new Housing Management IT System.
- ✓ Maximise opportunities and improve housing stock quality data for area based regeneration.
- ✓ Complete the review of the Anti-Social Behaviour Strategy.

2 Housing Supply and Affordability

This section of the LHS examines the supply and affordability across all tenures within East Lothian and identifies areas of housing pressure within the county. East Lothian is the second fastest growing Local Authority area within Scotland and this creates supply pressure across all tenures. The speed of growth also creates additional pressures on the local authority, particularly on revenue budgets through increasing demands for services combined with increasing expectations. Ensuring the county has the right housing in the right places to meet the needs of the local population will be key to delivering the aims of the LHS.²⁷

Introduction

Context

Priority Outcome: Housing Supply is accessible, affordable and provides a range of choices to meet the needs of households across East Lothian.

1. Vibrant & Connected Communities

2.1 The National Context

Housing to 2040 commits the Scottish Government to the delivery of 110,000 affordable homes across Scotland by 2032. Of these affordable homes, Housing to 2040 sets out that at least 70% should be for social rent. Housing to 2040 includes a commitment from the Scottish Government to define 'affordable housing'. ²⁸

2. HousingSupply &Affordability

NPF4 (National Planning Framework 4) sets out the Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority. The finalised MATHLR for East Lothian sets out a requirement to deliver a minimum of 6,500 homes across all tenures over the next ten years. NPF4 also set out the ability to vary the percentage of affordable housing dependant on area need.

3. High Quality& SustainableHomes

"Proposals for market homes will only be supported where the contribution to the provision of affordable homes on a site will be at least 25% of the total number of homes, unless the LDP sets out locations or circumstances where:

4. Preventing& Respondingto

5. Suitable

Housing &

Support

- i. a higher contribution is justified by evidence of need, or
- ii. a lower contribution is justified, for example, by evidence of impact on viability, where proposals are small in scale, or to incentivise particular types of homes

 ²⁷ References in the chapter are made to the east (Dunbar & East Linton; Haddington & Lammermuir; North Berwick Coastal) and west (Musselburgh; Preston, Seton & Gosford; Tranent, Wallyford & Macmerry) of the county
 ²⁸ Generally, it is agreed that housing is no longer affordable if it accounts for more than 35% of a household's income. However, there are a range of factors which will influence this including disability, make-up of household and income of household. There are a range of affordability measures and rationale for selecting this one should be stated. Shelter's definition although reasonable differs from NPPF, NHF and others.

that are needed to diversify the supply, such as self-build or wheelchair accessible homes. The contribution is to be provided in accordance with local policy or guidance".²⁹

The proposed <u>Domestic Building Environmental Standards</u> (Scotland) <u>Bill</u> is set to introduce new minimum environmental design standards for all new-build housing to meet the Passivhaus standard, or a Scottish equivalent, in order to improve energy efficiency and thermal performance.

This will impact upon the type of new housing that is delivered within East Lothian with increasing standards pushing up unit costs. These homes will require less energy and therefore should be cheaper to run for occupants. The introduction of Energy Efficiency Standard for Social Housing 2 (EESSH2) and the decarbonisation of heat will also require significant investment in current stock and may impact upon future development plans.

2.2 The Local Context

Both house prices and population within East Lothian have risen sharply in recent years, leading to a highly pressurised housing market. For many on lower incomes home ownership is out of reach with high house prices across the county. Rents in the private sector have also been increasing over the same period. Demand for affordable housing has never been so high, with over 4,200 households on the Council's housing list, 400 homeless applications, and unprecedented demand for intermediate tenures, with current supply unable to meet the demand for affordable housing.

The City Region Deal allocated £313 million towards the capital investment of housing. A total of seven strategic housing sites were identified including Blindwells in East Lothian with work currently under way to develop 1,600 homes including 480 affordable homes.

<u>Local Development Plan (LDP2)</u> is in the early stages of preparation and will take into account the requirements as stated within <u>NPF4</u>. Guidance for the LDP states that it should have regard to any LHS.

South East Scotland Housing Need and Demand Assessment (HNDA3) – finalised in 2022, HNDA3 uses a scenario based tool along with local data to estimate the number of additional homes that are required within each local authority to meet existing and future need and demand. HNDA3 estimated that an additional 476 new homes per annum are required in East Lothian over a 20 year period, 66% affordable and 34% market. The LHS is underpinned by the HNDA which provides a robust and credible evidence base that is used as a starting point to set a Housing Supply Target.

Affordable Housing Supply Target - The HST outlines the amount and type of affordable housing that can be realistically delivered over the period of both the LHS and LDP2. The HST takes full consideration of factors which may have a material impact on the scale and pace of housing delivery including the economy, capacity of the construction sector,

_

²⁹ National Planning Framework 4

resource availability and planned demolitions. It also combines information about likely resource allocations from Scottish Government as well as high priority and pipeline affordable housing developments over the next five years to produce an ambitious but realistic target for affordable housing. The HST for 2024-2029 is 1,470. More information on how the HST was calculated can be found in Supporting Paper 2: Housing Supply Target.

Strategic Housing Investment Plan (SHIP) 2023/24- 2028/29 - The SHIP sets out priorities for housing investment within East Lothian over the next five years. The current SHIP requires £73m (25% more than the current allocation) of the Scottish Government's Affordable Housing Program to deliver 1,446 completions which have been identified as most likely to come forward. If all sites identified within the SHIP were to be delivered this would see 1,963 completions over the 5 year period but, a further £44.820m subsidy would be required to enable this.

Of these completions 1,446 are on what are deemed to be high priority sites, 675 being housing association, 492 Council and 279 for mid-market rent. The overall total projects a tenure balance of 81% social rent and 19% mid-market, which is in line with East Lothian Council's Affordable Housing Policy. The SHIP also identifies some innovative models which are anticipated to deliver a further 72 units without any Scottish Government subsidy.

2.3 Affordable Housing

Affordable Housing in East Lothian is delivered via a range of different tenures, including social rent, mid-market rent (MMR) and Low Cost Home Ownership. A full list of all affordable tenures and their definitions are set out within Appendix 4.

Despite increased challenges, including the COVID-19 pandemic, East Lothian's Affordable Housing Supply Programme (AHSP) secured the highest additional funding allocation than previous years, delivering a total of 995 new affordable homes during the previous LHS period.

Table 2.1: Affordable Housing Completions by tenure 2018/19-2022/23						
Tenure	Area					
Social Rent	643					
Mid-Market Rent	229					
Low-Cost Home Ownership	23					
Total affordable housing completions	895					
Open Market Acquisitions for Social Rent	100					
Total 995						
Source: East Lothian Council (2023)						



We will continue to deliver an ambitious AHSP, with an affordable Housing Supply Target of 1,446 over the period of this LHS. The Council will also continue to explore new innovative models to maximise opportunities to increase the supply of housing.

2.4 Social Rent

There are a total of 11,469 social rented properties within East Lothian incorporating both council and RSL stock³⁰, accounting for 23.7% of all properties within East Lothian. An estimated number of 4,200 people are on the housing list for an East Lothian Council property, with a similar number on RSL housing lists. It can be assumed that broadly the same households are on both RSL and Council housing lists, with 28.2% of households leaving the Council Housing List in 2021/22 after being accommodated by RSLs in the County. This demonstrates the importance of RSLs in providing affordable housing.

Despite a percentage leaving the housing list, between 2021/22 and 2022/23, East Lothian Council's housing list increased by 700 households. This is indicative of the growing pressure households' face in being able to find an affordable property in East Lothian across all tenures.

The highest level of social rented stock is within the Musselburgh ward, with the lowest number in North Berwick Coastal. While Tranent, Wallyford, Macmerry, Musselburgh and Preston, Seton Gosford Wards have the higher number of social homes per 1,000 population they also have the highest demand for social housing. This may partly reflect the range of house types available in these areas, with households unable to select areas on the housing list where their desired house type doesn't currently exist.

Almost a quarter (24%) of housing list applicants for social housing in East Lothian are made by households currently living in the PRS. This is more than double the proportion of households who live in the sector (10%). This suggests a strong unmet demand for social housing from PRS tenants. PRS tenants seeking social rented housing in East Lothian are concentrated in North Berwick Coastal (36%), Haddington and Lammermuir (31%) and Dunbar and East Linton (27%). These are the three wards with the least amount of social rented housing.

_

³⁰ Scottish Housing Regulator – Total Self Contained Units (2022) General Needs RSLs in the area include Dunedin Canmore, East Lothian Housing Association, Homes for Life, Wheatley Homes East.

Table 2.2: ELC & RSL Social Rent Stock by ward per 1,000 people						
Ward	Number social rented properties	Number social rented homes per 1,000 population				
Dunbar & East Linton	1,313	83.9				
Haddington & Lammermuir	1,532	76.3				
Musselburgh	2,844	151.1				
North Berwick Coastal	925	62.6				
Preston, Seton, Gosford	2,211	125.1				
Tranent, Wallyford, Macmerry	2,644	117.1				
East Lothian	11,469	104.7				
Source: East Lothian Council (2023)						

To ensure balanced communities, and affordable options for all, it is crucial that the supply of social rented and other forms of affordable housing is accessible in all East Lothian wards. This will be achieved through the development of the <u>Local Investment Framework</u> (LIF), mentioned in Chapter 1. The LIF will focus on ward areas and housing need and will be assessed with related indicative targets for each ward to help address any imbalances occurring in the investment programme.

Allocations Policy

The main objective of the Allocations Policy is to meet the Council's legal obligations specified in the Allocations and Homelessness legislation. The policy, along with other associated actions will also help the Council make best use of Council housing stock. In addition, the policy also assists the Council achieve, along with other complementary actions, balanced and sustainable communities through local lettings plans.

In setting any targets against each group the Council must give reasonable preference to certain statutory groups when allocating Council houses. These include applicants living in unsatisfactory housing conditions; tenants in social housing who are under occupying their property and who have unmet housing needs and to those applicants who are homeless or threatened with homelessness.

Most of the statutory groups are found in the General Needs Group, although some applicants may fall into the Transfer Group, such as those who need re-housing because of overcrowding or whose health is being negatively impacted upon in their current accommodation

Table 2.3: East Lothian Council Housing Allocations, 2022/23								
Туре	Number	Percentage	Targets (set 22/23)					
General Needs	370	73.56%	70%					
Transfers	123	24.45%	25%					
Sustainable Communities ³¹	10	1.99%	5%					
Total 503 100% 100%								
Source: ELC, 2023		1	'					

The number of allocations to homeless applicants have increased significantly in the past few years. In 2020/21, just under half of all allocations were made to homeless households. However, despite allocations consistently being around 50%, the number of households and the length of time spent in temporary accommodation is critically high.

Table 2.4: Allocations to Homeless Households						
Year	Homeless	% of total Allocations				
2017/18	237	48%				
2018/19	299	59%				
2019/20	276	54%				
2020/21	242	52%				
2021/22	204	47%				
Source: ELC, 2023						

A high number of homeless applications are from single person households, however the availability of one bedroom properties are limited, relative to two and three bed properties.

An allocations policy which considers the critical challenges within homelessness and the demand placed on single bed properties can be essential in ensuring that those remaining in emergency or unsuitable temporary accommodation for long periods can move to

Action 2.2

permanent homes. This will help improve flow within the housing system and reduce the number of UAO breaches. To ensure East Lothian Council's allocations policy reflects this, we will conduct a review over the period of this LHS.

³¹ For Sustainable Communities other rules apply – it is the attribute of the applicant that is the main consideration – a local lettings plan will be used to select applicants with the appropriate attributes and the applicant with the earliest date of application will be made an offer of housing.

Void Properties

East Lothian has higher rates of <u>tenancy sustainment</u> than the Scottish average. There is low turnover of tenants moving to larger/smaller properties, or moving to MMR or home ownership. This, combined with increasing periods of properties remaining void, creates a blockage in the housing system and slows the rate at which homeless households can be rehoused.

The average time to re-let a void East Lothian Council property has increased. Impacted by backlogs created through Covid-19 restrictions, material and staff shortages, as well as increased requirements to adapt and extend housing, the number of days to re-let a void Council property increased to 66.2 days in 2021/2022.

Void time directly impacts on the flow within the housing system. The greater the delays faced in turning around a void property, the longer individuals wait to be allocated a permanent home, which can contribute to lengthy periods of time spent in temporary accommodation.

Action 2.3

In recognition of the impact voids have on homelessness, we will review the voids procedure and process.

Overcrowding

It's not only the geographical provision of social rented housing that is unbalanced in East Lothian, but also the supply of different size properties. Two bedroom properties account for 52% of social rent stock, three beds account for 25%, one beds 21% and four+ beds 2%. This results in properties being over-crowded as families grow and there is a lack of affordable larger properties to move into. It is difficult to estimate the number of households living in Council properties that are overcrowded as it relies on self-reporting through the Household Form. However, it is thought that households living in overcrowded conditions could range between 350 and 650.

Overcrowding can reduce privacy, limit space for children to study or play and can be a source of stress and anxiety. Overcrowding has also been shown to increase the spread of respiratory conditions and increase the risk of childhood infection and asthma. Living in overcrowded housing is not something that any household would choose and is symptomatic of an undersupply of affordable housing of the right size.

Alleviating overcrowding relies on a range of policy interventions all of which we will continue to utilise over the period of this LHS:

- Providing incentives for households in East Lothian Council tenancies to downsize when they no longer require larger homes in order to free them up.
- Increasing the number of larger social rent and MMR new build properties.

- Targeting properties on the open market to bring back into Council stock through the Open Market Acquisitions.
- An Allocations Policy which reflects the increasing complexities of the housing system in East Lothian.

2.5 Mid-Market Rent (MMR)

There are four providers of MMR housing in East Lothian accounting for 301 properties. The majority of MMR units are in Dunbar (32.6%), with the lowest number in Tranent, Wallyford and Macmerry (6.6%). Affordable housing providers of MMR rent do not maintain housing lists, with properties advertised when they become available, similar to properties in the private rented sector. However, anecdotal evidence suggests that MMR properties are in high demand, with the number of applications per property increasing.

Table 2.5: Mid-Market Rental Properties by Ward, East Lothian, Jan 2022										
Area partnership	Total number of units	% of all MMR units	Number of MMR homes per 1,000 population							
Dunbar & East Linton	98	32.6%	6.3							
Haddington & Lammermuir	54	17.9%	2.7							
Musselburgh	24	8%	1.3							
North Berwick Coastal	65	21.6%	4.4							
Preston, Seton, Gosford	40	13.3%	2.3							
Tranent, Wallyford, Macmerry	20	6.6%	0.9							
East Lothian	301	100%	2.7							
Source: East Lothian Council, 2022			Source: East Lothian Council, 2022							

Action 2.4

The provision of mid-market rent (MMR) properties will continue to play a key part in providing more affordable housing across the county and we will look to increase the stock of MMR.

The comparative affordability of MMR when compared to the PRS mean that it is an option that is likely to appeal to many residents within East Lothian, particularly those looking for affordable secure accommodation who would be unlikely to obtain housing within other tenures.

2.6 Low Cost Initiatives for First Time Buyers (LIFT)

In 2020-21, there were a total of 22 properties purchased via Open Market Shared Equity (OMSE), and a total of 13 from April 2021 to 31st July 2021. Properties were predominately in the west of the county with only one in Haddington. The average overall price for OMSE was £160,000 which is well below the average house price within the county.

In 2022/23, the most affordable two bedroom flat was in Musselburgh with a home report value of £177,546. Followed by a two bedroom house in Tranent for £189,370. Both over the OMSE threshold. In addition an average 91.6% of properties sold for their home report valuation or higher, with the average property achieving 108.5% of home report valuation at sale. In North Berwick, this increases to 110.6% of the valuation, and Dunbar 109.7%. The highly pressurised housing market with increasingly competitive selling prices results in fewer properties available which meet OMSE thresholds.

Table 2.6: OMSE threshold by bed size, East Lothian								
1 2 3 4 5								
OMSE threshold £130,000 £175,000 £200,000 £260,000 £355,000								
Source: Scottish Governm	nent, 2023							

Uptake of the New Supply Shared Equity scheme (NSSE) in East Lothian has been slow with no new developments since 2018. Constraints on the numbers of banks willing to lend on the model and over saturation within North Berwick at that time as a result of other low cost home ownership options running at the same time meant that sales were slow.

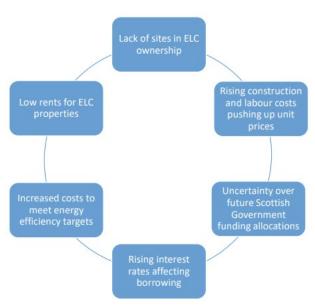
Low Cost Housing Initiatives such as Low Cost Homeownership are secured through the same legislation with house builders as part of the affordable housing contribution. House prices have been increasing by such significant amounts in East Lothian that the discount required to ensure affordability is not feasible.

Action 2.5

We will continue to explore options for affordable home ownership and investigate whether schemes such as OMSE and NSSE can be viable within the East Lothian context.

2.7 Challenges in Delivery

East Lothian is dependent on the supply of market housing, and land use policies to supply affordable housing. A lack of sites and suitable buildings owned by the Council mean that affordable housing is generally secured through Section 75 agreements.³² The Local Development Plan 2018 (LDP) sets a 25% affordable housing contribution requirement from developers of new housing developments consisting of five or more units.³³ As a result the Council has little control of when land will come forward for development.



The Council is not immune to wider economic factors such as rising inflation and increased construction and labour costs. These are pushing up the price of providing new build housing with individual unit prices increasing.

Upcoming energy efficiency legislation such as the proposed Scottish Passivhaus equivalent are also likely to result in increased building costs. While proposed measures such as EESSH2 and a new Accessible Housing Standard will require increased investment in existing stock. Without additional funding it is likely that the new measures will impact upon the numbers of affordable homes that can be delivered within East Lothian, both for the Council and local RSL partners.

Action 2.6

We will renew East Lothian's Affordable Housing Supplementary Planning Guidance and associated Affordable Housing Policy in recognition of the widespread challenges faced by the housing system in East Lothian by undertaking the development of the Local Investment

Framework to ensure the need of communities are reflected in the delivery of housing across affordable housing tenures.

2.8 Private Rented Sector

The PRS is a diverse sector with a broad customer base, in both East Lothian and Scotland. It is recognised as providing a good housing option for those requiring flexibility in terms of employment for those setting up home for the first time. However, in recent years, the sector has become a housing option for those seeking longer-term accommodation as well

³² Section 75 agreements, also known as planning obligations, are contracts entered into between a landowner and the local Council, as part of the planning application process.

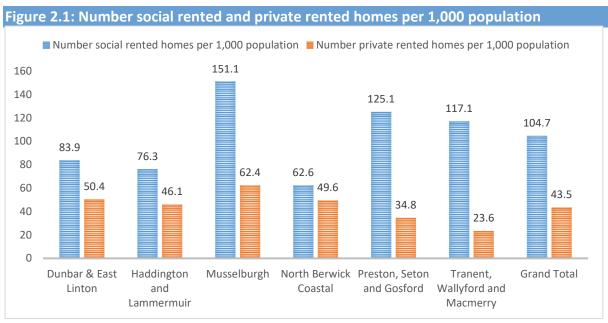
³³ With the current exception of Blindwells which has a 30% affordable housing contribution requirement.

as for those unable to access social housing. The PRS accounts for a total of 4,768 properties in East Lothian, representing 9% of the total housing stock within the county.

Supply of PRS

Supply of PRS isn't equal across wards in East Lothian, adding further pressure to local areas. There are lower levels of properties in 'Preston, Seton Gosford' and 'Tranent, Wallyford and Macmerry' with the highest levels in Musselburgh.

The three easternmost wards have lower levels of social rented stock and higher than average levels of PRS properties, the private sector (both rented and owner occupied) plays a greater role in providing housing within these areas than in other parts of the county.



Source: East Lothian Council (2023)

The PRS has reduced by 2% of overall housing stock since the previous LHS. There are four main areas which are seen to cause the decline, and potential future decline in the PRS in East Lothian:

- Economic barriers the fluctuating housing market, the taxation system for private renting (both deposit values and the Additional Dwelling Supplement of 4%), and increasing interest rates coupled with the rising cost of borrowing.
- The Private Residential Tenancy Regime and restrictions of recovery of landlord's possession.
- Property investment including the cost of new property standards, the age and energy rating of PRS homes in East Lothian and the freezing of rents, and potential rent controls.

 Viability barriers including declining rental yields/rates and a shift in landlord risk appetite.³⁴

Letting agents in East Lothian predict that the PRS will shrink in the next 3-5 years, as landlords leave the sector.³⁵ This is likely to have a significant impact on the East Lothian housing system and local economy.

Action 2.7

One way to boost numbers in the PRS is to investigate the viability of Build-to-Rent in East Lothian. Build-To-Rent refers to purpose-built housing developments that are built with the purpose of renting properties out in the private rented sector rather than selling the units. Uncertainty around future national policy relating to the private rented

sector including rent control and energy efficiency standards has created additional pressures and resulted in a cooling of interest in build to rent in many areas. ³⁶ Developing a Build-to-Rent Policy will ensure potential Build-to-Rent developments deliver high-quality properties within the private rented sector, improving both quality and supply of housing within this tenure.

Affordability in the Private Rented Sector

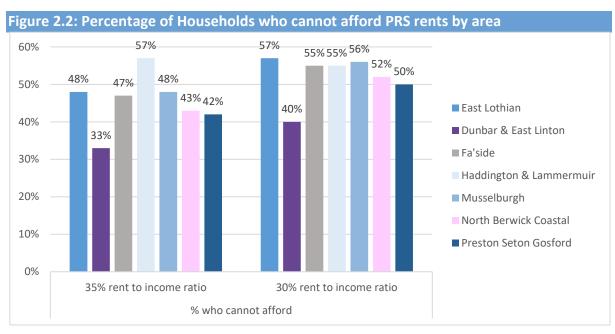
Based on either a 30% or 35% income to rent ratio, average PRS rents in East Lothian are unaffordable for those earning both the minimum and living wage. Around 57% of East Lothian households are unable to afford rents in the PRS.³⁷ The highest percentage of households unable to afford an average market rent area are in the Musselburgh Area Partnership ward making it the most pressurised area in terms of affordability, despite having the highest number of social homes.

³⁴ Arneil Johnston (2022) Research into the Private Rented Sector in East Lothian, p43-44

³⁵ Arneil Johnston (2022) Research into the Private Rented Sector in East Lothian, p56

³⁶ Housing in Scotland Current Context and Preparing for the Future - July 2023 (solace.org.uk)

³⁷ Figure calculated across all households within East Lothian some of whom will be in affordable housing or living in a home with no outstanding mortgage. The number is a snapshot showing % of population unable to afford to live in the PRS if that was there tenure of choice.



Source: Arneil Johnson (2022)

In addition the cost of living crisis will have squeezed already pressurised household finances. It is more important than ever that affordable housing is available or there is a real risk of an increase in households facing poverty. Recent interventions from the Scottish Government including rent freezes and bans on evictions have attempted to alleviate some of the pressures facing renters but have inadvertently reduced the extent of the PRS stock in East Lothian.

The private rented sector will continue to play an important role in housing people within East Lothian, however, affordability remains a key concern. Although the council cannot directly influence rents, support and advice to private rented sector tenants including income maximisation can play an improving affordability and supporting local residents. The delivery of the AHSP may lessen pressure within the PRS and provide affordable housing for some who would otherwise have had no alternative to the PRS.

2.9 Owner Occupied Housing

The majority of homes within East Lothian are owner-occupied, accounting for 67.8% of properties within the county.³⁸

The volume of house sales within East Lothian over the five year period increased by 2.8% demonstrating an increase in demand for house purchases within the county.

Table 2.7: Volume of Residential Sales, East Lothian						
2017/18 2018/19 2019/20 2020/21 2021/22						
East Lothian	2,158	2,352	2,370	2,215	2,218	

³⁸ Scottish Government (2021) Scottish House Conditions Survey 2017-19

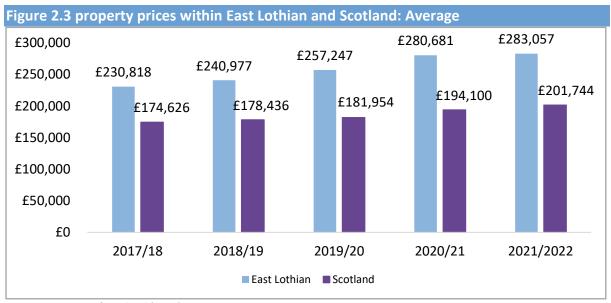
59

Scotland	102,794	102,164	102,053	95,159	95,428		
Source: Register o	Source: Register of Scotland (2022)						

Affordability of Home Ownership

House prices in East Lothian have increased by 22.6% over the past five years and were 40% higher than the Scottish average during 2021/22.

The housing market within East Lothian is less affordable than in many other areas. The proportion of households in East Lothian with lower quartile income that are unable to afford to purchase a lower quartile home is 60.2%. Of the South East Scotland local authority areas only Edinburgh (66.02%) has a higher percentage of households unable to afford a home purchase. Homes with lower quartile prices are often seen as an entry point for first time buyers. This lack of affordability for first time buyers can result in people having to leave the area, staying with family for longer or opting for another tenure.



Source: Registers of Scotland (2022)

2.10 Housing in Rural Areas of East Lothian

Delivering housing in rural areas presents unique challenges. A lack of affordable housing in rural areas prices many households out of these areas. High house prices combined with lower wages for local employment also affect those who can purchase a home in rural areas. Under the Scottish Government's 8 fold urban-rural classification, much of East Lothian is classed as accessible rural areas. A total of 80.1% of the area of East Lothian is classed as accessible rural, with 26.3% of the population residing in accessible rural areas. With the exception of Musselburgh all area partnerships within East Lothian are home to a rural population.

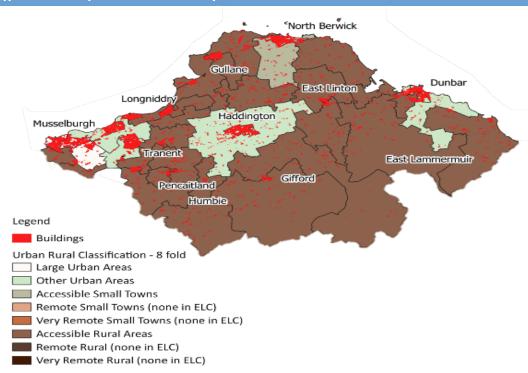


Figure 2.4: Map of East Lothian by 8-fold urban-rural classification

Source: East Lothian Council, 2023

House prices in rural areas and smaller towns within East Lothian tend to be higher than those in urban areas. House prices have been rising steeply in rural areas of the county with a 30.4% increase over the last five years. Price increases on top of high prices will have a detrimental impact on the affordability of house buying for many in rural areas forcing them to look elsewhere for property.

Table 2.8: Average house prices within East Lothian by Urban Rural Classification								
Rural Classification	2017	2018	2019	2020	2021	% increase		
Accessible Rural Area	£269,412	£284,154	£317,919	£327,662	£351,396	30.4%		
Accessible Small Towns	£321,951	£313,587	£336,158	£346,450	£353,711	9.9%		
Other Urban Areas	£204,789	£217,059	£225,251	£239,982	£243,947	19.1%		
Large Urban Areas	£175,138	£183,239	£204,386	£215,692	£236,976	35.3%		
Source: Registers of Scotland (2022)								

Delivery of Affordable Housing in Pencaitland

In 2023, work began to deliver thirty new council flats and houses in Pencaitland, the first new council homes to be built in the village since 1985. Under the 8-fold urban rural classification Pencaitland is considered to be accessible rural. The new development, funded by the local authority's capital investment programme and the Scottish Government's Affordable Housing Supply Programme, will feature a mix of house styles including cottage flats, terraced and detached family homes. Each home has been designed in accordance with Secured by Design standards and will be built to 'Housing for Varying Needs' ensuring tenants have the flexibility and space they need for years to come.

Action 2.6

Working closely with our Planners to identify opportunities through the Rural Housing Fund to deliver small scale innovative housing developments where there is evidence to support

2.11 Empty Properties, Second Homes and Short Term Lets

Empty Properties and Second Homes

In March 2022, 980 homes were vacant in East Lothian, including long term empty homes which no longer receive council tax relief. The number of long term empty homes has seen a 15% decrease since 2020, down to 415 homes. This may have been influenced by an increasing population and growing house prices encouraging more sales.

East Lothian has a lower percentage (0.8%) of empty homes than the national average (1.4%). North Berwick Coastal also has the highest number of long term empty homes of all areas within East Lothian with 1.4% of all homes classed as long term empty. East Lothian has a higher proportion of second homes with 2.9% compared to the national average of 0.9%. Sub-council level data for 2020, shows that North Berwick Coastal (4.9%) has significantly higher levels of second homes than other areas.

Table 2.9: Second and Long Term Empty Homes by Area Partnership						
Area Partnership	Long Term Empty	%	Second Homes	%		
Dunbar & East Linton	56	0.8%	76	1.1%		
Tranent, Wallyford and Macmerry	77	0.9%	9	0.1%		
Haddington & Lammermuir	75	1.1%	27	0.4%		
Musselburgh	118	0.9%	31	0.2%		

North Berwick Coastal	68	1.0%	318	4.8%	
Preston, Seton, Gosford	80	0.9%	24	0.3%	
Source: East Lothian Council (2022)					

Engagement to bring empty homes back into use can help to achieve positive outcomes ith regard to unlocking housing supply across all tenures.

Local authorities have powers to decide on the level of discounts on empty homes and increase the level of council tax on these properties. Income from Second Homes Council Tax can be used to fund new-build housing and help boost housing supply.

Action 2.8

A strategy for the use of this council tax income will be prepared over this LHS period to maximise the supply of affordable homes via this route over the coming years.

The Empty Homes Loan Fund which is available to owners of empty properties to bring their property up to standard to bring it back onto the property market has not been utilised within East Lothian. In 2023, the Council was working

Action 2.9

has not been utilised within East Lothian. In 2023, the Council was working with the Scottish Government to change eligibility criteria to make this policy more attractive to home owners.

Over the lifetime of the LHS an Empty Homes Strategy will be developed and we will continue to work with the Scottish Government to maximise opportunities.

Short Term Lets

A Short Term Let (STL) is a dwelling used by persons other than the owner for short periods and for financial or other remuneration. Typically, these properties are advertised as being available for holiday let, although it can apply to other situations.³⁹

Based on a market snapshot, which only includes entire properties (rather than one bedroom within a larger property), it is estimated that approximately 387 STLs are available across East Lothian. The highest proportion of STL were in North Berwick Coastal (58%) followed by 19% in Dunbar & East Linton. Musselburgh had the lowest proportion of STLs (2%) along with Fa'side and Preston Seton Gosford (3.4%).⁴⁰

From October 2023 all short term let properties across Scotland require a licence. This will allow East Lothian Council to collect more accurate data on the number and location of such properties within the county.

The Council will work in partnership with local communities and the tourism sector to achieve a balance which meets the needs of distinctive communities across East Lothian.

³⁹ Scottish Government (2023) National Planning Framework 4 Annex D.

⁴⁰ East Lothian Council (2022) Research into the Private Rented Sector in East Lothian

This involves taking into account the tourism sector, short term accommodation for seasonal workers and the need for long term residential housing.

Table 2.9: Empty Properties, Second Homes and Short Term Lets in East Lothian ⁴¹					
	Number	% of all homes			
Vacant and Long Term Empty Homes	980	0.8%			
Second Homes	489	2.9%			
Short Term Lets	387	7.4% of all lettings			
Source: ELC, 2022					

Action 2.10

We will continue to monitor Short Term Lets to investigate if they are negatively impacting the PRS and wider housing system.

An evidence paper on short term let control areas will be prepared by Planning Policy in collaboration with Housing and Economic Development in

2024.

2.12 Self-Build / Self-Provided Housing

Self-provided housing refers to housing built by an individual and can also refer to custom-build where a house-builder tailors a property to a household's preferences prior to it being built. Benefits of self-build include the ability to build a house to meet a person's long term needs and tailor the property to the individual's preferences. It can also mean greater flexibility in terms of location and design of the property.

The Scottish Government's Self-Build Loan Fund aims to support the delivery of good quality and energy efficient housing, giving people more choice about the homes they want to live in and offers up to £175,000 to help with development costs

Under the Planning (Scotland) Act 2019 Local Authorities are required to prepare and maintain a list of those who have registered interest with the authority with the intention of acquiring land in the authority's area for self-build housing. The latest self-build register held by the council currently contains six individuals with an interest in self-build within the county. Promotion of self-provided housing is one of the actions within the LHS, particularly in rural areas where this type of housing could provide innovative solutions to housing shortages.

64

⁴¹ East Lothian Council (2022)

2.13 Distinctive Housing Themes by Area Partnership

The following table provides a summary of distinctive housing themes by Area Partnership.

Table	Table 2.10: Distinctive Housing Themes by Area Partnership					
Dunbar & East Linton						
↑	2 nd highest lower quartile House Price	1	2 nd highest proportion of households living in the social rented sector			
\downarrow	Lowest percentage of households unable to afford the PRS	\downarrow	Second lowest level of social rented stock			
Hado	Haddington & Lammermuir					
↑	Largest population of over 65s.	1	Largest supply of market housing over the last five years.			
\downarrow	2 nd lowest affordability ratio of lower quartile income to lower quartile house prices	\	Lowest ratio of housing list applicants to allocations.			
Musselburgh						
\uparrow	Highest number of total dwellings.	1	Highest level of social rented stock.			
\downarrow	Lowest lower quartile incomes.	\downarrow	Lowest average lower quartile house price.			
Nort	h Berwick Coastal					
\uparrow	Highest lower quartile house prices.	\uparrow	Highest levels of owner occupation.			
\downarrow	Lowest levels of social housing.	\downarrow	Lowest percentage increase in house prices 2017-2021.			
Prest	ton, Seton and Gosford					
↑	Most affordable lower quartile house price to income ratio.	1	Third highest level of social rented stock.			
\downarrow	Lowest 5 year supply of market housing.	\downarrow	Second lowest lower quartile house prices.			
Tranent, Wallyford and Macmerry						
↑	Largest 2017-21 median house price increase by percentage.	1	Highest proportion of social rented properties.			
\downarrow	Second lowest lower quartile income.	\	Lowest proportion of owner occupiers.			

2.14 Moving Forward

The following summarises some of the key challenges identified in this chapter and actions that will be taken over the lifetime of this LHS. The full list of detailed actions can be found within the LHS Action Plan.

Key Challenges

- The demand for affordable housing continues to outstrip supply.
- House prices in East Lothian are 38% higher than the national average.
- Lack of land in Council ownership restricts housing provision.
- Interest rates continue to rise making borrowing more expensive.
- Increase in construction cost and higher new build standards will reduce overall numbers of new supply
- 60.2% of lower quartile income households are unable to afford home ownership.
- House prices are generally higher in rural areas and smaller communities.
- The supply of affordable housing isn't equal across areas in East Lothian.
- Property sizes for affordable homes vary, with lower numbers of 4+ bed homes resulting in overcrowding.
- Housing list numbers have increased by 700 households within a year.
- 57 % of residents are unable to afford to rent within the PRS.
- The current allocations policy is from 2019 and is in need of a refresh.

Actions

- ✓ Deliver the affordable housing supply target of 1,446 affordable homes over the period of the LHS.
- ✓ Review the Allocations Policy.
- ✓ Review the Voids Procedure and Process.
- ✓ Increase the supply of mid-market housing and explore new innovative funding models to increase the supply of affordable housing
- ✓ Continue to monitor the viability of delivering affordable home ownership options within East Lothian including investigating whether schemes such as OMSE and NSSE can be more widely utilised.
- ✓ Update Affordable Housing Supplementary Planning Guidance and associated documents.
- ✓ Prepare a Build to Rent Strategy.

- ✓ Explore the Scottish Government's Rural Housing Fund to see where it could allow for innovative rural developments to take place.
- ✓ Explore innovative methods of delivery including utilizing second homes council tax income.
- ✓ Develop an empty homes strategy.
- ✓ Continue to monitor Short Term Lets to investigate if they negatively impact the PRS and wider housing system.

3 Preventing and Responding to Homelessness

Homelessness in East Lothian is primarily considered to be a structural issue, with a highly pressurised housing system across the county with higher than national average house prices and a relatively small and expensive PRS. East Lothian Council properties remain the most affordable option for many in the county - placing a great demand on council social rented housing stock. Tenancy sustainment is one of the highest in Scotland, whilst turnover of void properties is one of the lowest. Whilst this is a positive, this reduces the number of voids that flow through the system resulting in people having to wait longer for permanent accommodation.

The previous LHS 2018-2023, identified the main challenges for homelessness in East Lothian as:

- The high demand for temporary accommodation leaving the Council dependent on emergency accommodation.
- A long wait-time for permanent and suitable accommodation, leading to an increase in the length of time spent in emergency and temporary accommodation.
- Slow turnover of temporary accommodation as people wait for their permanent home.
- Limited housing options for homeless households due to the restructuring of housing benefits as Universal Credit was rolled out across the county.

Despite the achievements delivered through the LHS 2018-2023, these challenges remain and, have in fact, worsened due to pressures the past 5 years have placed on the housing system and services.

This chapter will outline growing pressures within the housing system and the impact this has on those at threat of or experiencing homelessness.

Priority Outcome: Homelessness is prevented as far as possible, where unavoidable a rapid response with appropriate accommodation and support is provided.

Introduction

Context

Vibrant &
 Connected
Communities

2. Housing Supply & Affordability

Preventing & Responding to Homelessness

 Suitable Housing & Support

5. High Quality & Sustainable Homes

3.1 National Context

In 2017, a new commitment was made by the First Minister to eradicate rough sleeping, transform temporary accommodation, and end homelessness. The Homelessness and Rough Sleeping Group (HARSAG) was established to determine the changes necessary to achieve this vision. HARSAG's subsequent recommendations have shaped the future direction of policy, which seeks to ensure homelessness is a rare and short-lived experience through a transformative re-design of the system. For East Lothian, this means adapting existing practice in line with new legislation, which has come at a relatively fast pace. The following section outlines a number of significant policies resulting from HARSAG's recommendations, including both enacted and future legislation.

Local authorities were required, in 2018, to produce a <u>Rapid Rehousing Transition Plan</u> (RRTP). RRTPs operate over a 5-year time frame and set out actions to be taken to prioritise prevention and, where homelessness occurs, ensures households are quickly provided with appropriate settled housing. RRTPs are prepared at a local level, reflecting local issues and challenges and set out how these can be addressed, making effective use of available resources.

In November 2019, the <u>Commencement of Section 4 of the Homelessness etc.</u> (Scotland) Act 2003 (on 7 November 2019) made changes to the intentionality test. This change means Local Authorities can now choose whether or not to investigate intentionality. East Lothian Council uses this power to investigate intentionality under the narrowed definition to focus on 'deliberate manipulation' of the homelessness system. Under guidance, deliberate manipulation refers to "manipulation of the homelessness system where the applicant actually foresees that their actions would lead to them becoming homeless".⁴²

The Homeless Persons (Unsuitable Accommodation) (Scotland) Amendment Order 2020 extended legislation prohibiting the use of unsuitable accommodation for longer than 7 days for pregnant women and children to include all homeless households. This policy further embeds human rights into homelessness policy. In addition to this, a new Temporary Accommodation Standards Framework was published in April 2023, to ensure that all temporary accommodation throughout Scotland is of consistently high quality.

The <u>Homeless Persons</u> (Suspension of Referrals between Local Authorities) (Scotland) Order 2022 suspended the requirement for households to have a local connection to the area they were making a homeless application to. This ended the need for local authorities to refer to one another when an applying household's local connection was elsewhere. A local connection refers to a person residing (currently or in the past), being employed or having family based in the area.

Following recommendations from the <u>Prevention Review Group</u>, the Prevention of Homelessness Duty is expected to come forward as a Housing Bill towards the end of 2023.

⁴² Code of Guidance on Homelessness: Guidance on legislation, policies and practices to prevent and resolve homelessness (www.gov.scot)

The Duty will focus on early intervention and a strengthened, joined-up approach. There are a significant number of proposals, although three main themes to the Duty are:

- The need for earlier intervention in relation to the prevention of homelessness. Currently, local authorities take action where households are at risk of homelessness within 56 days or less. This change would place the duty to take action where the threat of homelessness is within 6 months.
- The introduction of 'Ask and Act', where public bodies would have a duty to enquire about a person's housing situation and take effective action if there is an immediate or future threat of homelessness.
- This legislation seeks to embed the 'no wrong door' approach into practice through ensuring homelessness prevention and response can be accessed through a variety of 'bodies'. It will also require local authorities to develop 'Prevention Pathways' for vulnerable groups such as those subjected to domestic abuse and those leaving prison.

Covid-19 Emergency Legislation

The Scottish Government introduced a number of emergency measures during the Covid-19 pandemic as a temporary response to prevent homelessness.

Included within measures was the <u>Cost of Living (Tenant Protection) (Scotland) Act 2022,</u> which came into law in October 2022. The purpose of the Act was to prevent homelessness by stabilising housing costs within the rented sector and reducing unlawful evictions. This Act restricted landlords (private and social) from increasing residential rents during a tenancy. This effectively froze rents for those currently renting. The measure ended in March 2023 and was replaced by a rent cap.

The Act also introduced a temporary pause on evictions. This prevented landlords, except in a limited number of circumstances, from evicting tenants. Landlords were further deterred from evicting tenants through an increase in fines for eviction cases found to be unlawful. It is expected that this will remain in force until September 2023.

3.2 Local Context

Rapid Rehousing Transition Plan

East Lothian's RRTP reaches across multiple services within the Council, aligning with wider Council policy. East Lothian's RRTP was created with the vision:

A fresh, new partnership arrangement enables a holistic approach to housing options, ensuring everyone has a home that meets their needs with a commitment to work towards ending homelessness in the longer term by 2024.

The RRTP outlined five priority outcomes for East Lothian:

- 1. Homelessness is prevented as far as possible.
- 2. Access to existing housing for homeless households is improved across all tenures.
- 3. The homelessness system is more efficient and effective.
- 4. Access to support is improved for homeless people with complex needs, where appropriate.
- 5. Supply of new permanent/settled housing is increased across all tenures.

To realise these ambitions, the RRTP detailed the necessary actions and resources required. Actions were reflective of the overall visions of the Scottish Government in regards to rapid rehousing. Progress of East Lothian's RRTP has been delayed as resources were reprioritised to respond to the Covid-19 pandemic and the refugee crisis following the war in Ukraine. This has limited the number and success of actions delivered within the RRTP.

An overview of the Housing Options Service can be found in Appendix 5.

3.3 Local Challenges

There are a number of challenges which impact the way the housing system operates and influences the experience of homelessness in East Lothian. Challenges are both long-standing and more recent, as a consequence of global events.

Demand vs supply of affordable homes

Homelessness in East Lothian is largely driven by for the lack of affordable housing. As found in Chapter Two, due to the high cost of homes and rents within the PRS, for many the only viable housing option is social rent. This leads to high demand for a limited resource. Despite efforts to increase the supply of affordable housing; including the creation of East Lothian Mid-Market Homes LLP, and the delivery of the Affordable Housing Supply Programme; it cannot keep pace with demand.

This issue is most critical within one bed and larger properties. Those facing homelessness in East Lothian are mainly single persons who can no longer stay with family members or friends. This means single bed properties are in high demand for those experiencing homelessness. Similarly, larger families struggle to find affordable options which meets the needs of all members. Whilst demand continues to increase against a backdrop of limited supply, this can lead to extended periods spent in unsuitable or temporary accommodation.

Covid-19

The pandemic added additional challenges to the housing system. The Housing Options team had to adapt standard practice quickly in order to deliver the service in line with restrictions. Due to national restrictions on working, new build programmes slowed down.

This reduced the number of housing completions, including new council stock. The number of existing Council homes being brought back into stock through turnover also reduced as void times became longer through restrictions and staff illness and shortages.

Emergency measures brought in by the Cost of Living (Tenant Protection) (Scotland) Act 2022 were effective in supporting people to maintain tenancies. However, measures including the temporary rent freeze and a pause on evictions, have impacted landlord and investor appetite in the PRS. These measures limited rent increases and made recovering properties difficult. Research found that temporary measures, alongside upcoming changes to building standards, have led to some landlords considering selling their property. ⁴³ Since the previous LHS, the % of the PRS in East Lothian has reduced by 2% of the overall housing stock. Any further reductions in PRS stock will further exacerbate demand for social and MMR properties.

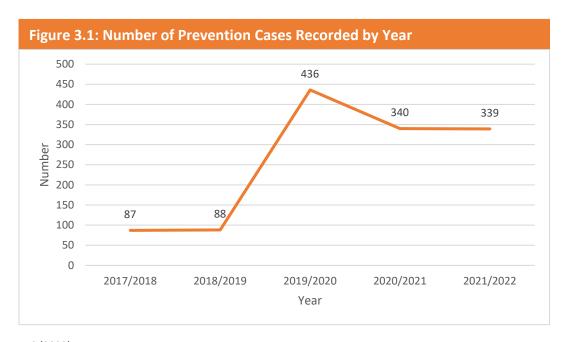
War in Ukraine

The Scottish Government and UK Government have introduced a range of schemes to accommodate and support those households displaced by the war in Ukraine, including schemes to enable local households to act as sponsors, providing host placements. During 2022/23, resources within Community Housing and Homelessness have been focussed on matching refugees with host households and supporting households in host accommodation to access longer-term settled accommodation. Given the number of subsequent breakdowns within sponsor / host relationships and these short-term accommodation commitments coming to an end, it is anticipated that homeless applications will increase going forward. Large numbers of Ukraine households living in East Lothian under the Homes for Ukraine Extension Scheme also pose a significant risk in terms of potential homelessness pressures. While homelessness prevention / housing options services have been successful to date in avoiding homelessness for Ukraine households, with the exception of those arriving under the Family Visa Scheme, significant resources are required to maintain this position. Circa 30 private sector tenancies were secured in 2022/23 via the Council's rent deposit scheme to prevent homelessness among Ukraine households, which is positive for this group in preventing homelessness, although clearly impacts upon the ability of homeless households generally to access the sector.

3.4 Prevention

In 2019/20 there was a sharp increase in Prevention cases, in part due to changes to case recording, in accordance with revised Guidance. Case numbers have reduced and levelled off over the last two years, however with the current cost of living crisis, increasing mortgage costs and host accommodation arrangements for Ukrainian refugees breaking down, it is anticipated that prevention cases will increase going forward.

⁴³ East Lothian Council (2022) Research into the Private Rented Sector in East Lothian.



ELC (2023)

The current reasons for approaching and the tenure of households approaching, align with this. The top three reasons in 2021/22 for approaching the prevention team were;

- Action from landlord resulting in the termination of the tenancy 20.6%.
- Dispute within household/relationship breakdown (non-violent) 20.4%.
- Risk of losing accommodation (eviction/repossession) -15.3%.

Households approaching the prevention team in 2021/22 were:

- Private Rented 49.9%.
- Owner-occupier 14.5%.
- Parental / family home / relatives 14.2%.

Due to the high cost and limited stock within the PRS and inability to get a mortgage, young people are living in the family home for longer, and as lifestyles change, pressure on relationships can lead to a breakdown.

With 50% of prevention cases coming from the PRS, and 20.6% approaching due to action from a landlord, the private rented sector remains one of the most precarious tenures, within the context of changing legislation and Scottish Government reforms⁴⁴.

Households seeking prevention in East Lothian are most likely to be headed by women. Between 2018/19 – 2021/22, over 51% of applicants were women. In 2021/22, this rose to 62%.

⁴⁴ Overview of private rented housing reforms in Scotland | Scottish Parliament

Action 3.1

A gendered approach to prevention will be championed, recognising the number of women seeking support from the prevention team.

3.4 Prevention Activities

East Lothian Council's Prevention Team have a wide variety of tools available to prevent households from becoming homeless. These include providing information as well as signposting individuals to organisations and support providers.

Resettlement Support

Moving into a home is extremely challenging, particularly for those living independently for the first time. To help support households moving into new accommodation, the Prevention service offers resettlement support. This support includes assistance accessing benefits and maximising income, neighbour mediation, enabling access to health services and help sourcing furniture. This support is essential in helping tenants to manage and sustain a tenancy.

Rent Deposit Guarantee Scheme

Households who are homeless/potentially homeless, can often find the PRS unaffordable and out of reach. Providing a deposit and rent in advance can be a challenge, with households typically requiring significant funds to secure a property.

A review of the Council's rent deposit guarantee scheme in 2018 found that uptake of the scheme was low, due to a range of concerns from landlords, with these addressed where possible in the form of a revised scheme. Under the new scheme, the Council can provide both rent in advance and deposits; cash as an alternative to a guarantee; tenancy support; advice to landlords and access to funds for furniture. The changes significantly increased uptake of the scheme from 2019 onward and at its peak, the scheme supported around 60 new homeless households per annum.

There is a limited supply of PRS properties, with many being affordable. It is expected that pressure on this stock will worsen during the lifetime of the LHS due to increased mortgage repayments, pushing up rents and further increasing demand from those affected by the cost of living crisis who may now be unable to purchase a property. In 2022/23, circa 30 PRS properties were secured for Ukraine households via the scheme, which prevented homelessness for this group, relieving pressure on temporary accommodation stock, although this resulted in reduced availability for existing homeless households. For vulnerable homeless households, enabling access to the PRS can provide a positive and effective housing outcome, although high demand from a range of groups for limited stock means this can be challenging.

Mediation

To effectively prevent homelessness, a focus is required on the root causes, evaluating the factors which lead to homelessness and addressing these via appropriate actions.

In East Lothian, 'asked to leave' continues to remain the main reason for homeless applications. Mediation can be used as a tool, where appropriate, to support families where a member is threatened with homelessness. Mediation services can provide an opportunity for families to solve disputes and has been particularly beneficial for resolving disputes when a young person is asked to leave home.

Notably, mediation is only appropriate where it is in the best interests of all within the household for the individual to remain in the home and often the individuals concerned are unwilling to consider mediation as a solution. However it is essential that a variety of support and housing options are available for those 'asked to leave', particularly for young people and mediation can provide an effective solution in some circumstances.

In 2022, East Lothian Council's Housing Options team introduced a new enhanced mediation service, delivered by Cyrenians and Circle, which combines mediation, outreach support and education as effective tools for homelessness prevention. It is too early to assess the outcomes of this new project although initial indications are positive for those families accessing the service.

Early Intervention through education

Early intervention is considered essential in effectively preventing homelessness. Awareness raising is vital, ensuring children and young people are aware of the support and housing options available, particularly for those considering leaving home or who may be asked to leave by parents.

East Lothian Council has delivered a Housing Education Project for secondary school students since 2003 and this currently comprises a presentation session for those in S4, S5 and S6 classes. In 2022/23, 66% of secondary schools in East Lothian received at least one presentation. The purpose of the programme is to provide young people who may be considering their destinations following school with practical information on household costs, tenancy options and avoiding homelessness.

The importance of early intervention and empowering children is highly recognised within the Council, particularly through the commitment to embed UNCRC practices within services. Extending the education scheme, adapted for a younger age group, provides an opportunity to adopt UNCRC principles to the Council's housing service and ensures children in East Lothian are aware of the local housing system and services from an earlier age.

Action 3.2

In recognition of the success of this program, and a reflection of the UNCRC commitment, we will update and roll-out Housing Workshops within high schools and extend to primary schools across East Lothian

3.5 Prevention Outcomes

East Lothian Council's Prevention Team is highly successful at achieving positive prevention outcomes for around 85% of households approaching for assistance. Where it is safe and appropriate to do so, remaining in their existing home can be a favourable outcome for households. Typically, around a third of cases are supported to remain in their property, preventing a requirement for a homeless application.

Significant numbers are also assisted to access the private rented sector and avoid homelessness, with around a quarter of cases avoiding homelessness in this way and more recently mid-market rent properties have also become a viable housing option for households threatened with homelessness.

Generally, despite best efforts, each year around 15% of prevention cases make a homeless application, reflecting the limited availability of affordable housing options in East Lothian.

3.6 Upcoming Changes to Prevention Legislation

A new Housing Bill, expected at the end of 2023, will likely see changes in respect of a new homelessness Prevention Duty. Early indications are that the duty to prevent homelessness will focus on households who are within a six-month period from becoming homeless, which will require additional resources. It is considered likely that this will lead to a rise in homeless applications and further exacerbate existing pressures on temporary accommodation.

Key to the new Prevention Duty is the concept of 'no wrong door'. Those in public facing positions will be required to ask about a person's housing situation and take action, if it is considered an individual is at risk of homelessness, referring on to the Prevention Team. This will require training and awareness raising for public bodies, focussing on homelessness and housing options in East Lothian.

Action 3.3

To ensure a one-council approach to this, we will prepare and implement a service transformation plan to enable compliance with the new Prevention Duty.

This will create positive multi-agency working and will help to reduce the number of those who 'fall through the cracks'. However, it is essential that staff delivering this are aware of challenges within the housing system and are clear on the information they are giving. This will help reduce the risk of raised expectations and ensure people are not encouraged to make decision which are not in their best interest.

Action 3.4

We will carry out training and awareness raising sessions ensuring expectations are managed appropriately regarding East Lothian's pressurised housing system.

The changes in legislation will also require Council's to develop 'Prevention Pathways'. These recognise that certain groups are more vulnerable to homelessness and will experience it differently. Prevention pathways will target unique approaches at groups

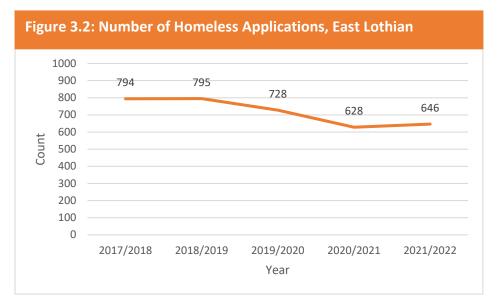
most at risk to homelessness, including those subjected to domestic abuse, prison leavers and young people. <u>Chapter 4</u> will discuss these groups in further detail.



In line with legislation, we will implement a targeted prevention pathways approach for vulnerable groups, including specialised pathways for: Young people, people leaving prison, those subjected to domestic abuse.

3.7 Homelessness

The number of homeless applications highlights the demand for the Council's Response service and can provide an insight into the levels of homelessness within the county. Homeless applications have declined since 2017/18 from 794 households to 646.



Source: East Lothian Council (2022) HL1

However, applications made with the Council cannot show the full extent of homelessness. National evidence has shown that not all homeless individuals will choose to access statutory services. This is a deep rooted challenge, influenced by the long history of stigma attached to homelessness and entrenched by poverty. Individuals who don't access the statutory service often experience complex homelessness, including extended periods of 'sofa surfing', and are more likely to be from vulnerable population groups.⁴⁵

3.8 Homelessness Demographics

Of those who made homeless applications over the previous five years, single person applicants were more likely to be male, although single parent applicants were more likely to be female. Around a quarter of applicants were aged 18-25 and the majority of applicants were in the 26-59 age range.

⁴⁵ "Hidden" homelessness in the UK: evidence review - Office for National Statistics (ons.gov.uk)

The housing circumstances prior to a homeless application are set out below. It is anticipated that the cost of living crisis and increase in inflation will drive up the percentage of homeless applicants from the private sector as mortgage rates soar, and landlords increase rents.

39.5% were living with family/relatives.

13.3% came from a local authority tenancy.

11.1% came from a private rented tenancy.

20.9% were living with friend/partner.

5.4% came from an RSL tenancy.

4.5% were from owner-occupied sector.

Source: East Lothian Council (2022) HL1

High numbers of homeless applicants (40% in 2021/22) do not have security of tenure, living with friends, family or relatives. As lifestyles and needs change with age, there often reaches a point, both for the individual and family members, where it is no longer sustainable to live in that home.

Violent or abusive dispute as the reason for homelessness is consistently among the most common reasons for homelessness in East Lothian and Scotland. Increasing from 17.6% in 2017/18 to 24.6% in 2021/22. Just over 84% of these applicants came from female-headed households. Possible actions which could be taken with upcoming national legislation will be discussed in further detail in Chapter 4.

Support Needs

The majority of households making a homeless application do not have support needs, however, there are a number who do. In 2021/22 around 17% of homeless applicants had one support need identified, this down from 2017/2018, when it was over 24%. However, the proportion of households with two support needs and three plus support needs increased within this timeframe. Households with three plus support needs saw the largest percentage growth from 3.5% in 2017/18 to 8.3% 2021/22.

Table 3.1 Support Needs Homeless Applications (% of total applicants)					
	2017/18	2018/19	2019/20	2021/21	2021/22
No support needs	60.8	64.9	63.0	66.8	62.4
1 support need identified	24.4	20.5	21.8	18.6	17.2
2 support needs identified	11.3	10.4	11.4	10.3	12.1
3+ support need identified	3.5	4.2	3.8	4.3	8.3

Source: ELC (2022)

Mental health is typically the most common support need identified for homeless households, accounting for 34% in 2021/22. The stresses and trauma related to homelessness, including financial troubles, relationship breakdowns and the experience of homeless itself, can lead to high levels of depression and anxiety amongst homeless households.

Increases in the number of recognised support needs may reflect the impact of the pandemic on the mental and physical wellbeing of individuals generally, although it is likely that in part the increase is due to improved recording of support needs.

Intentionality

Legislation in relation to the 'intentionally homeless' element of homeless assessments was enacted in 2019, changing the duty to a power, with discretion for local authorities. Accordingly, a revised person-centred approach is taken when assessing intentionality, taking full account of the circumstances which led to the application. This has resulted in a significant reduction in intentionally homeless decisions. In 2017/18 prior to legislative change, 72 households were found to be intentionally homeless. In 2021/22, only 9 households were assessed as intentionally homeless.

While the revised approach to households assessed as intentionally homeless has resulted in positive outcomes for individuals, this has exacerbated existing pressures. The Council is required to provide temporary and permanent accommodation to households who, under previous legislation, would only be entitled to advice and assistance. This has led to additional demand on resources which were already under significant strain.

Rough Sleeping

The percentage of homeless applicants sleeping rough prior to making an application has increased since 2017/18. Those individuals sleeping rough the day prior to application has increased from 1.8% of applicants in 2017/18 to 5.6% in 2021/22. Those sleeping rough at some point in the three months prior to making a homeless application have shown similar trends, with the proportion increasing from 2.4% of applicants in 2017/18 to over 7% in 2021/22.

These increases have, in part been related to the impact of Covid-19 on accessing services and improvements in recording.

3.5 Temporary Accommodation

East Lothian Council has around 400 units of temporary accommodation in use at any time. Around a third comprises emergency accommodation, including shared accommodation. Supported accommodation accounts for 12.1% of temporary accommodation.



Source: East Lothian Council (2022) HL1

The percentage of those living in emergency accommodation has grown substantially in the past 5 years and between 2018 and 2022, there has been a 109.3% increase in the number of households in emergency accommodation. Meanwhile, the percentage of those living in furnished temporary accommodation has declined year on year. This has been due to a combination of flipping tenancies from temporary to permanent which has reduced the units of temporary housing stock, a reduction in the use of the private sector leasing scheme and lengthy wait times for permanent accommodation, seeing people remain in temporary accommodation for longer

Table 3.2: % of total households living in temporary accommodation by accommodation type in Q1 of each year						
	2018	2019	2020	2021	2022	
Local authority furnished	74.6	73.1	68.2	60.4	58.2	
Supported accommodation	8.0	7.2	7.1	6.7	6.6	
Emergency accommodation	15.8	18.8	21.6	29.8	32.4	
Women's Refuge 1.5 1.0 3.1 3.1 2.7						
Source: ELC (2022) HL1						

Experiencing homelessness can be extremely traumatic for children and can have long lasting effects. Homelessness can reduce attainment, increase risk of child poverty, impact relationship building and make a child more vulnerable to homelessness when they are older. Whilst numbers have declined in the past 5 years, there still remains a significant number of children living in temporary accommodation. In 2021/22, 160 dependent children were in local authority furnished temporary accommodation.

Most concerning is the increase in the number of children in emergency accommodation. Due to the pressure placed on supply and a lack of movement through the housing system, 11 dependent children were living in emergency accommodation at the end of Q1 in 2022.

Table 3.3: Total number of depe end of quarter 1	endent child	dren in tei	mporary ac	commodat	ion at
	2018	2019	2020	2021	2022
Local authority furnished	222	185	191	163	160
Emergency Accommodation	2	5	1	0	11
Women's Refuge	4	4	5	9	10
Total 228 194 197 172 181					
Source: East Lothian Council (2022) HL1					

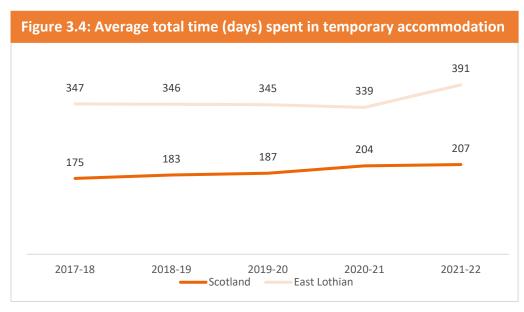
Action 3.6

Reflecting this increase and recognising the potential trauma of homelessness, we will make formal consideration of the wellbeing needs of accompanying children (with a focus on domestic abuse) using a trauma informed approach & implement recommendations.

3.6 Time spent in Temporary Accommodation

The time spent in temporary accommodation in East Lothian has remained well above the Scottish average, at 391 days compared to 207. Single person households, on average, had the longest stay in temporary accommodation.

Between 2017/18 and 2020/21 time spent in temporary accommodation, whilst trending downward, was consistently high. In 2021/22 time spent in temporary accommodation rose significantly and continues to do so.



Source: East Lothian Council (2022) HL1

The average time spent in temporary accommodation varies between household types. In 2021/22, 'others with children' and 'couples with children' spent, on average, the longest in temporary accommodation, at 672 and 614 days, respectively.

The average time households are spending per temporary accommodation placement has also been increasing. This means that the amount of time spent before moving on from emergency, to a furnished general needs unit to permanent, for example, is lengthening.

Table 3.4: Average Length of Time (I by Accommodation Type	Days) per P	lacement i	n Tempora	ry Accomn	nodation
	2017/18	2018/19	2019/20	2020/21	2021/22
LA dwelling	414.1	360.4	361.8	383.2	450
Supported Accommodation	241.6	261.4	167.0	244.5	204
Emergency	68.8	58.9	58.3	82.5	84
Total 205.4 189.1 163.6 200.1 186					
Source: East Lothian Council (2022) HL1					

Action 3.7

To reduce the wait time in temporary accommodation, for households in fully furnished local authorities dwellings who wish to remain permanently, we will re-introduce a rolling programme to re-designate temporary accommodation as permanent tenancies where homeless wish

to remain.

Unsuitable Accommodation Order

Following legislative changes to the Unsuitable Accommodation Order (UAO), East Lothian Council has, and continues to be, regularly in breach of the order. The Council is one of a small number of local authorities who are identified as regularly breaching the UAO terms.⁴⁶

As of June 2023, East Lothian Council had 124 live breaches of the UAO, which largely impacts single households. By breaching the UAO terms, the Council is unable to meet its statutory duty to provide suitable temporary accommodation to these individuals. For individuals, UAO breaches mean living in accommodation deemed unsuitable under Scottish Government policy. This may have significant impacts in terms of mental and physical health.

The length of time in which households remain in Unsuitable Accommodation and the corresponding number of breaches is influenced by the availability of affordable housing and the number of existing homes becoming empty and being re-let. The more challenging it is to move homeless households into permanent accommodation, the longer individuals wait for suitable temporary accommodation. Actions such as reviewing allocation targets and implementing a new voids policy will directly target the flow within the housing system and mitigate the challenges associated with breaches of the UAO.

Action 3.8

East Lothian Council will also explore flat sharing arrangements for single people in emergency accommodation to address the number of those living in unsuitable accommodation for longer than 7 days.

3.7 Supported Accommodation

Supported accommodation provides temporary housing alongside support for vulnerable people with specific needs.

Adult Supported Accommodation

There is one unit of adult supported temporary accommodation in the county, which offers 7 spaces for those with complex needs. This accommodation is contracted by the Council to Blue Triangle who provide 24 hour staffing to support vulnerable homeless adults. Those within the accommodation have access to a wide variety of support, including group led substance recovery sessions.

As the only supported accommodation for adults within the County, demand for provision is high. Those within the accommodation have a long wait for permanent accommodation, meaning turnover can be slow and dependent on evictions. Most often, those in need of supported accommodation are single adults. This can leave vulnerable adults living in emergency accommodation with low levels of support provided.

⁴⁶ Housing in Scotland Current Context and Preparing for the Future - July 2023 (solace.org.uk)

As the only supported accommodation for adults within the County, demand for provision is high. Those within the accommodation have a long wait for permanent accommodation, meaning turnover can be slow. Most often, those in need of supported accommodation are single adults. This can leave vulnerable adults living in emergency accommodation with low levels of support provided.

The supported accommodation mixed gender 'group living', with shared living and kitchen spaces can be unsuitable for those who present additional risks. As a result, between five and six evictions occur per year, largely due to assessed risk to other residents.

Action 3.9

The provision of adult supported accommodation will be reviewed to ensure it continues to meet need and demand in the county.

Supported Accommodation for Young People

Young people who experience homelessness in East Lothian can be allocated to supported accommodation. There are a total of 29 spaces for young people, with the majority of located in the west of the county.

Two alternatives to supported accommodation exist in East Lothian. They can either be used as an alternative to supported accommodation or as a move on/next step from supported accommodation. Both were established primarily for Care Experienced Young People, however, the success of My Place, a peer-flatmate model with drop in housing support, has seen it expand to include Unaccompanied Asylum Seeking Young People and young people experiencing homelessness. There are a total of eight properties or 16 spaces in My Place.

Starter Flats, provided by East Lothian Council also provide a 'move on' option from supported accommodation for CEYP or an alternative to group living. Housing provisions for young people will be discussed further in Chapter 4.

3.8 Housing First

East Lothian's RRTP made commitments to delivering <u>Housing First</u> – the Scottish Government's preferred approach for individuals with complex needs. 'Housing First' operates with the premise that housing is a human right and persons experiencing homelessness should not have to prove themselves as 'home ready' before being provided with a tenancy. It maintains that through person-centred, wrap around support, those with complex needs and traumatic experiences, including repeated homelessness, can live well in their 'forever home'.

Two Housing First models existed in East Lothian in early 2023: East Lothian Council's model and STRENGTH. Both were aimed at meeting unmet needs for vulnerable adults with multiple and complex needs. Due to the demand on social rented homes, rapid re-housing based on individual choice is not possible to deliver in East Lothian. The STRENGTH project

made adjustment for this within its model, using Housing First as a prevention to homelessness, offering support in temporary accommodation and making referrals based on suitability to an available property.

Housing First support is resource-intensive and best practice limits the number of cases an officer should support at any one time, limiting the number of open Housing First cases within East Lothian Council's Housing Options Team. However, the key challenge in respect of Housing First in East Lothian is the ability to provide permanent housing for a small number of households quickly, in accordance with the Council's Allocations Policy, given lengthy wait times for homeless households generally.

STRENGTH - Housing First for Women Subjected to Domestic Abuse

STRENGTH was a two-year Housing First pilot (March 2021-2023) delivered by WAEML, ELHA and East Lothian Council. Its purpose was two-fold; to provide a housing solution to homelessness and to prevent homelessness. Ten women were provided with wraparound, Housing First support three of whom were allocated tenancies by ELHA.

An interim evaluation found that the project achieved, over a short period of time, positive outcomes including a 90% sustainment and health and wellbeing improvements. Service users have seen increased self-confidence, reduced or ceased anti-depressant prescriptions and have been able to build upon relationships with family members and friends.

A scenario-based exercise, based around that used within the <u>Pathfinder report</u>, also recorded early evidence that the project can result in budget savings across services.

Despite success, STRENGTH was unable to secure additional funding and has now ended.

The Council's Housing First project is ongoing, however given lengthy wait times for homeless households generally, this means that a rapid response to the provision of permanent housing for a small number of individuals continues to be challenging, within the context of the Council's Allocations Policy and taking account of equalities.

3.9 Duration of Homelessness

The mean time in which a homeless application remained open sat between 54 and 61 days over the past five years.

3.10 Homelessness Outcome

The most common outcome for homeless households is a Scottish Secure Tenancy (SST). In 2021/22, around 47% of homeless households moved into a SST. This was a decrease from the previous year, where over 57% of homeless applicants were moved to a SST. Most SSTs

are provided by East Lothian Council, with over 70% of households being allocated a council property in 2021/22. Total lets to homeless households in the private rented sector are considerably lower, averaging at around 4% over the same time period.

Table 3.5: Homeless Outcome (%), East Lothian					
2017/18	2018/19	2019/20	2020/21	2021/22	
45.0	50.5	49.0	57.3	47.1	
2.9	3.8	4.9	3.2	4.6	
10.7	6.9	12.4	10.0	12.5	
4.2	2.7	3.7	4.1	4.1	
6.2	5.0	6.1	5.0	3.6	
15.5	17.0	15.5	14.5	17.5	
15.2	13.9	7.4	5.7	9.8	
	2017/18 45.0 2.9 10.7 4.2 6.2 15.5	2017/18 2018/19 45.0 50.5 2.9 3.8 10.7 6.9 4.2 2.7 6.2 5.0 15.5 17.0	2017/18 2018/19 2019/20 45.0 50.5 49.0 2.9 3.8 4.9 10.7 6.9 12.4 4.2 2.7 3.7 6.2 5.0 6.1 15.5 17.0 15.5	2017/18 2018/19 2019/20 2020/21 45.0 50.5 49.0 57.3 2.9 3.8 4.9 3.2 10.7 6.9 12.4 10.0 4.2 2.7 3.7 4.1 6.2 5.0 6.1 5.0 15.5 17.0 15.5 14.5	

Source: ELC, 2022

Outcomes which accounted for 1% or more have been included.

3.11 Tenancy Sustainment

East Lothian Council has high tenancy sustainment rates and low repeated homelessness cases, which combined shows the dedication to supporting people to find adequate housing which meets their needs. In 2021/22, 94.1% of tenancies which began a year previously were sustained, higher than the Scottish average of 91.1%. Repeat homelessness cases have remained relatively low in the past 5 years. Cases peaked in 2019/20 at 5% of applications and have since decreased to $3.8\%^{47}$.

3.12 Moving Forward

The following summarises some of the key challenges identified in this chapter and actions that will be taken over the lifetime of this LHS. The full list of detailed actions can be found within the <u>LHS Action Plan</u>.

Key Challenges

 The lack of flow through the housing system, meaning individuals spend a long time in emergency and temporary accommodation, awaiting permanent accommodation.

⁴⁷ These statistics, however, only show cases where the name and household composition on the application matches a previous applications. This means that cases where children have now grown to be adults or where a couple now presents as a single person is not included in this data.

- Increased time spent in temporary accommodation.
- Limited stock of temporary accommodation.
- Limited choice in supported accommodation for adults with complex needs.
- Increase number of UAO breaches.

Actions

- ✓ A Gendered Approach to Prevention to be championed.
- ✓ Update and roll-out Housing Workshops within high schools and extend to primary schools.
- ✓ Prepare and implement a service transformation plan to enable compliance with the new Prevention Duty.
- ✓ Carry out training and awareness raising sessions ensuring expectations are managed appropriately regarding pressurised housing system.
- ✓ Implement targeted prevention pathways approach for vulnerable groups in line with the Prevention Duty, including specialised pathways for: young people, people leaving prison and those subjected to domestic abuse.
- ✓ Make formal consideration of the wellbeing needs of accompanying children (with a focus on domestic abuse) using a trauma informed approach & implement recommendations.
- ✓ Implement a rolling programme to re-designate temporary accommodation as permanent tenancies.
- ✓ Explore flat-share arrangements for single people in emergency accommodation.
- ✓ Review the current provision of Supported Accommodation for Adults.
- ✓ Review the current provision of Supported Accommodation for young people.

4 Suitable Housing & Support

A person's age, physical and mental health, ethnicity, identity and vulnerabilities all determine what is needed from housing and housing services to live well. Those in minority and marginalised populations are most at risk of living in homes which are unsuitable for their needs. This makes them more vulnerable in society. Having homes and services which best reflect East Lothian's diverse population is essential. This means having a variety of services and housing types, including specialist housing⁴⁸, which is available and proportionate to the current and future population.

This Chapter will discuss the availability of suitable housing and support services in relation to vulnerable groups. These groups align with LHS guidance and are:

- Children and young people.
- Older people.
- Social care users.
- People involved in the justice system.
- Women and girls.
- Ethnic minorities.
- Asylum seekers and refugees.
- Gypsy/Travellers.
- Travelling Showpeople.
- Armed forces communities.
- LGBTQIA+.

Priority Outcome: Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.

4.1 The National Context

The <u>Fairer Scotland Duty</u> places a duty on all public bodies to actively consider how we can reduce inequalities of outcomes caused by socio-economic disadvantage.

Introduction

Context

1. Vibrant & Connected Communities

2. Housing Supply & Affordability

3. Preventing & Responding to Homelessness

4. Suitable Housing & Support

5. High Quality & Sustainable Homes

⁴⁸ Local Housing Strategy guidance states that *specialist provision is accommodation and services that may be appropriate* when mainstream housing does not meet an individual's needs.

<u>Independent Review of Adult Social Care</u> (2020) recommended the establishment of a <u>National Care Service</u> (NCS). At the time of writing (March 2023), a consultation of the draft NCS Bill was in review. While the development of a NCS will have a significant impact on how community health and social care services are planned and delivered in the future, the impact on housing related services are unknown.

The <u>Coming Home Implementation:</u> A <u>Report from the working group on complex care and discharge</u> recommended transformational change to deliver innovative and quality services to people with learning disabilities and complex support needs. It emphasised the need for effective community based solutions over that of out-of-area placements and long-term hospital stays.

The Mental Health Strategy 2017-2027 and Good Mental Health for All recognises the importance of socio-economic circumstances and the broader social and physical environment in which we live has on mental health. A key protective factor is a positive physical environment including housing, neighbourhood and greenspace. Within this context, it is essential there are a range of choices available to ensure homes meet specific needs; whether that be wheelchair accessible housing, housing with care and/or support, or general needs housing within a resilient and connected community.

The <u>Race Equality Framework for Scotland 2016-2030</u> sets out the priority outcome for minority ethnic communities in Scotland to have equality in physical and mental health as far as is achievable, have effective healthcare appropriate to their needs and experience fewer inequalities in housing and home life. The Framework includes 19 actions based on 'housing', largely focused on data collection and updating LHS and HNDA Guidance.

Getting it Right for Every Child (GIRFEC) is a commitment to provide all children, young people and their families with the right support at the right time so that they can reach their full potential. GIRFEC provides a consistent framework and shared language for promoting, supporting and safeguarding the wellbeing of children and young people. This should be embedded within all services who work with or alongside children and young people.

<u>Sustainable Housing on Release for Everyone (SHORE) Standards</u> aim to ensure that housing needs of those in prison are handled at an early stage and in a consistent way across Scotland. The standards focus on prevention, adopting a Housing Options approach at the earliest point possible to maintain or seek alternative secure accommodation on release. This will improve the individual's chances of reintegrating back into their community successfully, improving rehabilitation and reducing the likelihood for reoffending.

Improving the lives of Scotland's Gypsy Travellers (2019-2021) is joint action plan developed by the Scottish Government and COSLA to address inequalities faced by gypsy travellers. The plan makes commitments to improving access to culturally appropriate housing and public services, strengthen representation and income

maximisation, as well as tacking racism and discrimination. As a result of the Covid-19 pandemic the plan's timeline was extended to 2023.

4.2 The Local Context

Demand for housing and services will increase and change with the population. East Lothian has the second fastest growing population in Scotland, influenced by natural change, high life expectancy and migration. The number of older and younger people, and those living with dementia, are all set to change at various rates. This means more people will be living in their homes for longer and are more likely to have a health condition as they age. Demand for resources, such as accessible housing stock, staff to deliver care packages and funding for adaptions will also increase. Affordable housing is not only needed for those who need support, but those who provide it. Staff shortages have already been experienced in the health and social care sector, with availability of affordable homes in the area an influencing factor. Demand for resources, increased through a growing and ailing population, is coming at a time of acute financial constraints. This further adds to challenges.

The available information which can be used to evidence growing demands, is varied and inconsistent across different populations. For example, East Lothian Council is still reliant on the 2011 census data to some extent, to provide information on ethnic minorities in the area. Until the upcoming census data is realised, it is difficult to predict what will be needed, in terms of housing and services, in future years. In addition, certain groups, including Gypsy Travellers and Showpeople, are often a missing voice in consultations. Therefore, the needs and demands for certain groups are largely unknown.

Meeting these needs for all in East Lothian requires a whole Council approach with aligned strategies. Below are examples of current strategies which are relevant and aligned with this LHS.

The <u>East Lothian Council Plan 2022-27</u> sets out the local authority's commitment to trauma informed practice.

The <u>East Lothian Council Equality Plan 2021-2025</u> sets out nine strategic goals that are aligned to, and support, the key objective of reducing inequalities and poverty. The two most relevant are: improve the life chances of the most vulnerable in our society, and deliver transformational change and harness the opportunities that technology offers in the provision of services.

The <u>Children and Young People's Service Plan 2020-2023</u> which sets out three key priority outcomes: improve children and young people's mental health and wellbeing; support parents, carers and families to be more resilient and; reduce inequalities for our children and young people within and between our communities.

The <u>East Lothian IJB Strategic Plan 2022-2025</u> sets out seven strategic objectives which include focus on addressing health inequalities, developing new models of community

provision and delivering care closer to home. These strategic objectives are closely aligned with those set out within this LHS, and are especially relevant within this chapter.

Three Strategic Needs Assessments were carried out during 2021-2023, these focused on: accessible housing (including wheelchair housing), older persons and children and young People. The findings of these Needs Assessments are presented within this chapter.

4.3 Children and Young People

Housing is a critical enabler in promoting the health and wellbeing, and is critical to the safety and security of children and young people.

Children with disabilities and support needs

Examining data on children with additional support needs and disabilities provides evidence of the type and size of homes which are needed within East Lothian. It also indicates the housing support potentially required for when children/young people move into their own home as they grow older.

Around 618 children receive Disability Living Allowance (DLA) within East Lothian, and 320 of those receive winter heating assistance (eligible only to children on highest DLA). Children with disabilities often need additional space than is within a typical home for the provision of equipment and support aids. Larger homes with ground floor bedrooms are in short supply in East Lothian. Setting a wheelchair accessible housing target (discussed here), will help to address this need. This will ensure children and young people can grow up in a household that meets their needs, and families do not need to experience the stress of overcrowded and unsuitable housing.

Care Experienced Young People

In March 2022, 216 children were looked after by East Lothian Council, similar to the national trend. Care Experienced Young People (CEYP)⁴⁹ are more likely to face poverty and lower earnings, higher rates of unemployment, difficulties with housing and homelessness, physical and mental health issues, and stigma. While there has been a significant increase in the number of available housing options for young people leaving care in East Lothian during the previous 5 years, an estimated 6-7 young people per annum remain in unsuitable accommodation. This is due to a lack of suitable housing and required support which can differ for each individual. There are currently 25 spaces for CEYP across a range of provision in East Lothian, but there remains a need for an additional 35 spaces across a range of accommodation types including: rapid access emergency accommodation, supported accommodation and individual tenancies with intensive wraparound support.

⁴⁹ The term 'care experienced' refers to anyone who has been or is currently in care or from a looked-after background at any stage in their life, no matter how short, including adopted children who were previously looked-after. CEYP within the LHS directly refers to those who are receiving Throughcare and Aftercare service from Children's Social Work Team, this does not include young people who have been adopted.

Table 4.1: Current Provision v. Existing Need & Future Demand of Housing Provision for Care Experienced Young People (units/spaces)

	Current Provision	Need
Rapid access emergency accommodation	0	10
Supported accommodation	9	14
Individual tenancies with intensive support	0	10
Shared flats with support	16	8
Total	25	42
Source: East Lothian Council, 2023		

Actions 4.1

A review of supported accommodation for all young people in East Lothian will develop a range of options to meet the gaps in housing and accommodation provision.

Included within the overall estimates above is the 3-4 young people who move on from residential care⁵⁰ in East Lothian every year. It is estimated that there will be 18 CEYP requiring move-on housing from residential care over the period of the LHS.

Action 4.2 For some young people, the jump from residential to supported or independent living is too great. To bridge the gap, Housing and Children's Services are working to develop a flat near to a new residential home which will provide young people with a gradual stepping stone to independent living.

Unaccompanied Asylum Seeking Children (UASC)51

For every 650 UASC coming to the UK, 10% then move on to Scotland. A smaller percentage are then allocated to East Lothian. The number of UASC coming to East Lothian used to average around one every 2-3 months. However, Children's Social Work have reported an increase in the number of children and young people requiring accommodation in East Lothian, with sometimes three arriving in one month. In early 2023, it was estimated that East Lothian would take 6-9 UASC per annum over the next ten years. It is, however, expected to be higher due to the increase in UASC arriving in the UK. The nature of UASC arrivals means that it is difficult for accommodation to be scheduled, especially as the support needs and ages of the children/young people are unknown. For UASC over the age of 16 and whose support needs allow, they can be allocated a range of options open to other care experienced young people i.e. supported accommodation, residential home (for those aged 12+), or shared accommodation with floating support. My Place, a peer flat-

⁵⁰ A residential home is sometimes also referred to as 'residential care' or a 'children's home'. It's a home where young people live together and are supported by a live-in team of staff. There are two residential homes in East Lothian.

⁵¹ Unaccompanied Asylum Seeking Children are children and young people who are seeking asylum in the UK but who have been separated from their parents or carers. While their claim is being processed, they are cared for by a local authority.

mate program with housing support has proved successful where the young person is over the age of 16 and presents with low support needs. Where the UASC is under 16, they are often placed in one of two residential children's homes in the county or in foster care. The support needs of UASC are very different to that of care experienced young people, risk of trafficking being of highest concern.

My Place

My Place is a peer flatmate project, which partners care experienced young people, homeless young people and unaccompanied asylum seeking young people with a college or university student. Peer flatmates are volunteers who live alongside two young people in a three bedroom property. They adopt a mentoring role, providing practical guidance to young people, helping to develop their independent living skills and navigate the shared environment. My Place received 3 year pilot funding from the Life Changes Trust, and has now been mainstreamed within East Lothian, jointly funded by Housing and Children's Services.

Kim and Quan*, originally from Vietnam, are two young people the project is supported. Both were in vulnerable positions that led them to being exploited, abused, and trafficked under false pretences of a better life in Scotland. They were homeless, and without a main care-giver in Vietnam, and so applied for asylum in the UK.

Since arriving in East Lothian, Kim and Quan moved into My Place. They have the support of a peer flatmate, the Rock Trust and the 15+ Throughcare and Aftercare Service. Once introduced to their peer flatmate, Marisa*, Kim and Quan quickly built up a strong, trusting relationship with her. They would cook and eat together, giving them all a chance to talk about their day to day life, and any issues they might be facing. They also worked together to maintain the house and garden.

The friendship and guidance they have received from Marisa has helped Kim and Quan become more confident and settled in the local community. The holistic approach of the My Place project appears to have benefited them. Both have now gained settled status and recently moved into their own properties.

*All names have bene changed to protect identities

Young Carers

Currently, 207 young people are known to East Lothian Council Young Carers Services. However, Scottish Government research indicates that 1,500 children could be young carers in East Lothian. Young carers can face a range of housing challenges, with higher responsibilities and pressures than other children of their age. Over time, this can lead to family relationship breakdown and, potentially, homelessness.

The Young Carers Service collaborates with the <u>Bridges Project</u> to help young carers transition into adulthood, including moving away from home. Work is undergoing to review the <u>Young Carers Statement</u> and include housing questions to ensure that young carers have ample opportunity to consider their current and future housing situation prior to a crisis taking place.

Children and young people are vulnerable due to their age and stage in life, and any additional needs they may have only adds to that vulnerability. To recognise this, we will

Action 4.3 prepare a Young Persons Housing Pathway which will encompass all young people who find themselves at risk of homelessness. This will be in line with the <u>'The Promise'</u> and the Prevention of Homelessness Duties. It will ensure all 16-17 year olds and those aged 18+ with additional vulnerabilities receive age appropriate housing, support and advice.

4.4 Older People

The older adult population⁵² have specific needs for housing and housing related services. There is a growing ageing population in East Lothian, which already has a population of 22,192. Over 65s make up 20.6% of the total population, an increase of 4.7% since 2015. By 2030, the population of those aged 65+ is expected to rise to 26,974, an increase of 21.5%. Between 2018 and 2030, Dunbar and East Linton is going to see the highest increase in those aged 65+, followed by Fa'side and Haddington & Lammermuir.⁵³

Table 4.2: % Increase in over 60s population to 2023-2030					
Dunbar & East Linton	Fa'side	Haddington & Lammermuir	Musselburgh	North Berwick Coastal	Preston Seton Gosford
37.4%	33.2%	28.3%	20.9%	22.2%	24.9%
Source: NRS population projections – 2020 based					

The majority of older people live in general needs housing. Of those aged 65+ in East Lothian, 67% live in owner-occupied housing, 26% in social rented sector, 4% in the PRS and 2% in 'Other'. This highlights the need for housing of all tenures to be both accessible and adaptable, ensuring that people can live longer at home.

There are 1,469 specialist properties for older people in East Lothian, the majority of which are for social rent and based in the west of the county. The majority of owner-occupied retirement housing is located within the east of the county. Retirement and Sheltered Housing offer a group living environment while still living in your own tenancy. In Council Sheltered Housing, a warden is present 9-5pm and can provide housing support and management. In Retirement Housing, the warden is present for a few days of the week to provide a housing management service.

⁵² In <u>A Fairer Scotland for Older People</u> (SG) an 'older person' can be defined from age 50+. This LHS has included statistics of those aged 60+ as older.

⁵³ NRS Projections -2020 based

⁵⁴ Census, 2011

Table 4.3: Specialist Housing for Older People in East Lothian by tenure and type					
Social Rent Amenity	Social Rent Retirement	Social Rent Sheltered	Owner-occupied Retirement		
48%	11%	19%	22%		
Source: East Lothian Counc	Source: East Lothian Council, 2022				

East Lothian Council and ELH&SCP will continue to work together to ensure that homes are accessible and adaptable, ensuring that older people can live in their homes for longer, negating the need for additional specialist provision in East Lothian. This will be achieved through making use of technology enabled care, adaptations and aids.

Action 4.4 The redevelopment of the former Herdmanflat Hospital Site will provide much needed housing for older people within the Haddington & Lammermuir ward, which will see the third highest percentage increase in people over 60 by 2030.

Action 4.5 To meet the growing older population a total of 200 units across different affordable tenures for older people should be developed over the course of this LHS, this includes the provision of housing in the Herdmanflat Hospital Site.

Dementia

In 2022, East Lothian had an estimate of 2,104 people with dementia, with a projected 65% increase by 2040. Estimates of dementia amongst those under 65 account for the smallest percentage (just 2% of the overall number diagnosed between 2018 and 2022) with rates projected to remain static. Of those with a diagnosis, the highest percentage reside in the Musselburgh, Wallyford and Whitecraig areas. While only 5% of those diagnosed live in rural areas, the highest proportion of these residents are within the Haddington & Lammermuir and Dunbar & East Linton wards. The majority of residents with dementia continue to live in general needs housing, with a higher likelihood of entering a care home during the later years of dementia.

Those with dementia face a range of challenges within housing including:

- Sensory impairments, including visual perception, may make it difficult to manage stairs. Touch sensitivities may impact wellbeing and create risks around hot water, kettles, or ovens.
- Individuals may face a decline in mobility and find that they are less able to walk up and down stairs easily or use kitchen appliances.

 Isolation and not feeling connected to the community due to stigma or being unable to access the community outside one's door because it lacks accessibility features and is not 'dementia friendly'.

The projected increase in the number of residents with dementia, highlights the need for all services, communities and physical spaces to be dementia-friendly, and trauma informed.

Action 4.6 Housing Services will continue to work alongside East Lothian H&SCP to ensure the development and implementation of the Dementia Strategy has strong strategic links to housing and housing related services.

Action 4.7 Housing Services will also support the development of the Post Diagnostic Support for Dementia route map.

4.5 Social Care Users

In 2018, East Lothian's H&SCP published a Strategic Needs Assessment which calculated the predicted social care requirements of particular need groups, specifically those with a learning difficulty, physical disability and/or mental health condition. While these relate to social care users, they are indicative of a growing population of adults with complex care needs. The report found the following:

- Social care users with a learning disability are projected to grow from 402 in 2019 to 729 in 2041. People with a learning disability are currently on trend to increase at a rate below expected population growth. In East Lothian, 24.8% of all people with learning disabilities have more than three other health conditions, compared to 2.3% of the Scottish population.
- Physical disability social care users are projected to increase from 224 in 2019 to 271 by 2041. Physical disability social care costs are projected to increase at an average yearly rate of 3%. Physical disability is currently on trend to grow in line with the expected projected growth.
- Mental health social care users are projected to grow from 231 in 2019 to 248 by 2041. Mental health is currently on trend to grow in line with the expected projections growth.

While the number of individuals receiving support from H&SCP remains relatively low, there is an indicative trend of increasing complexity and therefore more intensive support arrangements.

Care and support at Home is largely provided by external commissioned agencies, with 8.5% of the care delivered by East Lothian Health and Social Care Partnership (H&SCP). The majority of service users come from the Older Person client group, followed by those with a learning disability. Smaller numbers also receive care packages for mental health conditions and physical disabilities.

Table 4.4: Delivery of Care at Home in East Lothian					
Providers of Care at Home	Service Users	Hours of care per week delivered			
33 1,212 20,280					
Source: East Lothian Council, 2022					

For those who do require specialist housing, East Lothian Council have worked closely with the East Lothian H&SCP to create a clear system of referrals to ensure adequate housing provision can be provided. These are called Housing Episode Forms. This has been focused on people who have a learning disability and require 20+ hours of specialist care and support.

The introduction of Housing Episode Forms, ensured social workers could accurately record their client's care, support and housing needs, including preferred locations. This then

Action 4.8

allowed Housing to adequately plan for specialist provision such as core and cluster accommodation⁵⁶. Over the course of this LHS we will review the process of Housing Episodes forms, so it can be rolled out to further client groups.

In 2022, a new provision of core and cluster flats for individuals with mental health conditions was opened to replace previous bedsit provision. The new housing provision encompasses 8 individual flats alongside a staff base for 24/7 care and support provided by a specialist provider. Individuals are most often referred to the provision from inpatient care as a temporary step down measure before moving into their own tenancy. Despite this additional provision, an analysis of delayed discharge data from Royal Edinburgh Hospital found delayed discharge from psychiatric care to be a significant problem, albeit small in numbers. The analysis found that, due to a lack of joined up working, individuals discharged from a mental health bed with no fixed abode is common.

Action 4.9 Work will be undertaken with East Lothian's H&SCP to establish pathways, in line with the Duty to Prevent, to ensure, as far as possible, that no-one is discharged into homelessness. Further work is also underway to develop core & cluster housing for individuals with mental health conditions.

⁵⁵ East Lothian Health & Social Care Partnership, 2022

⁵⁶ Core and Cluster combines the traditional model of shared housing and independent living facilities more suited to people who benefit from an environment that is bespoke and tailored to their specific needs. The model offers greater flexibility in support provision and increases independence, as the individual has their own tenancy.

To meet the continuing need for core and cluster housing in East Lothian, and to ensure that homelessness is avoided after hospital stays, A Strategic Needs Assessment, undertaken to

Action 4.10

inform this LHS, indicated that up to 60 units of core and cluster housing, over the lifetime of the LHS, are required to meet the needs of social care users. Delivery is dependant both of AHSP and the funding of H&SCP to provide care and support within the properties.

4.6 Long Term Health Conditions

Not all people with long term conditions choose to access support from services within the Council, many choose to access therapeutic/rehabilitative support from services within the voluntary or private sector. For example, in 2018 the Multiple Sclerosis Therapy Centre, based in Edinburgh and now known as Compass, reported the provision of therapeutic services to 68 people from East Lothian. Service users presented with predominantly neurological issues such as MS, ME, stroke recovery, as well as a small percentage who were living with the effects of cancer, fibromyalgia or wound healing/diabetic ulcers.

A high proportion of severely or profoundly deaf people have other disabilities as well. For example, of those aged under 60, 45% have additional disabilities – these are most likely to be physical disabilities. The Among severely or profoundly deaf people over 60 years, 77% have an additional disability. For 45%, this means significant dexterity, sight difficulties or both. Sensory impairments will affect not just the accessibility of the home, but the features and the equipment which make up a home. For example, the provision of smoke, fire and carbon monoxide detectors.

Action 4.11 East Lothian Council will work closely with East Lothian's H&SCP as they develop a Physical Disability Action Plan and a See/Hear Action Plan for Sensory Impairment, to ensure that housing and housing related services meet the needs of these client groups.

4.7 Terminal Illness

Terminal illnesses such as motor neurone disease (MND) can be devastating for individuals and families, with the average life expectancy from diagnosis just 18 months. People living with the disease can quickly lose their ability to walk, talk, eat and breathe unaided. Likewise, individuals with a cancer diagnosis can also find themselves quite quickly in unsuitable housing. We recognise that the final days, months and years of an individual's life is highly impacted by their ability to feel safe and comfortable at home. East Lothian Council's Allocation Policy and subsequent Health and Housing and Re-housing Panels reflect this. However, moving house is a stressful situation even in the best of health, and to lessen the impact on the individual and on Council services, it is essential that private sector homes are developed to be as accessible and adaptable as possible.

⁵⁷ ELH&SCP – Strategic Needs Assessment

⁵⁸ ELH&SCP – Strategic Needs Assessment

4.8 Wheelchair Accessible Housing

Scottish Government guidance requires local authorities to prepare a target for the provision of wheelchair accessible housing across all tenures. In 2021, East Lothian Council conducted an Accessible Housing Needs Assessment, which recognised the benefits of accessible housing to a range of client groups including social care users, wheelchair users and families.

It was estimated that 1.5% of the East Lothian population were using an NHS Wheelchair in 2021. The Musselburgh area has the highest percentage of wheelchair users, with 2.4% of the population requiring one some or all of the time. The number of wheelchair accessible homes sits at around 114 in the social rented sector, while the number is unknown in the private sector.

As part of the research for <u>HNDA3</u>, the South East Scotland (SES) local authorities commissioned Arneil Johnston to establish the existing unmet need for wheelchair users by local authority. Table 4.5 sets out the current estimated unmet need for wheelchair accessible housing in East Lothian. The 2021 unmet need for wheelchair accessible housing was estimated to be 430 households, accounting for 8% of all unmet wheelchair need in SES and 1.8% in Scotland. Due to limitations in data, the unmet need was not able to be broken down by tenure.

Table 4.5: Unmet Wheelchair Need				
Unmet Need East Lothian	Unmet Need SES Authorities	Unmet Need Scotland		
430 5,433 23,520				
Source: HNDA3, 2021				

Action 4.12

To meet the current unmet need and existing demand for social rented wheelchair accessible housing, this LHS commits to 10% of the total supply of new affordable housing being wheelchair accessible, with a minimum of at least 100 units to be delivered over the five years.

East Lothian Council has not yet developed a mechanism by which to promote the development of wheelchair accessible homes in the private housing sector. By only developing wheelchair accessible housing in the affordable housing sector, an additional

Action 4.13

burden is being placed on already stretched provision. Proposed changes to Building Standards through the 'Enhancing the accessibility, adaptability, and usability of Scotland's home consultation' will ensure a new minimum standard in private homes. It remains critical that a supply target is developed. Through LDP2, East Lothian Council will establish mechanisms to

ensure a target of 5% of new build market housing is built to wheelchair accessible standards.

4.9 Adaptations

It is estimated that 19% of homes within East Lothian have been adapted; 36% within the social rented sector and 14% in the owner occupied sector. Data constraints mean the number in the PRS is unknown but, in line with national data, it is expected to be smaller than the owner-occupied sector.⁵⁹

Housing adaptations can range from minor installations, such as safety rails, to major adaptations, such as a wet floor shower or a curved stair lift. Adaptations were delegated to the IJB via the <u>Public Bodies (Joint Working) (Scotland) Act 2014</u>, although Housing Services continue to co-ordinate the delivery of major adaptations in the private sector, and all adaptations within the East Lothian council properties. Adaptations are delivered and financed differently depending on housing tenure. Aids and Minor Adaptations are provided by the ELH&SCP.

Table 4.6: Funding a	nd co-ordination of majo	or adaptations by	tenure
Tenure	Funding	Contribution	Co-ordinated
East Lothian Council Tenant	Housing Revenue Account	No contribution from tenant required	Community Housing Occupational Therapists
Housing Association Tenant	Scottish Government award to individual housing associations	No contribution from tenant required	Procured service i.e ELHA and Homes for Life use Care & Repair East Lothian
Private Housing Sector (private rented housing or owner-occupied)	Self – funded, Charitable grants and/or through Private Sector Housing Grant funded via Housing Services & ELC's General Services budget.	20% contribution required if household doesn't meet certain criteria	Care & Repair East Lothian
Source: East Lothian Cou	ncil, 2023		

100

⁵⁹ Scottish House Conditions Survey

Care & Repair

Care & Repair East Lothian provides assistance and support to people aged 60+ and people aged 50+ with a disability who are homeowners or private tenants to enable them to adapt or repair their homes.

An average of 55 households benefit from Care & Repair Service per year, with the majority of take up by those who have mobility issues, although there has been a significant increase in the number of households with dementia requiring the service.

In 2020/21, the Small Repairs & Minor Adaptation Service completed 1,106 jobs, the majority of which were joinery, but also included fitting smoke alarms and other home safety provision, home security, draught proofing, key safe installation and grab rails.

The funding of Care & Repair is under considerable strain, with increasing numbers of people seeking to use the service.

Action 4.14

Care & Repair will undergo a service review within the timeframe of this LHS, this will include investigating ways to maximise funding and ensure it continues to meet need and demand in East Lothian.

Financing adaptations

The funding of major adaptations in East Lothian has come under increasing pressure, with demand outstripping the amount of finance available to fund them. This is true of all tenures, with many housing associations also significantly constrained by Scottish Government budget allocations. This is due to an increase in demand as well as increased contractor and material costs.

type	ions facilitated by	Care and Repair by funding
	PSHG	Privately funded
2018/19	73	3
2019/20	57	4
2020/21	48	4
2021/22	50	6
2022/23	79	6
2023/24 - April to August	63	4
Source: Care & Repair, 2023		

Any decrease in major adaptations going forward due to a lack of funding, is likely to result in increased numbers of delayed discharges, increased risk of accidents and hospital admissions.

Adaptations also play a critical role in the housing system, allowing people to live at home for longer when they wish to do so. A national shortage of accessible homes in the private sector often results in Council and RSL properties being over-subscribed where householders cannot meet their needs. A reduction in availability of major adaptations is likely to increase demand on Council and RSL properties. East Lothian Council's housing list already has 3,500 households on the housing list, and is currently in breach of the Unsuitable Accommodation Order for homeless households in emergency accommodation.

Action 4.15

Housing and HSCP will explore alternative options to funding within East Lothian to ensure we meet our shared statutory obligations.

4.10 Public Protection

Public Protection includes adult support and protection, child protection, offender management and violence against women and girls. Within this section, public protection will be discussed alongside individuals covered by Justice Social Work. The housing system in East Lothian has a direct impact upon public protection. For example, a lack of housing supply means that serious offenders cannot be adequately housed, impacting their chances of rehabilitation. Having a safe, stable and affordable home can reduce poverty, increase wellbeing and, therefore, decrease chances of requiring public protection measures in the long term. In other words, risk is better managed if an individual has security of tenure and the support of local communities.

Through the Affordable Housing Supply Programme, East Lothian Council will continue to increase affordable housing supply to meet the needs of the community, contributing to a range of wellbeing outcomes. Housing Services will also continue to support key public protection processes such as MAPPA⁶⁰, MARAC⁶¹ and relevant Offender Management Groups.

⁶⁰ Multi Agency Public Protection Arrangements - <u>Multi-agency public protection arrangements (MAPPA): Guidance - GOV.UK (www.gov.uk)</u>

⁶¹ <u>Multi Agency Risk Assessment Conference</u> is a meeting where information is shared on the highest risk domestic abyse cases between representatives of local police, justice social work, health, child protection, housing practitioners and other specialists.

4.11 People involved in the justice system

Individuals involved in the justice system, either through receiving a prison sentence or a Community Payback Order (CPO), are vulnerable to a range of poor housing outcomes, including homelessness.

The population of East Lothian in custody is small, accounting for 77 individuals during a snapshot survey across Scottish Prison Service on December 31st 2022. However, the number of individuals given a custodial sentence compared to the CPO between January-December 2021⁶² shows an imbalance in the Scottish Government policy 'presumption against short term sentences'. Of those who received a custodial sentence, 12 were held for under 12 months. Short term sentences have a significant detrimental impact on sustaining long term housing. This can add to pressure within the homelessness system and put an individual's ability to desist from re-offending at a disadvantage.

Transition

The Transition Project was set up by the Getting it Right to Reducing Reoffending Workstream to support individuals to desist from offending and anti-social behaviour. Chaired by Police Scotland, the Project adopts a multi-agency approach and is supported by key partner agencies such as Justice Social Work, Housing, Substance Use Services and employability services.

The central aim of Transition is to provide responsive and timely support to individuals regarded as being at highest risk of anti-social behaviour and/or offending behaviour, where this behaviour has been evidenced to be extremely detrimental to the health and well-being of the individual.

The Project has been successful in helping individuals to desist from offending behaviours, access substance use and mental health support, and provide access to housing support and advice.

Over the lifetime of the previous LHS, Housing Services worked closely with Justice Social Work to establish lines of communication for those leaving prison. However, due to the highly pressurised housing system in East Lothian the Sustainable Housing On Release for Everyone (SHORE) standards have been difficult to fully implement.

Action 4.16

East Lothian Council Justice and Housing Services will continue to work closely together to implement SHORE as far as possible, taking into consideration any new pathways or requirements brought forward by the Scottish Government Prevention of Homelessness Duties legislation.

⁶² East Lothian Council, 2023

4.12 Violence Against Women and Girls

Violence Against Women and Girls⁶³ (VAWG) includes all individuals who identify as women and girls, and includes: domestic abuse, rape, sexual assault, commercial sexual exploitation and so called 'honour based' violence, like female genital mutilation and forced marriage.

Responses to homelessness for women who are subjected to domestic abuse were outlined in Chapter 3. During the lifetime of the previous LHS, work began to establish an Equally Safe Housing Policy in East Lothian which recognised preventative housing approaches to VAWG. These approaches largely aligned with the Scottish Governments draft Rented Sector Strategy. East Lothian Council awaits the 2023 Housing Bill in order to implement any changes within local policy and protocols with regards to domestic abuse, specifically those around removing a perpetrator from a tenancy. East Lothian Council has recently announced that it will prepare an Equally Safe Strategy. Housing Services will work with partners as this develops to ensure that women and girls are not disadvantaged by any housing policy or protocol, and remains committed to CIH Make a Stand pledge.

Action 4.17

We will continue to develop an Equally Safe Housing Policy which recognises all VAWG.

Domestic Abuse Single Points of Contact (SPOC)

During the coronavirus pandemic, a SPOC was set up within each Community Housing Area Office. One Community Housing Officer was given extra training and guidance with regards to how to approach conversations about domestic abuse. This was a response to Women's Aid East and Mid Lothian (WAEML) sharing that there were a number of high risk women that they could no longer make contact with due to the extra risk which lockdown posed. It was recognised that the Community Housing Teams were in a unique position to be able to make contact with tenants and check on their welfare.

Any VAWG service was able to use this system where the risk was deemed substantial. SPOCs were given a script to follow, written by specialist services, and direct contact numbers for specialist services in East Lothian, should they need to seek advice.

Not only did this system contribute to the safety of women and girls subjected to gender based violence during the Covid-19 pandemic, but it also forged closer working relationships between Community Housing and WAEML.

⁶³ Defined by Scotland's <u>Equally Safe Strategy</u> "by this we mean the violent and abuse behaviour carried out predominantly by men directed at women and girls precisely because of their gender. Behaviour that stems from systematic, deep-rooted women's inequality"

4.13 Ethnic Minorities

There is limited data on ethnicity in East Lothian and Scotland, with the most recent data coming from the 2011 Census. Additional data when the 2021 census results are released will aid this section, as will compliance with new SHR Equalities Monitoring requirements.

Two engagement sessions were held in partnership with East Lothian Works during ESOL classes, including a women's only conversation café. The most common challenges presented by those who were able to feed into the consultation chimed with national research reports and included:

- Requirement for larger properties.
- Ethnic Minorities are more likely to live in the private rented sector and experience poor conditions i.e. damp and mould.
- Lack of dedicated services in East Lothian for Ethnic Minorities, with the majority based in Edinburgh.
- Insecure jobs.

Action 4.18 East Lothian Council will continue to work with Volunteer Centre East Lothian and other third sector partners to help identify housing need and challenges faced by ethnic minorities in East Lothian.

4.14 Asylum Seekers & Refugees

Asylum seekers and refugees arrive in the UK from a wide range of countries. The Syrian conflict, withdrawal of troops from Afghanistan and more recently, the conflict in Ukraine, have significantly increased the number of people requiring rapid access to accommodation. The UK and Scottish Government have committed to a range of humanitarian schemes to provide protection and enable asylum seekers and refugees to be accommodated safely in the UK. The schemes, as set out below, have varying levels of local authority involvement and different funding arrangements:

- Vulnerable Persons Resettlement Scheme (VPRS), recently replaced by UK Resettlement Scheme (UKRS)
- Afghanistan Resettlement Scheme (ACRS) and Afghan Relocations and Assistance Policy (ARAP)
- Homes for Ukraine (HFU), Scottish Super Sponsor Scheme (SSS), Family Visa Scheme and Homes for Ukraine Extension Scheme
- National Transfer Scheme for <u>Unaccompanied Asylum Seeking Children</u> (UASC)
- UK Asylum Dispersal Scheme (ADS)
- Community Sponsor Scheme (CS)

At the time of writing the LHS, 18 Syrian households (79 individuals) and 82 Ukraine households (150 individuals) had been accommodated in East Lothian via local authority facilitated schemes and it is estimated a further 500 Ukrainian households are living across the county.

Table 4.8: Asylum Seekers and Refugees in East Lothian				
Individuals accommodated in East Lothian	Projected additional households requiring accommodation by 2024			
229	226			
Source: East Lothian Council, 2022				

A temporary Refugee and Asylum Seekers Team was set up in 2022 in response to the Ukraine crisis, to co-ordinate arrivals, facilitate host accommodation arrangements, provide support and deliver advice and assistance in relation to housing options. There have been a number of positive outcomes for displaced people from Ukraine i.e. accessing private sector housing for those moving on from host families and zero households have presented as homeless via local authority facilitated schemes. However this increased need and demand for housing and related services has and continues to place pressure on the housing system. There are concerns regarding the Council's ability to accommodate the potential growth in demand from refugees and asylum seekers, i.e. further households anticipated as a consequence of the recent disembarkation of MS Victoria (previously accommodating circa 900 displaced people from Ukraine in nearby City of Edinburgh) and additional households via the Asylum Dispersal Scheme.

The focus to date has been on meeting the immediate accommodation needs of displaced people, particularly households from Ukraine. Going forward, a longer term focus is required on wider integration and sustainable housing options, to enable refugees and asylum seekers to live full and independent lives.

Action 4.19 As conflict continues throughout the world and climate emergencies result in extreme weather which may result in displaced persons, a strategic approach to accommodating refugees and asylum seekers and a formalised team will be explored in East Lothian.

4.15 Gypsy/Travellers

Up until 2020, East Lothian and Midlothian Council shared a Gypsy/Traveller Site on the border between East and Midlothian. A reduction in the number of tenants on site to zero,

Action 4.20

followed by extreme vandalism including fire raising, resulted in the site being closed. We will continue to work with the Scottish Government to

improve our data and understanding of need and demand for a site in East Lothian. 64

Despite the shared site being closed, there has been no increase in Roadside Encampments within East Lothian. This is likely due to the different needs of Gypsy/Travellers who stay on permanent sites and those who stop at encampments when they are travelling. To ensure

Action 4.21 those who stop at roadside encampments can access local facilities, and in line with Scottish Government policy, a formalised multi-agency policy on Roadside Encampments will be explored in 2023 between Housing, Infrastructure and Protective Services.

4.16 Travelling Showpeople

Little quantitative and qualitative information is available on Travelling Showpeople and their accommodation needs in East Lothian. It is recognised that this is a gap that should be addressed. There are currently no private or public sites for Travelling Showpeople within East Lothian, the nearest public site lies within the City of Edinburgh.

4.17 Armed Forces Communities 65

The <u>Armed Forces Covenant</u> was signed by East Lothian Council, East Lothian Community Planning Partnership and The Armed Forces Community in East Lothian in February 2013. Objective 3 of the Covenant is Housing, where the Local Authority is expected to

Develop a clear direction and guidance within the Local Authority and the Armed Forces as to what levels of service provision can be expected and what is required of the military community to enable them.

A veteran can be anyone who has served for at least one day in the military, either as a reservist or as part of the regular armed forces. Military life is demanding, dangerous and difficult. Adapting back to civilian life can be fraught with complications. However, veterans (and by extension their families and dependants) are not a homogenous group. Their experiences during and after the armed forces are shaped by a range of factors including:

- Experiencing a traumatic event during service.
- Socio-economic background prior to entering the military.
- Having a family/loved one to return to.
- Seeing someone killed or injured.
- Being seriously injured themselves.
- Type of support networks available upon returning from the armed forces.

⁶⁴ Despite a range of attempts to engage with individuals identifying as Gypsy/Travellers and partner agencies who support them, no quantitative or qualitative local information could be sourced.

⁶⁵ The Armed Forces community encompasses both individuals who have served in the Armed Forces and individuals affiliated with the Armed Forces including military family members and dependants.

In September 2022, there were eight households on the Council House housing list marked as 'Armed Forces Veterans'. Of the eight, six were active applicants. To address need, East Lothian Council worked with the Scottish Veterans Garden City Association (SVGCA) Houses for Heroes project to deliver six new build units for veterans. These were completed during the lifetime of the previous LHS and enabled disabled veterans to access purpose built accommodation within or near their local communities. Support is provided to those in the properties by SVGCA, who own and manage a number of properties for veterans across Scotland. During a review of the Allocations Policy in 2019, the Armed Forces Community were given recognised status.

4.18 LGBTQIA+

There is limited information on the specific experience of those who identify as LGBTQIA+ in East Lothian. National research shows that people identifying as LGBTQIA+ face discrimination, and inequalities increasing their risk of homelessness. New requirements from the Scottish Housing Regulator, which includes a guide Collecting Equality Information: National Guidance for Scottish social landlords, will aid East Lothian Council to understand any requirements of those identifying as LGBTQIA+.

Action 4.22

Housing will work with Volunteer Centre East Lothian and Working for Change Collective to ensure people identifying as LGBTQIA+ are represented in engagement and consultation.

4.19 Summary of Identified Need

Below is a summary of the identified affordable housing need for the specific groups mentioned through-out this chapter. A total of 374 units of affordable housing should be developed for over the course of this LHS, this translates to around 75 units per annum. This figure, however, does not include the contribution which market housing can make to reduce the identified need for affordable homes, through the increase in accessible and adaptable homes for sale.

Table 4.9: Identified Affordable Housing Need for specific groups between 2024-29				
	Number of Units			
Core & Cluster	60			
Older People	200			
Care Experienced Young People	14			
Wheelchair Accessible	100*			
Total	374			

⁶⁶ LGBTQ+ and Homelessness - Statistics and Support | Crisis UK

Source: East Lothian Council, 2023

*minimum of 100, 10% of all affordable housing, not including units provided under core & cluster.

4.20 Moving Forward

The following summarises some of the key challenges identified in this chapter and actions that will be taken over the lifetime of this LHS. The full list of detailed actions can be found within the LHS Action Plan.

Table x: Overview of Suitable Housing and Support

Key Challenges

- Increased need for youth specific approaches to housing and support.
- Rising ageing population in East Lothian.
- East Lothian had an estimate of 2,104 people with dementia, with a projected 65% increase by 2040.
- Estimated that there are 430 households who have an unmet need for a wheelchair accessible home.
- Increased demand for Care & Repair requires new sources of funding to be established to meet local need.
- Limited knowledge on how sensory impairment affects housing provision in East Lothian.
- Individuals continue to leave custody without sustainable housing secured for release, leading to higher risks for them and the community around them.
- Limited knowledge of the needs of ethnic minority groups in East Lothian.
- Limited engagement with Gypsy/Traveller communities in East Lothian.

Actions

Children and Young People

- ✓ Review supported accommodation for all young people in East Lothian and develop a range of options to meet the gaps for housing and support.
- ✓ Develop a satellite flat near to the new residential children's home.
- ✓ Prepare a Young Person's Housing Pathway in line with The Promise and Prevention of Homelessness Duties.

Older People & Dementia

✓ Redevelop the former Herdmanflat Hospital Site for affordable housing for older people.

- ✓ Develop 200 units across different affordable housing tenures for older people over the course of the LHS.
- ✓ Work alongside East Lothian H&SCP to ensure the development and implementation of the Dementia Strategy has strong strategic links to housing and housing related services.
- ✓ Support the development of the Post Diagnostic Support for Dementia route map.

Social Care Users

- ✓ Review the process of Housing Episodes forms, so it can be rolled out to further client groups.
- ✓ Prepare a pathway, in line with the Duty to Prevent, to ensure, as far as possible, that no-one is discharged into homelessness.
- ✓ Develop up to 12 units of core and cluster housing provision per annum.

Long Term Conditions

✓ Work closely with East Lothian's H&SCP as they develop a Physical Disability Strategy and a See/Hear Strategy for Sensory Impairment, to ensure that housing and housing related services meet the needs of these client groups.

Wheelchair Accessible Housing

- ✓ Ensure 10% of the total supply of affordable housing is developed to wheelchair accessible standards, with a minimum of at least 100 units of wheelchair accessible housing to be delivered over the 5 years.
- ✓ Establish mechanisms through LDP2 to ensure a target of 5% of new build market housing is built to wheelchair accessible standards.

Adaptations

- ✓ Review Care & Repair East Lothian.
- ✓ Explore alternative options of funding major adaptations within East Lothian to ensure we meet our shared statutory obligations.

People involved in the Justice System

✓ Implement the SHORE standards.

Violence Against Women and Girls

✓ Develop an Equally Safe Housing Policy which recognises all VAWG.

Ethnic Minorities

✓ Work with Volunteer Centre East Lothian and other third sector partners to help identify housing need and challenges faced by ethnic minorities in East Lothian.

Refugees and Asylum Seekers

✓ Implement a strategic approach to accommodating refugees and asylum seekers.

Gypsy/Travellers

- ✓ Continue to work with the Scottish Government to improve data to estimate the need and demand for a site in East Lothian.
- ✓ Work alongside Midlothian Council to secure the closed site.
- ✓ Prepare a multi-agency policy on Roadside Encampments.

LGBTQIA+

✓ Work with Volunteer Centre East Lothian and Working for Change Collective to ensure people identifying as LGBTQIA+ are represented in engagement and consultation.

5 High Quality & Sustainable Homes

Enabling households to live in high quality and sustainable homes within East Lothian is a key strategic aim of this LHS.

The LHS can contribute to a reduction in fuel poverty, encourage better health outcomes and drive progression towards Net Zero. By improving property condition and energy efficiency across all tenures, homes will become more resilient and adaptable to climate change. An energy efficient home brings a range of benefits thus improving health outcomes such as respiratory illnesses and joint pain.

This section will examine the county's housing stock, including social housing and how it aligns with standards for house condition and energy efficiency set by the Scottish Government and regulated by the Scottish Housing Regulator. It also identifies areas where there is scope to improve the condition of housing across all tenures and progress towards Net Zero.

Priority Outcome: All homes within East Lothian are maintained to a high standard, are energy efficient and contribute to meeting East Lothian's climate change targets.

5.1 The National Context

The Building (Scotland) Act 2003 (as amended) introduced health, welfare and safety standards for all buildings including the conservation of fuel and power and achieving sustainable development. Standards are to be complied with when buildings works are carried out related to the structure, fire safety, environment, safety, noise, energy and sustainability of buildings.

<u>The Housing (Scotland) Act 2006</u> introduced a repairing standard for private sector properties and amendments to the tolerable standard of properties ensuring that properties are fit for habitation. It puts legal obligations on all

landlords to carry out maintenance and repair works to the interior and exterior of the property within reasonable timescales. The Act also gives Local Authorities powers to enforce repairs and maintenance works, alongside schemes to support repair works such as Scheme of Assistance and Housing Renewal Areas.

Established on 1 April 2011 under the Housing (Scotland) Act 2010 the <u>Social Housing</u>
Regulator (SHR) regulates registered social landlords, including local authority's landlord and

Introduction

Context

1. Vibrant & Connected Communities

Housing Supply & Affordability

3. Preventing & Responding to Homelessness

4. SuitableHousing &Support

5. High Quality& SustainableHomes

homelessness services. The SHR are responsible for monitoring the performance of social landlords under the <u>Scottish Social Housing Charter</u>.

Introduced in 2014 <u>EESSH</u> set out the minimum energy efficiency ratings that social housing must meet, the standard varied depending upon the dwelling type and the fuel type used to heat the home. The Scottish Government are reviewing <u>Energy Efficiency Standard for Social Housing</u> (EESSH2) in 2023 to ensure that any investment is targeted towards long-term solutions that deliver Net Zero and support the eradication of fuel poverty.

Published in 2021 the Scottish Government's <u>Heat in Buildings Strategy</u> has designated both the decarbonisation of homes and buildings, and the review of energy efficiency standards as national priorities. These measures are key to meeting Scotland's ambitious climate change targets (set out in the <u>Climate Change Plan</u> and <u>The Climate Change (Emissions Reduction Targets)</u> (Scotland) Act 2019) of net zero emissions by 2045 and in tackling fuel poverty.

The coming years will see a further drive to align housing quality standards in the social and private rented sector via A New Deal for Tenants.

5.2 The Local Context

In August 2019, East Lothian Council declared a climate emergency. Outcome 3 of the <u>East</u> Lothian Climate Change Strategy 2020-2025 states:

East Lothian's homes and buildings will be Net Zero and energy efficient, enabling us to achieve Fuel Poverty targets, will use low carbon and renewable heat and energy sources, and will be adapted for future climate change impacts.

To mitigate the impacts of climate change and ensure homes remain warm and dry, existing housing stock needs to be adapted to cope with higher levels of precipitation, dampness and increasing humidity. Conversely, during heatwaves homes need to be cool. Both keeping homes warm and ensuring they do not overheat are necessary to reduce health risks. Developing new high-quality homes which can withstand adverse weather conditions, are well insulated and ventilated is a key aim of East Lothian Council and reflected throughout this Local Housing Strategy.

The Local Heat and Energy Efficiency Strategy (LHEES) will set out the local authority's plans to systematically improve the energy efficiency of domestic and non-domestic buildings and decarbonise heat. The Scottish Government requires all local authorities to publish their first LHEES by 31st December 2023. East Lothian Council commissioned Changeworks to undertake a pilot study on energy efficiency and decarbonisation in East Lothian's Private Rented Housing Sector, alongside a methodology evaluation, both of which were completed in 2022.

East Lothian Council have recently employed an LHEES officer with production of the LHEES strategy underway. This transformative strategy aims to revolutionise the way homes within the region are heated and is due for publication in early 2024.

5.3 Climate Change and Housing

Climate change refers to long-term shifts in temperatures and weather patterns. Such shifts can be natural, due to changes in the sun's activity or large volcanic eruptions. Since the 1800s, <u>human activities have been the main driver of climate change</u>, primarily due to the burning of fossil fuels like coal, oil and gas.

The impact of climate change is often first felt by those who are most vulnerable.

'When people are already vulnerable, climate change can have a compounding effect, worsening overall outcomes, particularly those associated with health and wellbeing."

The highest levels of deprivation are concentrated in the west of the county, meaning these areas are likely to be more vulnerable to the impacts of climate change.

Housing has an important role to play in mitigating climate change. The current and future housing stock influences greenhouse gas emissions from construction of large-scale developments to direct heating emissions from individual households. Housing also has an important role to play in shielding residents from some of the impacts of climate change.

Housing can reduce climate change through utilising greener technologies such as zero direct emissions heating and promoting greener forms of construction that better utilise buildings.



Picture 5.1: Flood damage to properties on Lammer Street, Dunbar, courtesy of Alex

Fabric first is the principle of a building fabric that retains heat — through a well-insulated, airtight structure, before thinking about additional technologies such as renewable energy. Taking a fabric first approach to modernisation by focussing on the components and materials that make up the fabric of the building will in many cases be the preferred option to reduce emissions.

Many of East Lothian's main towns, including Musselburgh, Prestonpans/Cockenzie, North Berwick and Dunbar, are located along the Firth of Forth, exposing them to rising sea levels. Flooding and coastal sea level rises pose a severe risk to dwellings and may lead to the complete loss of homes.

To lessen risk, preparing for climate change events is important and the significance of joint working is emphasised within this LHS. Planning how the Council can support the adaptation of housing and prepare residents for climate disasters, such as flooding, will play a key role.

114

⁶⁷ Climate Ready Scotland: climate change adaptation programme 2019-2024

Action 5.1

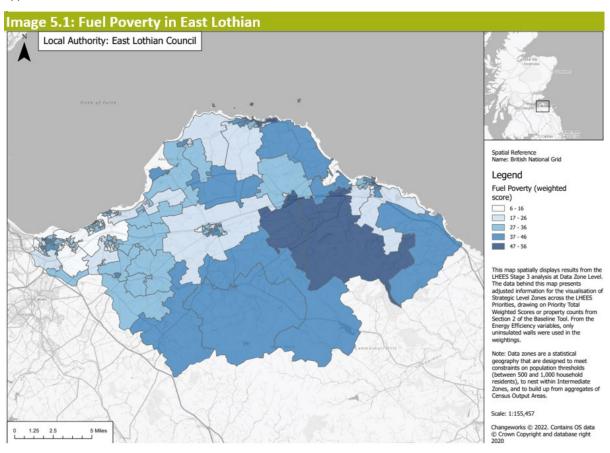
We will identify areas and populations in East Lothian threatened by climate change. This will also allow strategic decisions to be made to mitigate any risk.

Musselburgh Flood Protection Scheme

In 2024 the Musselburgh Flood Protection Project Team will present the finalised Outline Design to Council and seek permission to advance to Stage 5, where the proposed scheme will be published. It is estimated that the scheme could protect 2,500 properties from major flood events once implemented.

5.3 Fuel Poverty

Areas of East Lothian with the highest rates of fuel poverty can be found in both urban and rural areas. There are likely to be different factors affecting fuel poverty depending on location including household income, property type, level of insulation and main heating type.



Source: Changeworks, 2022

Homes that are poorly insulated and fail to retain heat result in higher energy costs and a greater risk of fuel poverty. Under heated homes exacerbate health inequalities and can lead to damage to the fabric of the building.

The recent cost of living crisis has resulted in soaring bills pushing more people into fuel poverty, potentially resulting in those households now under-heating their homes. As a result figures for fuel poverty used in this section are likely to under estimate the scale of the problem.

Table 5.1: Fuel Poverty across East Lothian				
Households in Fuel Poverty	Households in Extreme Fuel Poverty			
24%	9%			
Source: Changeworks, 2022 (Taken from Home Analytics)				

Tenure comparison

Nationally households within the private rented (37%) and social rented sectors (38%) have far higher levels of fuel poverty than owner occupiers (16%)⁶⁸. Within East Lothian households aged 65+ (38%) and households living in the social rented sector (42%) are most likely to live in extreme fuel poverty⁶⁹.

Figures from Home Analytics show that the highest proportion of properties with an EPC banding of A-C are found in the social rented sector. EPCs while indicating how energy efficient a home is don't indicate risk of fuel poverty. Someone on a low income living in a well-insulated modern home will still face fuel poverty if they don't have enough income to cover their bills.

Table 5.2: % of properties with EPC A-C ratings by tenure					
Social Rented	Private Rented	Owner-occupied			
59.4%	39.1%	46.2%			
Source: Home Analytics, 2023					

Age of properties

The age of a property can have a significant effect on its energy efficiency due to different building techniques and regulations in place at the time it was built.

Within East Lothian 70% of properties were built post 1945 with 30% built prior to this, these figures are identical to the Scottish average. Older properties (pre-1919) tend to have lower EPC bandings while newer properties are more likely to have a higher EPC banding with over 50% of properties built in East Lothian post-2002 having an EPC A-B. Among

⁶⁸ SHCS Local Authority Tables 2017-19

⁶⁹ SHCS Local Authority Tables 2017-19 (no data for the PRS was available for East Lothian)

properties built prior to 1919 the proportion is 1.7%. The Scottish House Condition Survey shows that fuel poverty is more prevalent in homes built post 1945 than it is in older ones.

Rural and Urban Areas

Properties in rural areas are less energy efficient than those in an urban area with 65.8% banded EPC D or below. Properties in rural areas are less likely to be on the gas grid, reducing their energy efficiency and increasing their energy bills. 36% of homes in 'accessible rural areas' are off the mains gas grid and 13.2% of households are heated with oil.

Reducing fuel poverty



To tackle fuel poverty, it is essential that local data sets, particularly in the private sector, are improved. The Council has detailed data sets on the quality of its own social housing stock. However, data of the private sector stock is much more limited. This data would allow the Council to support the most vulnerable households out of fuel poverty first.

Over the lifetime of the LHS, focus will be on improving data using home analytics, census data, the Scottish House Conditions Survey

and local knowledge.

Energy Advice Service

East Lothian Council outsources its energy advice and support service to residents. The service tackles fuel poverty through advice, advocacy, undertaking home visits and hosting workshops. Support provided has helped people with billing issues, making improvements to the energy efficiency of their home, finding energy savings and managing their energy usage. Reasons for referral include heating, high energy bills, fuel debt, fuel disconnection and insulation. Table 5.3 demonstrates that advice given by the East Lothian Energy Advice Service has provided significant savings to households within the county.

Table 5.3: Support delivered by Changeworks			
Type of support	2020/21	2021/22	2022/23
Households supported/engaged with energy advice	181	212	288
Savings achieved through energy advice and billing	£31,004.85	£41,199.16	£54,175.75
Community engagements	0	5	3
Front line staff training events	0	1	4
Source: Changeworks (2022)		<u> </u>	<u> </u>

Transitioning to net zero

While reaching net zero remains a priority, it is important that the transition is just, with no adverse impact upon the most vulnerable communities within East Lothian. We will ensure that decisions are balanced, and they are being made in the best interest of the most vulnerable and that affordable warmth is realistic for the population as a whole.

For example, alternative technology such as heat pumps can help to reduce emissions from fossil fuels. However an increase in electricity use from using a heat pump may result in increased bills and a risk of fuel poverty, particularly if electricity unit rates remain high.

Economic factors such as the rising cost of materials and labour will also impact upon the transition to net zero as will the acute financial challenges facing local authorities in their ability to finance greener homes. The increased costs risk will also impact upon other areas of investment such as the delivery of new build affordable homes.

To move towards net zero the number of skilled workers in East Lothian able to install new

Action 5.3

technologies has to be increased. By engaging with local colleges, universities and <u>East Lothian Works</u>, in the provision of training and education, upskilling in sustainable construction methods will be promoted. This will also provide opportunities for people to live locally, whilst pursuing apprenticeships and further education.

Action 5.4

The provision of an Energy Efficiency Policy will provide a framework for moving forward and reducing the emissions of Council properties across East Lothian. It will also ensure a just transition so that households are not left behind or facing increased vulnerability to energy costs.

East Lothian Council and West Lothian Council have agreed to jointly commission a report to provide a comparison between the different low carbon energy approaches they should be considering when developing their individual Low Carbon Net Zero (LCNZ) New Build Housing Strategies.

Action 5.5

Hub South East, utilising the expertise of specialist energy and sustainability supply chain partner Carbon Futures (Consultancy) Ltd, were asked to develop a specification for a Low Carbon Energy Performance Analysis that will assist the development of the aforementioned Low Carbon Housing Strategies.

Investigating the impacts of the different available energy approaches now will contribute to the more efficient delivery of housing in the future, whilst hopefully also allowing a level playing field to be developed that will support ongoing performance, maintenance and life cycle analysis of new housing stock.

5.4 Social Housing Quality

SHQS & EESSH

The SHQS was introduced in 2004 ensuring that social landlords provide homes that are energy efficient; safe and secure; not seriously damaged; and with kitchens and bathrooms that are in good condition. Since 2012, this target has been incorporated in the Scottish Social Housing Charter.

More recent additions to the SHQS have included previous energy efficiency measures being superseded by the EESSH, the requirement to install additional smoke, heat and CO detection as well as completing electrical safety inspections at intervals of no more than 5 years.

As at the end of 2022/23, 86.94% of Council owned properties met the SHQS. EESSH failures account for the 9.14% of those non-compliant properties, which is on par with the national average (9.6%). Remaining non-compliant properties are made up of cases where improvement works were unable to be completed for technical and/or social reasons and these are classed as being exempt or in-abeyances.

It is proposed that from 2025 all new build homes in Scotland will have to meet a new Scottish version of the Passivhaus standard. Guidance has also been issued which will prohibit gas boilers from being installed in new homes from 2024. Both of these measures are likely to have a significant impact in terms of the cost of providing new housing and how housing is designed and utilised.

While the number of East Lothian Council properties with renewable energy systems has increased over the last couple of years, 94.8% of ELC properties still run on gas boilers.

Both Council owned properties and ELHA continue to invest in a number of renewable energy systems. This has included 4 properties constructed to Passivhaus standards.

	East Lothian Council	East Lothian Housing Association
Air Source Heat Pump	149	7
Ground Source Heat Pump	-	40
Solar Photovoltaic	274	-
Solar Thermal	114	-

Following the tragic death of Awaab Ishak who died in Rochdale as a result of a respiratory condition caused by mould in his home in 2020 a working group reviewing current damp,

Action 5.6

condensation and mould processes was convened by the Council in early 2023 with a focus on Council Housing. The intention of the group is to develop new processes and deliver staff training. The group is expected to develop and implement a series of recommendations prior to winter 2023.

Action 5.7

Our tenants' homes are our assets. We will develop a Council Housing Asset Strategy to ensure that these assets remain sustainable and remain fit for purpose over their lifecycle. Delivery of the Strategy will take place over two phases. The first phase will set out the framework for improving the Council's property portfolio economically over a five year period, through

our annual investment plans. The second phase seeks to expand the Strategy towards taking a 'whole organisation' approach by adopting the principles of integrated asset management.

The Council currently has well-developed systems in place in relation to stock knowledge, investment planning and a tenant safety compliance framework. The Housing Asset Strategy will enhance and formalise this, supporting better outcomes for Council tenants. The strategy will recognise the financial challenges the Council faces in meeting new standards and requirements for social housing and will seek to find innovative solutions to meet the Council's obligations.

Action 5.8

East Lothian Council's affordable housing specification and design guide will be updated to reflect net zero and sustainability ambitions.

5.6 Private Sector Housing Quality

Over 35% of properties within the PRS were built pre-1919⁷⁰. In the social rented sector, the figure is only 3.4%. Similarly, the number of newer properties, those built post-2002, is lowest in the PRS. Owner-occupied properties account for the largest proportion of properties built between 1984 and 2002. Older properties are likely to require more maintenance and are often harder to make energy efficiency improvements to.

Compared to Scotland overall, East Lothian has lower levels of extensive disrepair but significantly higher levels of both urgent disrepair and disrepair to critical elements.

Table 5.5: Level of Disrepair (all tenure)					
Level of Disrepair	East Lothian	Scotland			
Extensive	5%	6%			
Urgent	36%	20%			
Disrepair to critical	61%	53%			

Scheme of Assistance

The <u>Scheme of Assistance</u> offers advice, and in some cases financial help, to private sector landlords and homeowners. Assistance is provided to avoid properties falling into despair, improve energy efficiency and deliver home adaptations for people with disabilities.

Through the Private Sector Housing Grants (PSHG), adaptations in private sector homes are funded for those eligible, this is covered in Chapter 4.

EES:ABS

<u>Energy Efficient Scotland: Area Based Schemes</u> (EES: ABS) are delivered through the Scheme of Assistance, EES: ABS provides funding to local authorities to address fuel poverty and improve the energy performance of private sector homes by installing insulation and other energy efficiency measures. Funding is targeted towards fuel poor areas and implemented with local delivery partners. East Lothian has delivered over £2million worth of EES:ABS measures since 2018.

A range of works have been supported by EES:ABS funding, including:

- Targeting owner-occupied flats with shared stairwells, to ensure whole buildings were insulated.
- Solar photovoltaic technologies including Tesla battery packs to properties in Prestonpans.

-

⁷⁰ Home Analytics

Cavity wall and external wall insulation in Musselburgh and Dunbar.

Table 5.6: Number of EES:ABS funding measures implemented since 2018

Critical wall insulation External Wall Insulation Solar Photovoltaic

181 72 17

Source: East Lothian Council, 2023

Action 5.9

We will explore opportunities to combine funding streams maximising opportunities to provide holistic approaches to both improvements and conditions.

Below the Tolerable Standard (BTS)

The <u>Housing (Scotland) Act 1987</u> sets out the criteria for the 'Tolerable Standard' of residential properties. The standard has been steadily rising in recent years and has now been extended to require all homes to have smoke and heat alarms. It is the responsibility of local authorities to ensure that the standard is being met and support landlords under the Scheme of Assistance.

The percentage of dwellings considered to be Below the Tolerable Standard (BTS) within East Lothian stands at 2%, or 1,000 homes⁷¹.

Tenure specific figures were not available at a local authority level. Nationally, 1% of properties within the social rented sector, 1% of properties that are owner occupied and 3% of properties within the PRS are believed to be BTS. If figures within East Lothian mirror those nationally, 143 properties in the PRS within the county would fail to meet the tolerable standard.

Condensation and Damp

Figures from the SHCS indicate that 15% of properties within East Lothian have some evidence of condensation. The national figure is 8%, suggesting that condensation levels are far higher within East Lothian. Condensation can lead to the growth of mould in the home, which can pose health risks to occupants.

Figures from the SHCS show that 2% of properties suffer from damp within the county, with 5% of pre-1945 properties having rising or penetrating damp. In order to meet the tolerable standard properties must be substantially free from rising or penetrating damp. These figures therefore give an indication that some properties risk failing the tolerable standard at a later date if problems with damp are not treated.

-

⁷¹ SHCS 2017-19 LA Tables

Housing Renewal and Enhanced Enforcement Areas

The <u>Housing (Scotland) Act 2006</u> provides local authorities with powers to tackle substandard housing within their area. The <u>Enhanced Enforcement Areas Scheme (Scotland) Regulations 2015</u> enable a local authority to apply for additional discretionary powers so that it can target enforcement action at an area characterised by poor conditions in the PRS. Currently, there is no evidence to suggest that any specific areas within the county suffer from large numbers of sub-standard homes to the extent that a Housing Renewal Area or Enhanced Enforcement Area is required.

Shared Repairs

Although tenements do not make up a large proportion of properties in East Lothian, advice on shared repairs is a critical element of the Scheme of Assistance. East Lothian Council contribute £1,530 towards <u>Under One Roof</u>, a charity which provides impartial advice on repairs and maintenance for flat owners in Scotland. Under One Roof has given advice to households within East Lothian in relation to obtaining agreement from owners and proceeding with repairs to a property as well as guidance on how to form an owners' association. During 2024, the Dunbar Conservation Area Regeneration Scheme will pilot a My Stair Community Project helping tenement residents to creatively work together to maintain their buildings. Tenement stair management support will also be given to assist with setting up and initial co-ordination for residents to work together.

Missing Shares

A missing share pilot was carried out in 2014 by East Lothian Council in Musselburgh. The budgetary and resource constraints since then have meant that this has not been extended.

Action 5.10

The Scheme of Assistance will be reviewed to strengthen its role within the county, improve co-ordination and ascertain the levels of assistance local residents can receive. This will include:

- An update of the Housing Renewal Area Policy to identify criteria against which an area would be compared in order to support housing improvement.
- An update of the Enhanced Enforcement Area Policy
- A Review of the Below Tolerable Standards Strategy
- Exploring new methods of helping to facilitate shared repairs in tenement stairwells through innovative means such as through mobile apps.
- Missing Shares Policy

Action 5.11

A Private Sector Housing Officer will be employed to enhance the quality of non-financial assistance, such as leaflets, pro-active visits and telephone advice. A dedicated Officer will allow for a more pro-active approach towards providing assistance within the private sector as advocated by the Scottish Government and help to deliver the Scheme of Assistance.

5.7 Landlord Engagement

The private rented sector is a critical element of East Lothian's housing system, so it is essential we continue to support landlords to provide high-quality accommodation. The Council are part of the national landlord registration scheme through which all landlords who let or seek to let a property within East Lothian must be registered as 'fit and proper'.

The Council's licensing team engages with landlords, enquiring about necessary documentation such as gas safety certificates and EICRs. In cases of non-cooperation, landlord registration is reviewed by the Licencing Sub-committee.

andlord Accreditation Scotland (LAS) training:	Key Notes Newsletter:
 Tenancy Management. Property Condition & Property Management. Preparation for Possession Actions. 	 Information on relevant legislation. Opportunities for landlords to contribute to local and national strategies. Training opportunities.

In anticipation of further Scottish Government reforms across the Rented Sector, Landlords and letting agents were invited to participate in 'Research into the Private Rented Sector in East Lothian'. Findings indicate that support for landlords is required in the following areas:

Action 5.12

- Well publicised, accessible training and development materials for private landlords on tenancy legislation and compliance.
- Ongoing and meaningful engagement with private landlords on current and proposed reforms to the sector to identify through partnership,

 Hands and he appropriately a remain in the content.

how landlords can be supported to remain in the sector.

5.8 Mixed Tenure Approach

Organising repairs and maintenance in mixed tenure blocks with multiple owners can prove challenging. East Lothian Council currently owns properties in 296 buildings which are of mixed tenure.

Action 5.13

To capitalise on the range of funding available to improve stock in different tenures, a co-ordinated strategic approach will be established in 2024. This will include development of House Conditions & Energy Improvement Plan which will enable the Council to set out a framework for mixed tenure blocks.

The Plan will support mechanisms to meet EPC targets setting out an approach to mixed tenure repairs including shared repairs and modernisation projects. It will also outline how the Council will improve energy efficiency within mixed tenure areas.

5.9 Moving Forward

The following summarises some of the key challenges identified in this chapter and actions that will be taken over the lifetime of this LHS. The full list of detailed actions can be found within the <u>LHS Action Plan</u>.

Key Challenges

- Difficulty in obtaining and analysing data to identify the energy efficiency of buildings on a large scale.
- Improving the energy efficiency standards, particularly of older buildings, buildings in rural areas and private rented sector homes.
- A lack of a skilled workforce which is trained in maintaining and adapting homes with green technology.
- Risk for an increasing number of households falling into fuel poverty and extreme fuel poverty.
- Ensuring a just and fair transition to net zero that leaves nobody behind.
- Compliance with SHQS and EESSH standards and the prospect of implementing EESSH2 and Passivhaus in the context of rising costs.

Actions

- ✓ Low Carbon Net Zero (LCNZ) New Build Housing Strategy Produced.
- ✓ Work closely with the SG to establish solutions to meeting and funding new energy standards as well as solutions to delivering net zero heating solutions.
- ✓ Identify areas and populations in East Lothian threatened by climate change. This will also allow strategic decisions to be made to mitigate any risk.
- ✓ Promote training and upskilling for the energy efficiency workforce, retrofitting and the building trades.

- ✓ Develop an Energy Efficiency Policy for East Lothian Council properties.
- ✓ Development of a Housing Asset Strategy.
- ✓ Update the Affordable Housing Specification and Design Guide.
- ✓ Implement a strategic approach to delivery of EES: ABS funding and maximise Scottish Government funding.
- ✓ Deliver a report on how the Council will tackle damp and mould in council properties.
- ✓ Review the Scheme of Assistance and subsequent documents i.e. housing renewal area policy, enhanced informed area policy, below tolerable standards strategy, and our approach to missing shares and shared repairs.
- ✓ Recruit a Private Sector Housing Officer.
- ✓ Develop a program of landlord engagement aligned with any national changes in legislation.
- ✓ Improve knowledge and understanding of private sector stock.
- ✓ Develop a mixed tenure Housing Conditions & Energy Improvement Plan.

LHS 2024-29 ACTION PLAN

Comm	Communities are supported to flourish, be distinctive and well connected.					
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator	
1.1	Prepare a Local Investment Framework with communities building on Area Plans, to direct strategic investment in and around homes.	No Local Investment Framework in place.	Prepare Project Initiation Document with timelines of different phases of LIF. Members Library Report submitted for each phase of LIF.	2024	Housing Strategy & Development	
1.2	Build on existing links with other organisations and be open to engaging with organisations who have an interest in improving housing and housing services in East Lothian.	Existing ties with various organisations and groups exists.	Keep a list of existing contacts. Keep list of contacts up to date. Expand list of contacts.	2028	Housing	
1.3	Support both private landlords and tenants, through ongoing and meaningful engagement on current reforms to solidify the role of the private rented sector in East Lothian.	Private Rented Sector study completed in 2023.	Number of Landlord Engagement Letters and Events held.	2028	Housing	
1.4	Implement a new East Lothian Council Housing Management IT System.	Need to replace existing IT solution(s) with modern, integrated, customer-friendly digital solution.	New HMIS IT solution implemented.	2025	Housing	

1.5	Maximise opportunities for area based regeneration	Dunbar CARS commenced in 2023. New Heritage and Place Programme from HES.	Successful applications to HES and other relevant organisations to promote regeneration.	2028	Economic Development & Regeneration Housing Strategy & Development
1.6	Complete the review of the Anti-Social Behaviour Strategy	Existing ASB Strategy out of date.	Engagement & Consultation sessions held. New ASB Strategy approved by Cabinet.	2028	Community Housing & Homelessness Safer Communities

Hous	Housing supply is accessible, affordable and provides a range of choices to meet the needs of households in East Lothian.						
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator		
17.1	Deliver 1,470 affordable homes over the period of the LHS.	Over 1,000 homes delivered over the period 2018-2023.	The number of affordable housing units supplied year on year.	2028	Housing Strategy & Development		
2.2	Carry out a review of the Council's Allocations Policy.	Allocations policy last reviewed in 2019.	Review submitted to Members Library. Recommended changes approved and implemented.	2025	Housing		
2.3	Carry out a review of the Council's Void Policy.	Void policy last reviewed in 2019.	Review submitted to Members Library.	2025	Housing		

			Recommended changes approved and implemented.		
2.4	Increase the supply of mid-market housing.	There are currently 301 MMR properties within East Lothian.	The number of mid-market rent properties has increased within the county.	2028	Housing
2.5	Continue to monitor the viability of delivering affordable home ownership options within East Lothian including investigating whether schemes such as OMSE and NSSE can be more widely utilised.	Current OMSE thresholds mean the number of qualifying homes on the market is low. NSSE has not been utilised since 2018.	Number of affordable home ownership options delivered year on year is monitored.	2028	Housing Strategy & Development
2.6	Update the Affordable Housing Supplementary Planning Guidance for LDP2 and associated documents.	The current Affordable Housing SPG is out of date.	Members Library Report. Approved Affordable Housing SPG.	2024	Housing Strategy & Development
2.7	Prepare a Build to Rent Strategy.	No Build to Rent strategy is currently in place.	Build to Rent Strategy approved and Members Library Report submitted.	2025	Housing Strategy & Development
2.8	Explore the Scottish Government's Rural Housing Fund to see where it could allow for innovative rural developments to take place.	No uptake within East Lothian of the Rural Housing Fund for affordable housing.	Rural Housing Fund utilised. Feed into LDP2 on need for small scale affordable housing developments.	2028	Housing Strategy & Development Planning
	Explore innovative methods of delivery including utilizing second homes council tax income.	Currently no detailed information exists in terms of the viability of innovative and	Innovative financing and delivery models investigated and report prepared into their viability within East Lothian. A strategy for the use	2028	Housing Strategy & Development

		alternative forms of financing housing within the county.	of this council tax income will be prepared over this LHS period.		
2.10	Develop an empty homes strategy.	No current strategy is in place.	Strategy produced and recommendations provided.	2026	Housing Finance
2.11	Continue to monitor Short Term Lets to investigate if they negatively impact the PRS and wider housing system.	Initial monitoring difficult	An evidence paper on short term let control areas will be prepared by Planning Policy in collaboration with Housing and Economic development in 2024.		Housing Strategy & Development Planning

Н	domelessness is prevented as far as possible, where unavoidable a rapid response with the appropriate support is provided.								
F	Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator			
3.	1	A Gendered Approach to Prevention to be championed.	Gendered approach not currently taken in Prevention.	'Prevention from a Gendered Approach Steering group' established. Review of Gender Approach in Prevention submitted to Members Library. Recommendations from review monitored by Steering group.	2028	Housing Strategy & Development Housing Options			

Hom	Homelessness is prevented as far as possible, where unavoidable a rapid response with the appropriate support is provided.							
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator			
3.2	Update and roll-out Housing Workshops within high schools and extend to primary schools across East Lothian. Prepare and implement a service	Material and resources used for Housing Workshops within high schools due updating. Housing Workshops not delivered within primary schools.	Review of resources and material for Housing Workshops completed and approved. Number of primary schools who receive Housing Workshops. Transformation plan to enable compliance with the new Prevention	2025	Housing			
3.3	transformation plan to enable compliance with the new Prevention Duty.	Guidance on Prevention Duty not yet published.	Duty submitted to Members Library. Transformation plan approved and embedded within service.	Dependent on legislation	Housing			
3.4	Carry out training and awareness raising sessions ensuring expectations are managed appropriately regarding pressurised housing system.	No training and awareness session regarding the pressurised housing system.	Number of training and awareness sessions conducted. Number of departments/services who have received training and awareness sessions.	2028	Community Housing & Homelessness			

Hom	Homelessness is prevented as far as possible, where unavoidable a rapid response with the appropriate support is provided.							
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator			
3.5	Implement targeted prevention pathways approach for vulnerable groups in line with the Prevention Duty, including specialised pathways for: young people, people leaving prison and those subjected to domestic abuse.	No Prevention Pathways in place.	Targeted Prevention Pathways in place for young people, people leaving prison and those subjected to domestic abuse.	Dependent on legislation	Housing			
3.6	Make formal consideration of the wellbeing needs of accompanying children (with a focus on domestic abuse) using a trauma informed approach & implement recommendations.	No formal approach taken to accompanying children within homelessness cases.	Consultation on how accompanying children experience homelessness. Consultation used to inform review of approaches taken to homeless households with accompanying children. Recommendations from review approved and taken forward.	2027	Housing			
3.7	Implement a rolling programme to re-designate temporary accommodation as permanent tenancies.	Number of households in temporary accommodation. Length of time spent in temporary accommodation.	The number of temporary accommodation re-designated as permanent tenancies.	2028	Community Housing & Housing Options			
3.8	Explore flat-share arrangements for single people in emergency accommodation.	33 shared tenancy arrangements in place (March	Number of flat-sharing arrangements in emergency accommodation units. Monitoring of UAO breaches.	2028	Community Housing & Housing Options			

Hom	Homelessness is prevented as far as possible, where unavoidable a rapid response with the appropriate support is provided.						
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator		
		2023) in emergency accommodation.					
3.9	Review the current provision of Supported Accommodation for Adults and young people in East Lothian to ensure it meets identified need.	No review undertaken.	Report and Recommendations submitted to Members Library. Procurement exercise complete.	2024	Housing EL H&SCP		

Sui	Buitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.							
Re	f Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator			
Chi	dren and Young People							
4.1	Review supported accommodation for all young people in East Lothian and develop a range of options to meet the gaps for housing and support.	Review Group established in July 2023. Remit approved under Transformation of Children's Services.	Report to Transformation of Children's Services. Procurement program established.	2024	Housing Children's Services Transformation Team			

Suita	Suitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.					
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator	
4.2	Develop a satellite flat near to the new residential children's home.	There are no close-by support flats for use by the residential housing team.	Development of property.	2027	Housing Strategy & Development	
4.3	Prepare a Young Person's Housing Pathway in line with The Promise and Prevention of Homelessness Duties.	No pathway in place.	Approved pathway in place. Report to Members Library.	2024	Housing Children's Services	
Oldei	People and Dementia					
4.4	Redevelop the former Herdmanflat Hospital Site for affordable housing for older people.	Initial consultations taken place.	Planning permission granted. Full public consultation. Delivery of affordable housing on site.	2028	Housing Strategy & Development	
4.5	Develop 200 units across different affordable housing tenures for older people over the course of the LHS.	Older People's Needs Assessment completed to calculate need.	Number of affordable homes for older people developed year on year.	2028	Housing	
4.6	Work alongside East Lothian H&SCP to ensure the development and implementation of the Dementia	Dementia Strategy approved.	Number of key initiatives and training opportunities for housing staff developed and implemented.	2028	Housing H&SCP	

Suita	Suitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.						
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator		
	Strategy has strong strategic links to housing and housing related services.						
4.7	Support the development of the Post Diagnostic Support for Dementia route map.	Housing has taken part in workshops to help inform the route map.	Finalised route map approved. Training and information sessions rolled out within housing.	2027	H&SCP Housing		
Socia	l Care Users (Mental Health, Physical	Disabilities, Learning Disabilities	and Sensory impairments)				
4.8	Review the process of Housing Episodes forms, so it can be rolled out to further client groups.	Housing episode forms in place for learning disability clients.	Review of forms completed. Changes rolled out. Training and information sessions with wider social work staff.	2026	Housing H&SCP		
4.9	Prepare a pathway, in line with the Duty to Prevent, to ensure, as far as possible, that no-one is discharged from hospital into homelessness.	No pathway in place.	Working group formed. Pathway approved. Members library report.	2027	Housing H&SCP		
4.10	Develop up to 12 units of core and cluster housing provision per annum.	Previous LHS target achieved.	Number of units delivered year on year.	2028	Housing		

Suita	Suitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.						
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator		
	Work closely with East Lothian's H&SCP as they develop a Physical Disability Action Plan and a See/Hear Action Plan for Sensory Impairment, to ensure that housing and housing related services meet the needs of these client groups.		Strategy approved. Consideration of a needs assessment for individuals with sensory impairments.	2027	H&SCP Housing		
Whee	elchair Accessible Housing						
411	10% of the total supply of affordable housing will be wheelchair accessible, with a minimum of 100 units delivered over the five years.	No target currently in place.	The number of wheelchair accessible housing delivered year on year.	2028	Housing		
4.13	Through LDP2, East Lothian Council will establish mechanisms to ensure a target of 5% of new build market housing is built to wheelchair accessible standards.	No target currently in place.	Establish policy. Members Library report. Number of market housing meeting wheelchair accessible standard delivered year on year.	2028	Housing		
Adap	tations						

Suita	Suitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.				
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
4.14	Review Care & Repair East Lothian.	Review group established in August 2023.	Review complete. Recommendations established. Report to EMT and Members Library.	2024	Housing Strategy & Development
4.15	Explore alternative options of funding major adaptations in the private sector to ensure we meet our shared statutory obligations.	Private Sector adaptations budget under significant strain.	Additional funding available for private sector adaptations.	2025	Housing H&SCP
Peop	le involved in the justice system				
4.16	Implement the SHORE standards.	SHORE standards beginning roll out.	Number of people entering custody with a housing plan in place. Number of people leaving custody with	2025	Community Housing & Homelessness
Viole	nce Against Women and Girls (VAWG)	a housing plan in place.		
	Develop an Equally Safe Housing Policy which recognises all VAWG.	No specific domestic abuse or violence against women and girls housing policy.	Working group established. Housing Policy signed off. Members library report submitted.	2026	Housing
Ethni	c Minorities				

Suita	Suitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.				
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
4.18	Work with Volunteer Centre East Lothian and other third sector partners to help identify housing need and challenges faced by ethnic minorities in East Lothian.	Limited evidence on challenges faced by ethnic minorities in East Lothian.	Increase in local evidence base through number of engagement events, 1:1 interviews or focus groups.	2028	Housing
Refug	gees & Asylum Seekers				
4.19	Implement a strategic approach to accommodating refugees and asylum seekers.	No strategic approach in place. Temporary team in position.	Strategic approach in place.	2026	Community Housing & Homelessness
Gyps	y/Travellers				
4.20	Continue to work with the Scottish Government to improve data to estimate the need and demand for a site in East Lothian.	Ongoing discussions with Scottish Government and COSLA.	Improved access to data. Ability to estimate need/demand for a site in East Lothian.	2028	Housing Strategy & Development
4.21	Prepare a multi-agency policy on Roadside Encampments. Working group formed.		Approved multi-agency policy on roadside encampment. Members Library Report.	2023	Housing Infrastructure

Suita	uitable Housing and support services are effective, accessible to, and will meet the needs of those most vulnerable in the community.				
Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
					Protective Services
LGBT	QIA+				
4.22	Work with Volunteer Centre East Lothian and Working for Change Collective to ensure people identifying as LGBTQIA+ are represented in engagement and consultation.	Limited input by LGBTQIA+ community.	Increased engagement from LGBTQIA+ across all housing and housing services.	2028	Housing

Re	f Action(s) Baseline		Indicator / Measure	End Point	Co-ordinator
		There are currently no areas			Housing Strategy & Development
5.1	Identify areas in East Lothian that are vulnerable to climate change.	formally identified as being most vulnerable to climate change.	Areas most vulnerable to climate change have been identified.	2028	Sustainability and Climate Change Officer LHEES Officer
5.2	Improve knowledge and understanding of private housing stock.	requires cross fabiliation with a		2028	Housing Strategy & Development
5.3	Engage with local colleges, universities and East Lothian Works, in the provision of training and education in sustainable construction.	No options currently exist.	Pathways established for those wanting to work in sustainable construction.	2028	Housing Strategy & Development
5.4	Develop an Energy Efficiency Policy.	elop an Energy Efficiency Policy. There is currently no policy 'in place.		2024	Housing
5.5	Specification for a Low Carbon Energy Performance Analysis that will assist the	Currently no specification exists.	Hub South East, utilising the expertise of specialist energy and sustainability supply chain partner	2026	Housing

Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
	development of the Low Carbon Housing Strategies developed.		Carbon Futures (Consultancy) Ltd, have developed the specification. Low Carbon Housing Strategies adopted.		
5.6	Implement recommendations from the condensation and mould working group.	Working group has convened and is discussing how to proceed.	Recommendations received and implemented.	2028	Housing
5.7	Develop a Council Housing Asset Strategy to ensure that these assets remain sustainable and remain fit for purpose over their lifecycle.	No current strategy.	Both phases of the asset strategy completed.	Phase 1 – March 2024 Phase 2 – March 2026	Housing Assets Property Maintenance
5.8	Updates are made to the affordable housing specification and design guide to reflect net zero and sustainability ambitions.	Current guidance needs to be updated.	Members Library report submitted. Approved Specification in place.	2026	Housing

	Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
[]	5.9	Explore opportunities to combine funding streams.	Auternative randing streams are	Opportunities to provide holistic approaches to both improvements and conditions are maximised.	2028	Housing Strategy & Development
		 Review & Implement a range of Private Sector Housing Policies including: Housing Renewal Area Policy Enhanced Enforcement Area Policy Below Tolerable Standard Strategy Scheme of Assistance including BTS properties 	All Policies are currently out of date.	Revised policies in place. Report submitted to Member's Library.	2027	Housing Strategy & Development
[]	5.11	Recruit a Private Sector Housing Officer (PSHO) to deliver the Scheme of Assistance and enhance non-financial assistance on offer to residents living in the private sector.	No Private Sector Housing Officer in place.	Private Sector Housing Officer is in position and greater levels of assistance are on offer to those living in the private sector.	2024	Housing Strategy & Development

	Ref	Action(s)	Baseline	Indicator / Measure	End Point	Co-ordinator
	5.12	Well publicised, accessible training and development materials for private landlords on tenancy legislation and compliance.	Three training sessions delivered in 2022 along with three issues of the Key Notes newsletter.	Training continues to be delivered over the lifetime of the LHS. Key Notes is used to keep landlords informed of legislation and how they comply.	2028	Housing Strategy & Development Licensing
-,	5.13	Develop a House Conditions and Energy Efficiency Improvement Policy including mixed tenure blocks.		Policy in place. Report submitted to Member's Library.	2024	Housing

Appendix 1: Acronyms and abbreviations

ACRS	Afghan citizens' resettlement scheme		
ADS	Additional Dwelling Supplement		
AHSP	Affordable Housing Supply Programme		
AP Area Partnership			
ARAP	Afghan Relocation and Assistance Policy		
ASB	Anti-Social Behaviour		
B&B	Bed & Breakfast		
BTS	Below Tolerable Standards		
C&YP	Children & Young People		
CARS	Conservation Area Regeneration Scheme		
CIH	Chartered Institute of Housing		
СО	Carbon Monoxide		
COVID-19	Coronavirus Disease 2019		
СРІ	Consumer Price Inflation		
СРІН	Consumer Price Inflation Housing		
СРО	Community Payback Order		
CS	Children's Services		
DLA	Disability Living Allowance		
DPU	Displaced People from Ukraine		
EEA	European Economic Area		
EES:ABS	Energy Efficient Scotland: Area Based Schemes		
EESSH	Energy Efficiency Standard for Social Housing		
EL H&SCP	East Lothian Health & Social Care Partnership		
ELC	East Lothian Council		
ELHA	East Lothian Housing Association		
ELTRP	East Lothian Tenants and Residents Panel		
EPC	Energy Performance Certificate		
ESESCRD	Edinburgh and South East Scotland City County Deal		
ESOL	English as a Second Language		
GIRFEC Getting It Right For Every Child			
HARSAG	Housing and Rough Sleeping Action Group		
HES	Historic Environment Scotland		
HNDA	Housing Need and Demand Assessment		
HST	Housing Supply Target		
IJB	Integrated Joint Board		
LAS	Landlord Accreditation Scotland		
LCHO	Low Cost Home Ownership		

LDP	Local Development Plan	
LGBT	Lesbian Gay Bisexual Trans	
LGBTQIA	Lesbian, gay, bisexual, transgender, queer, (questioning), intersex, asexual,	
	and (agender)	
LHA	Local Housing Allowance	
LHEES	Local Heat and Energy Efficiency Strategy	
LHS	Local Housing Strategy	
LLP	Local Lettings Plan	
MAPPA	Multi-Agency Public Protection Arrangements	
MARAC	Multi-Agency Risk Assessment Conference	
MATHLR	Minimum All Tenure Housing Land Requirement	
ME	Myalgic Encephalomyelitis	
MELD	Mid and East Lothian Drugs	
MMR	Mid-Market Rent	
MS	Multiple Sclerosis	
NCS	National Care Service	
NHS	National Health Service	
NRS	National Records of Scotland	
NSSE	New Supply Shared Equity	
OMSE	Open Market Shared Equity	
OSS Open Space Strategy		
ОТ	Occupation Therapist	
PRS	Private Rented Sector	
PSG	Preston, Seton, Gosford	
PSHG	Private Sector Housing Grant	
QMU	Queen Margaret University	
RRTP	Rapid Rehousing Transition Plan	
RSL	Registered Social Landlord	
SEA	Strategic Environmental Assessment	
SES	South East Scotland	
SHCS	Scottish House Conditions Survey	
SHIP	Strategic Housing Investment Plan	
SHN	Scottish Housing Network	
SHORE Sustainable Housing on Release for Everyone		
SHQS Social Housing Quality Standard		
SHR Scottish Housing Regulator		
SIMD Scottish Index Multiple Deprivation		
SPOC	Single Point of Contact	
STL	Short Term Let	
STRENGTH	Sustaining Tenancies through Rights Empowerment and Normal Genuine	
	Trauma-informed Homes	

SVGCA	Scottish Veterans Garden City Association	
UAO	Unsuitable Accommodation Order	
UASC	Unaccompanied Asylum Seeking Children	
UC	C Universal Credit	
UK	UK United Kingdom	
UKRS	UK Resettlement Scheme	
UNCRC	UNCRC United Convention of the Rights of the Child	
VAWG	VAWG Violence Against Women and Girls	
WAEML	Women's Aid East and Midlothian	

Appendix 2: 8-fold Urban-Rural Classification Introduction

Class	Name	Description	
1	Large Urban Areas	Settlements of 125,000 people and over.	
2	Other Urban Areas	Settlements of 10,000 to 124,999 people	
3	Accessible Small Towns	Settlements of 3,000 to 9,999 people, and within a 30 minute drive time of a Settlement of 10,000 or more.	
4	Remote Small Towns	Settlements of 3,000 to 9,999 people, and with a drive time of over 30 minutes but less than or equal to 60 minutes to a Settlement of 10,000 or more.	
5	Very Remote Small Towns	Settlements of 3,000 to 9,999 people, and with a drive time of over 60 minutes to a Settlement of 10,000 or more.	
6	Accessible Rural Areas	Areas with a population of less than 3,000 people, and within a drive time of 30 minutes to a Settlement of 10,000 or more.	
7	Remote Rural Areas	Areas with a population of less than 3,000 people, and with a drive time of over 30 minutes but less than or equal to 60 minutes to a Settlement of 10,000 or more.	
8	Very Remote Rural Areas	Areas with a population of less than 3,000 people, and with a drive time of over 60 minutes to a Settlement of 10,000 or more.	
Scottish Government (2020) 8-fold urban rural classification			

Appendix 3: Scottish Index of Multiple Deprivation Introduction

Further information can be found on the **Scottish Government** website.

The SIMD focuses on concentrations of deprivation. Not all households living in deprivation are represented, this can underestimate the spread of deprivation. Inequalities which impact health and wellbeing should be viewed on a scale, effecting people at various levels. Whilst those in the most extreme deprivation will see the most severe outcomes, implications associated with inequalities will affect those at the mid to high levels of the scale. Therefore, SIMD cannot provide a complete image of deprivation.

The SIMD combines seven different domains, or aspects, of deprivation. The full definitions and calculations of each domain can be found in the <u>SIMD 2020 technical notes</u>. The domains have different weighting.

Income (28%)	Number of adults receiving benefits.
Employment (28%)	Working age people receiving certain benefits.
Health (14%)	Mortality and hospital stays.
Education, skills and training (14%)	School attendance and attainment, working age people with no qualifications.
Geographic access to services (9%)	Population weighted average time taken to reach key services by various transport means including GP, schools, retail centres, post office, and petrol station.
Crime (5%)	Recorded crime rate for selected crime types per 10,000 population.
Housing (2%)	Persons in households that are overcrowded and persons in household without central heating.

The SMID can also be split into different groups:

- Quintiles split the datazones into 5 groups, each containing 20% of Scotland's datazones
- Deciles split the datazones into 10 groups, each containing 10% of Scotland's datazones
- Vigintiles split the datazones into 20 groups, each containing 5% of Scotland's datazones
- Percentiles split the datazones into 100 groups, each containing 1% of Scotland's datazones.

Appendix 4: Affordable Housing Delivered in East Lothian

Types of Affordable Housing Delivered in East Lothian		
Tenure	Description	
Social Rent	Housing provided at an affordable rent and managed by a local authority, Registered Social Landlord or other not for profit social housing provider, regulated by the Scottish Housing Regulator.	
Mid-Market / Intermediate Tenure	Accommodation available at rents below market rent levels in a defined local area. Rents are typically lower than Local Housing Allowance levels. This tenure may be provided by a Registered Social Landlord, developer or alternative organisation agreed by East Lothian Council's Strategic Investment Team. Rents and eligibility criteria will be set in agreement with East Lothian Council and the provider.	
Subsidised Low Cost Home Ownership for Sale (shared equity)	A publicly funded subsidised unit, sold at a level identified as being affordable within a local context. The householder pays for the majority share in the property with a Registered Social Landlord, local authority or Scottish Government holding the remaining share under a shared equity agreement. No rent or occupancy payment is taken and the householder owns the property outright. The householder may be required to buy out the equity balance at an agreed point in the future.	
Low Cost Home Ownership (Shared Ownership)	The householder purchases part of the dwelling and pays an occupancy payment to a Registered Social Landlord in respect of the amount outstanding. The householder has the ability to buy the dwelling in its entirety or increase the level of ownership of the dwelling in the future.	
Unsubsidised Low Cost Home Ownership - (Discounted Sale Model):	A standard dwelling sold by a developer in partnership with East Lothian Council, to an agreed identified client group, at a specified price below market value. The methodology for calculating the discounted sale assumes a multiplier of three times the median income level for each market area. A Deed of Conditions is attached to the missives, in order to maintain the dwelling as an	

	affordable unit to subsequent purchasers. The conditions are set out and agreed between East Lothian Council and the developer within a Section 75 agreement.
Unsubsidised Low Cost Home Ownership (Golden Share)	A model similar to Discounted Sale, with the exception of a difference in criteria in relation to pricing and eligibility. Typically the asking price is set at 80% of the market value in perpetuity, with the market value being set by an independent or District Valuer to the satisfaction of East Lothian Council. Eligible purchasers must be able to evidence a local connection and an ability to finance the purchase of the full market value of the property.
Unsubsidised Low Cost Home Ownership (Unsubsidised Shared Equity)	The householder purchases part of the dwelling, typically 60-80% of the value, with the remainder of the stake held by the developer.
Self-Build	Self-build refers to housing built by individuals or a group of individuals for their own use. This may involve developers selling serviced plots for self-build to the intended owner occupier at a discounted price.
Source: East Lothian Council - Local Deve	lopment Plan - Affordable Housing (2018)

Appendix 5: Overview of the Housing Options service

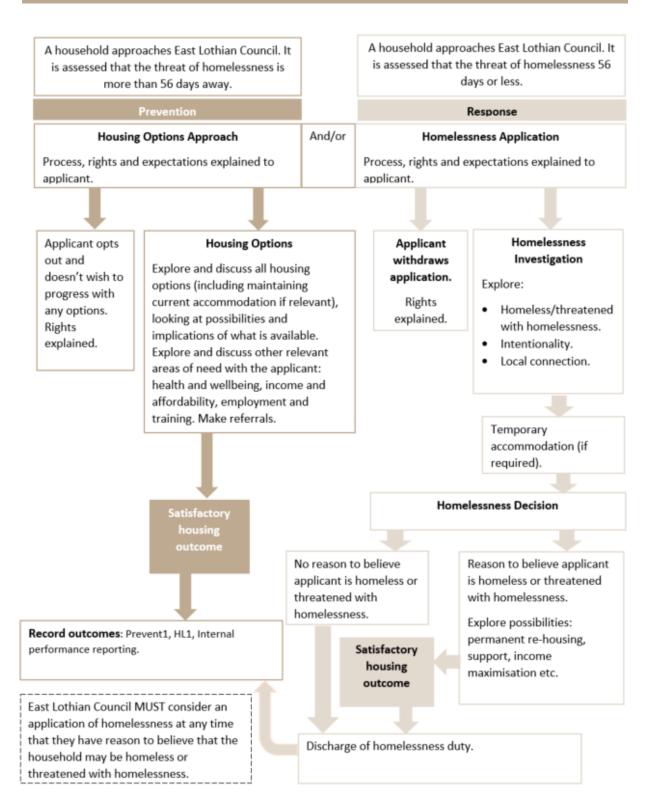
The prevention and response to homelessness in East Lothian is delivered by the Housing Options Team. The Housing Options Team takes a dual approach to crisis response and homelessness prevention. It is delivered by two separate though interlinked teams. This reflects the good practice guidance developed by the 32 local authorities which make up the 8 regional Housing Options HUBs.

A visual of all those approaching the Housing Options Team are triaged and separated into 'Response' or 'Prevention'. This triage is visualised in Figure X below. Those within the 56 day period of homelessness are referred to the Response Team for a homeless assessment. This allows for the prioritisation of a crisis response and the provision of temporary accommodation. Those out-with the 56 day period are referred to the Prevention Team. Prevention focuses on actively assisting households to prevent homelessness from arising. This includes services such as mediation and providing holistic information on housing options available. Where homelessness cannot be prevented and a household moves to a position of being threatened with homelessness within 56 days, a homeless assessment is carried out.

The Council has the duty to provide households with temporary accommodation as they are being assessed for homelessness. Not all households will chose to or require temporary accommodation at this stage, however, this may change within the duration of the assessment and application.

Assessing the demand for the Housing Options service is a critical part in monitoring homelessness in East Lothian. Information is recorded within the Prevention and Response process, through applications and assessment decisions. This information is then used for quarterly and annual reporting to the Scottish Government. East Lothian's Prevention (Prevent1) and Response (HL1) data will be used throughout Chapter to analyse local trends.

Housing Options Service System Diagram





Versions of this leaflet can be supplied in Braille, large print, audiotape or in your own language. Please phone Customer Services if you require assistance on 01620 827199

East Lothian Council
Housing Strategy & Development
Penston House
Macmerry Industrial Estate
Macmerry
EH33 1EX

www.eastlothian.gov.uk Call Centre 01620 827 827



Supporting Good Decisions

Promoting Equality & Human Rights, Reducing Inequality and Protecting the Environment

Integrated Impact Assessment Form

Integrated Impact Assessment Form

Promoting Equality, Human Rights and Sustainability

Title of Policy/ Proposal	Local Housing Strategy 2024-2029
Timescale for Implementation	2024-2029
IIA Completion Date	17/04/2023
	Anne Krippler, Housing Strategy Officer
	Craig Entwistle, Housing Strategy Officer
Completed by	Hannah Crowe, Housing Strategy Officer
	Rebecca Pringle Housing Strategy Team Manager
Lead officer	Rebecca Pringle, Housing Strategy Team Manager

Section 1: Screening

1.1 Briefly describe the policy/proposal/activity you are assessing.

Set out a clear understanding of the purpose of the policy/ proposal/ activity being developed or reviewed (e.g. objectives, aims) including the context within which it will operate.

The Housing (Scotland) Act 2001 requires local authorities to prepare a Local Housing Strategy (LHS) for their area, supported by an assessment of housing need and demand. The new East Lothian Council Local Housing Strategy 2024-29 will replace the existing Local Housing Strategy 2018-2023.

The Local Housing Strategy is the sole strategic document for housing, outlining the key issues and challenges within a changing demographic and economic context. It sets out a strategic vision for housing; priority outcomes and an action plan for the delivery of housing and related services across East Lothian.

The LHS 2024-2029 will contribute towards the delivery of the Scottish Government's Housing to 2040 national strategy with the following aims:

- 'For everyone to have a safe, high quality home that is affordable and meets their needs in the place they want to be'.
- 'For everyone to have access to a home that is affordable and choices about where they live, no matter what tenure they live in'.

- 'For housing to contribute to tackling climate change by 2045 by delivering homes that are warm and affordable to heat and reducing the emissions caused by housing and housing construction.'
- 'For all homes to be good quality, whether they are new build or existing, meaning everyone can expect the same high standards no matter what kind of home or tenure they live in'.

1.2 What will change as a result of this policy?

Local authorities are required by the Housing (Scotland) Act 2001 to produce a Local Housing Strategy (LHS) every five years. The LHS will impact upon the housing system in operation within the county through a number of strategic actions, which will be monitored and evaluated through the life-time of the LHS 2024-29. Full details of the actions can be found within the LHS 2024-29.

It is intended that the actions of the LHS will collectively contribute to a reduction of inequalities across East Lothian, through increasing choice and availability of housing and housing services. The successful completion of the actions are likely to lead to increases in health and wellbeing across East Lothian. Alongside this IIA, a 'Health Inequalities Impact Matrix' was also completed. The results of which can be found in Supporting Paper 4. It was found that the actions of the LHS 2024-29 will lead to a reduction in stress and anxiety and improve wellbeing across communities.

Deciding if a full Impact Assessment is needed.

Please answer the following questions:

		Yes	No
1.	The policy/ proposal has consequences for or affects people e.g. how they can access a service?	Х	
2.	The policy/proposal has potential to make a significant impact on equality?	Х	
3.	The policy/proposal is likely to have a significant environmental impact?		Х
4.	The policy/ proposal has implications for the storage/ collection of personal data?		X

- If you have answered yes to questions 1 and 2 above, please proceed to complete the Integrated Impact Assessment. If you have answered No then an IIA does not need to be completed. Please keep a copy of the screening paperwork.
- If you have identified that your project will have a significant environmental impact, please proceed to complete the Integrated Impact Assessment. You will also need to consider whether you need to complete a Strategic Environmental Assessment.
 Please contact
- If you have answered yes to question 4, please seek further advice from the Data Protection Officer.

Section 2: Integrated Impact Assessment

2.1 Have those who are affected by the policy had the opportunity to comment on new proposals?

A range of engagement sessions were conducted from February to August 2022. Over 1,000 people across East Lothian took part in engagement activities including:

- Themed online surveys.
- Equalities workshops with Planning Policy, ELH&SCP teams and third sector staff.
- Third sector providers' workshops.
- Lived Experience workshops.
- Workshops with Community Housing and Homelessness Staff.
- Workshops with the Occupational Therapist and Acute Hospital Team.
- Sheltered Housing Engagement Sessions.
- Engagement sessions in each of the Area Partnerships.

A full breakdown of engagement and response rates which fed into the draft LHS can be found in Supporting Paper 1: Engagement and Consultation.

A 12 week public consultation period was launched after publishing the draft Local Housing Strategy. Further information and details on all consultations can also be found within Supporting Paper 1: Engagement and Consultation.

2.2 What information/data have you used to inform the development of the policy to date?

The evidence is based on secondary and primary data collated during 2022 and 2023, and preliminary reports on data and consultation events were carried out prior to developing the LHS 2024-2029. Evidence within reports and the LHS were informed by a range of data sets:

- ONS
- NRS
- Registers of Scotland
- Scotpho
- Hometrack and Rightmove
- Scottish Government rental data Centre for Housing Market Analysis
- East Lothian Council data records including: council tax, HL1, HL3, Prevent1,
 Licensing data
- CACI paycheck
- Home Analytics
- Commissioned reports i.e. Arneil Johnston, Research into the Private Rented Sector in East Lothian
- Scottish Government policy & legislation
- Scottish Index of Multiple Deprivation (SIMD)
- Scottish House Conditions Survey (SHCS)
- Scottish Housing Quality Standard (SHQS)
- Scottish Housing Regulator
- Census
- South East Scotland Housing Need and Demand Assessment (HNDA3)
- Strategic Housing Investment Plan (SHIP)
- Registered Social Landlord records data
- Service Providers records data
- Energy and Climate Intelligence Unit
- East Lothian Health & Social Care Partnership data
- SEPA data
- Ofgem
- Academic journals and policy reports
- Primary Data gathered via online surveys, focus groups, and participation groups
- 2.3 What does the evidence/ research suggest about the policy's actual or likely impact on equality groups and those vulnerable/ or experiencing socio-economic disadvantage?

Evidence	Comment
Which groups are in in particular need of this service?	Protected and vulnerable groups are likely to be in greater need of housing and housing support services. Most groups covered within the LHS are discussed in section 2.4 of this IIA. The LHS has ambitions to improve access to housing, amenities and services across East Lothian, this will have a positive impact in terms of better access for vulnerable groups.
What level of service uptake/ access is there from protected and vulnerable groups?	The LHS aims to increase housing supply, meeting the needs of the population. This will provide vulnerable individuals with greater access to housing that meets their needs. This will be achieved not only through the provision of new housing but increasing the quality and energy Effiency and accessibility of existing housing.
Can you identify positive outcomes for service users	Attempting to provide equity of choice within the broader housing system across all areas of East Lothian will strengthen opportunities for vulnerable groups to access appropriate housing. Equity of access for those who need it most via an allocations policy which recognises vulnerabilities and inequity will enhance opportunities for vulnerable groups to access housing that meets their needs.
	Safeguarding the Private Rented Sector (PRS) and improving access and standards will have benefits for all. Conditions in the PRS are in some cases worse than other tenures, increasing awareness of the rights tenants have will allow them to recognise the standards required of accommodation within the PRS. Preparing a mixed tenure improvement policy will ensure energy efficiency and modernisation works can go ahead. Continuing to deliver Energy Efficient Scotland's: Area Based Schemes in the private sector will ensure those most vulnerable to fuel poverty have access to improved fabric.
	By identifying the needs of specific vulnerable groups and implementing policies that are designed for them, the LHS will reduce the risk of homelessness for vulnerable groups thereby improving health and other outcomes.

Measures within the LHS relate to improved data collection in future and better recording of vulnerable groups, will allow the Council to more accurately record data in relation to vulnerable groups, enabling targeted support where required. It will also provide a better oversight of uptake and access from protected and vulnerable groups including survivors of domestic abuse, something which is often difficult using current datasets.

The proposed widening of trauma informed training across housing will ensure that vulnerable service users receive an appropriate service that is responsive to their needs and understanding of any barriers they may encounter accessing services.

What is the service user experience of those from protected or vulnerable groups?

Engagement indicated that service users may have more than one vulnerability and that cases are increasingly complex. There was also concern that as the number of people with vulnerabilities grows provision is not increasing at the same rate to meet need. Engagement highlighted a need for specialist support for vulnerable people.

Concern was also raised about housing those with vulnerabilities in communities that leave them vulnerable, highlighting the importance of a robust allocations process. The LHS 2024-29 envisages reviewing the current process.

Service users also mentioned the challenges of navigating different support services and felt that there is a lack of coordination and standardised practice between services. They believed improved coordination could help them receive the support they need and reduce the feeling of being pushed from one service to another.

What opportunity have those from protected groups had to co-produce or comment on the service/ plans?

During the process of writing the LHS focus groups were established. These groups allowed vulnerable people, those who work with them and those who advocate on behalf of them to contribute to the development of the LHS 2024-29.

Widespread engagement also took place with lived experience groups including people from sheltered housing, young people experiencing homelessness and people with dementia. Efforts were made to hold additional workshops with some groups including gypsy/travellers, LGBTQ+, Ethnic Minorities and Travelling Showpeople. These workshops did not take place as we were unable to secure participants and services for these groups tended to be based in Edinburgh making local engagement more difficult. Efforts will continue to be made to reach out to these groups in the future.

Full details of opportunities to influence the LHS can be found in Supporting Paper 1: Engagement and Consultation.

2.4 How does the policy meet the different needs of groups in the community?

Older people, people in the middle years Increasing the supply of affordable housing to meet the needs of all ages within East Lothian will benefit all. It will contribute towards meeting the needs of older people and people in the middle years. The LHS 2024-29 recognises that East Lothian has an aging population. Consequently, older people are one of the main client groups identified in Chapter 5 'Housing & Support' of the LHS 2024-2029. Underpinned by the Older Person's Joint Strategic Needs Assessment (JSNA),	Equality Groups	
the LHS has a range of policies and actions focused on older people within the region. This will be positive for older age groups, while being beneficial to those in their middle years in the future. Improving the quality of housing and enabling independent living within the region will benefit those within these age groups,	Older people, people in	needs of all ages within East Lothian will benefit all. It will contribute towards meeting the needs of older people and people in the middle years. The LHS 2024-29 recognises that East Lothian has an aging population. Consequently, older people are one of the main client groups identified in Chapter 5 'Housing & Support' of the LHS 2024-2029. Underpinned by the Older Person's Joint Strategic Needs Assessment (JSNA), the LHS has a range of policies and actions focused on older people within the region. This will be positive for older age groups, while being beneficial to those in their middle years in the future. Improving the quality of housing and enabling independent living within the

particularly in regards to adaptations and Technology Enabled Care which are integral to the LHS 2024-29. Meeting targets set in the LHS will require joint working with Health & Social Care, RSLs as well as other private and third sector organisations. Children and young Policies in the LHS 2024-29 are underpinned by the JSNA people children with Children's Services, which assesses the needs of children and young people (C&YP). Groups considered were C&YP with: Additional needs LGBTQIA identity Carer responsibilities care experienced disabilities at risk of/or experiencing homelessness A young people's survey open to residents in East Lothian aged 16-30 was also conducted to inform policies. As a result of this engagement the LHS 2024-29 will include policies on: - The provision of housing and housing support tailored to the needs of young people. - Preventative approaches to reduce the risk of youth homelessness. - Ways in which services can improve access and responses for children and young people. The LHS 2024-29 seeks to provide equal opportunities for Women, men and transgender people housing to all across East Lothian. Engagement, (includes issues consultation and research to inform the LHS was not relating to pregnancy specifically gendered. However, it did address issues and and maternity) challenges which unequally affect genders. Consultation workshops were conducted to evaluate the challenges for women subjected to domestic abuse in East Lothian. Workshops highlighted issues including the strong link between homelessness and domestic abuse; prolonged time spent in temporary accommodation; a

lack of housing options; and gaps in understanding of domestic abuse from services. This was further highlighted in an evaluation of the STRENGTH project (Housing First for women subjected to domestic abuse with co-occurring substance misuse and/or mental health issues). The evaluation highlighted the current gaps in housing services and the need for a gendered, trauma-informed approach across all services.

Local data highlights that those serving a prison sentence are most likely male. Consultation workshops, particularly those with the Justice Social Work team, identified the challenges men face when leaving prison, such as an increased risk of homelessness. Consultation identified the need for greater connections between those entering prison and housing/homelessness services.

There is currently a gap in understanding the housing needs for those identifying as transgender in East Lothian. However, looking at national trends, it is felt that there is a need for greater understanding of the needs of transgender people across services.

LHS actions will promote greater housing options, sustainable communities and inclusivity within services to increase equality across all genders. LHS actions will also address issues that unequally affect genders, such as:

- Promoting Housing First as the first response to homelessness for those with complex needs.
- Introducing a trauma and gendered approach across all services, plans and strategies to recognise trauma and actively resist retraumatisation.
- Contribute towards the Equally Safe Strategy and further support initiatives working towards ending violence against women and girls to ensure people feel safe and experience less crime in their communities.

- Implement learning from the Housing First for Women pilot into standard Community Housing & Homelessness policy and procedures.
- Develop and Implement the Sustainable Housing On Release for Everyone (SHORE) protocol.
- Explore avenues for information sharing between Justice Social Work and Community Housing & Homelessness.
- Disabled people (includes physical disability, learning disability, sensory impairment, long-term medical conditions, mental health problems)

Actions in the LHS 2024-29 regarding those with disabilities (including physical disabilities; learning disabilities; sensory impairment; long-term medical conditions; and mental health problems) was informed through primary, secondary data and engagement.

Consultation workshops for the LHS 2024-29 covered a wide range of issues including the need for additional specialist provision housing, delayed discharge and challenges in adapting properties.

These challenges were further referenced within Chapter 10 (Particular Needs) of the Local Housing Systems Analysis. The chapter outlined the imbalance between the demand and availability of specialist properties. It was considered that there was an unequal spread of such properties within the county.

LHS consultations and Chapter 10 of the LHSA also outlined the increase in mental health support needs for homelessness applicants. It was highlighted that a growing number of those presenting as homeless have complex mental health needs, associated with the impacts of the Covid-19 pandemic.

A Wheelchair Needs Assessment and JSNA for Children and Young People also highlighted the need for wheelchair accessible housing across all tenures. Reference was made to the need for larger homes to accommodate children/families.

The LHS will seek to address these issues through actions including:

Minority ethnic people (includes Gypsy/Travellers, migrant workers)	 Delivering 60 units over the lifetime of the LHS for core & cluster housing for EL H&SCP. Delivering 10% of the affordable housing supply target as wheelchair accessible housing. Implement a 5% target for wheelchair / accessible housing in the private sector. In preparation for the LHS 2024-29, efforts were made to reach out to ethnic minorities, including Gypsy Travellers and migrant workers. The LHS acknowledges that these communities are harder to reach and that they can face difficulties when trying to access services. Due to the difficulties experienced consulting with Gypsy/Travellers, we consulted the Scottish Government Gypsy/Traveller
	Team to ensure that we had tried all possible avenues. As a result, a joint meeting was set up with the Scottish Government, COSLA and MECOPP. It was agreed that MECOPP could provide consultation services for a fee to inform the LHS and LDP2. Unfortunately, to date, we have been unable to arrange this due to resource demands on MECOPP. Policies in the LHS 2024-29 consider: • The need to increase outreach to these
	 communities and understand their housing need. Investigate the provision of a permanent Gypsy Traveller Site, stopping places and general needs housing.
Refugees and asylum seekers	The LHS recognises the difficulties refugees and asylum seekers face accessing housing. The LHS includes actions to review different forms of support for these communities. The increase in UK and Scottish Government schemes designed to aid refugees and asylum seekers, requires a strategic approach to be adopted by East Lothian Council.
 People with different religions or beliefs (includes people with no religion or belief) 	No specific work has been carried out in regards to people with different religions or beliefs (including people with no religion or belief). However, the LHS aims to be an inclusive document supportive of all groups and

it is not anticipated there will be any negative impacts upon these groups.

The LHS aims to deliver affordable and good quality housing provision and services across East Lothian which will benefit all residents. Actions within the LHS promote equality of housing opportunity for all including households with protected characteristics.

Improving housing affordability within the region; increasing access to a range of housing options; improving access to specialist housing options and services; and providing targeted information, advice and support to vulnerable households will benefit East Lothian residents including those with different religions or beliefs (including people with no religion or belief). The LHS recognises the upcoming census as a useful tool and it is likely that work will be undertaken to identify any disadvantaged groups when this data is available.

 Lesbian, gay, bisexual and heterosexual people The LHS seeks to provide equal housing opportunity, and promote inclusivity across communities and services, regardless of sexual orientation.

Trends and secondary research, however, indicates that housing challenges still persists for those within the LGBTQIA+ communities, including youth homelessness. This was highlighted through research for the Children and Young People's JSNA and an LHS consultation survey for young people. Responses highlighted that, whilst sexual orientation may not have directly led to homelessness, there were a significant number of young people within specialist homelessness accommodation in East Lothian who identified as LGBTQIA+.

There is a gap in information regarding sexual orientation due to the way data is recorded by services. This limits the extent of knowledge on housing needs and sexual orientation. The LHS will address issues through promoting equality and within specific actions including:

- Utilising census data 2022, when available, to accurately inform and update policy where necessary.
- Provide staff training on LGBTQIA+ to raise awareness and reduce likelihood of discrimination
- Understand the risk of mediation approaches in certain circumstances such as LGBTQIA+ matters and offer alternatives.
- People who are unmarried, married or in a civil partnership

No specific work has been carried out in regards to people who are unmarried, married or in a civil partnership. However, the LHS aims to be an inclusive document, supportive of all groups and it is not anticipated there will be any negative impacts upon these groups.

The LHS 2024-29 aims to deliver affordable and good quality housing provision and services across East Lothian something which will benefit all residents. Actions within the LHS promote equality of housing opportunity for all, including households with protected characteristics.

Improving housing affordability within the region; increasing access to a range of housing options; improving access to specialist housing options and services; and providing targeted information, advice and support to vulnerable households will benefit East Lothian residents, including people who are unmarried, married or in a civil partnership. The LHS recognises the upcoming census as a useful tool and it is likely that work will be undertaken to identify any disadvantaged groups when this data is available.

Those vulnerable to falling into poverty

- Unemployed
- People on benefits
- Lone Parents

The LHS 2024-29 is intended to provide equal opportunities in housing and reduce gaps in inequality for those falling into poverty.

Research to inform the LHS highlighted that those vulnerable to falling into poverty (collectively) are more likely to experience poor housing conditions (including

- Care experienced children and young people
- Carers (including young carers)
- Homeless people
- Those involved in the community justice system
- People with low literacy/numeracy
- Families with 3 or more children
- Those with a child/ children under 1

damp and mould as an effect of fuel poverty), be at a greater risk of homelessness and social isolation, and have fewer available housing options.

The LHS will address these general challenges related to those vulnerable to poverty as a collective group through actions including:

- Maximising opportunities to accelerate affordable housing.
- Continuing to explore and identify innovative financial models with stakeholders to maximise opportunities to deliver more affordable housing.
- Fund the Energy Advice Service to support occupiers to run buildings efficiently and effectively, particularly for those households most at risk of fuel poverty.
- Provide proactive and person-centred housing options and income maximisation advice to PRS tenants considering leaving the tenure as a result of struggles with affordability of rent and energy costs.

Specific actions will also focus on supporting groups vulnerable to poverty with complex housing needs. This includes investigating the use of Housing First, implementing SHORE standards for prison leavers and reviewing the provision of temporary accommodation.

Geographical communities

 Rural/ semi-rural communities The majority of areas in East Lothian, through the 8-fold urban-rural definition, are classed as being accessible rural areas.

As part of the LHS consultation, a targeted survey was produced to highlight the challenges associated with rural housing in East Lothian. Responses to the survey underlined issues including a lack of public transport, access to services/infrastructure and challenges with digital connections. Increasing affordability in rural areas was also highlighted as a key priority for residents, particularly in reference to young people.

Secondary research was conducted to produce the LHSA. Chapter 8 (Climate Change and Fuel Poverty) showed the age and condition of properties in rural areas. This was related to issues in fuel poverty and the presumed future challenges when bringing houses up to minimum energy efficiency standards- as dictated in the Scottish Government's Housing to 2040. Chapter 5 (Housing Supply) also highlighted the challenges around affordability in private rented properties in rural areas.

The LHS will seek to address the issues associated with rural housing through actions including:

- Preparing a Local Investment Framework to inform the delivery of affordable housing across East Lothian, including rural areas.
- Supporting the provision of affordable housing in rural areas and smaller communities using the Rural Housing Fund while ensuring that development enhances the areas without negatively affecting their character.
- Urban Communities

The Connected Communities chapter of the LHS, aims to create resilient communities and homes at the heart of great places.

The LHS recognises that East Lothian contains a variety of town centres with their own characteristics and supports investment in town centres with a commitment to the Town Centre First Principle and support for more town centre living, where appropriate. There is recognition of the difficulty of balancing the historic nature of many town centres with the need to modernise.

The LHS aims to explore opportunities to fund town centre projects that enhance the local community.

The LHS 2024-29 supports schemes such as the recently launched CARS (Conservation Area Regeneration Scheme) in Dunbar and views housing as an essential consideration in the regeneration of town centres. The LHS supports community led regeneration, including bringing empty properties back into use, to improve town centres. While analysing rural data use of the Scottish Government's urban rural classifications urban

	areas are also analysed and any gaps in urban provision identified.
Coastal communities	Coastal communities are an integral part of East Lothian, providing recreational opportunities and supporting the tourism economy. The LHS recognises that coastal communities can be more prone to natural disasters, such as flooding, and that they can face housing challenges such as a high proportion of short term lets and second homes which puts pressures on the housing supply in those communities. Actions in the LHS 2024-29 seeks to: • Identify East Lothian's residents most vulnerable to climate related disasters. • Investigate need for short term let control areas. • Review the use of council tax income from vacant and second homes to reinvest in affordable housing
Those living in the most deprived communities (bottom 20% SIMD areas)	The LHS aims to promote increased affordable housing options and support those most vulnerable in East Lothian, including those within the most deprived communities, through services. SIMD data is also used to inform the delivery of Energy Efficient Scotland: Area Based Scheme, to provide grants to properties in the private sector in fuel poverty. Actions within the LHS 2024-29 are also targeted at improving knowledge on the extent of deprivation across East Lothian's locality. This is reflected in actions including: • Developing a Local Investment Framework to improve knowledge & understanding of local areas. This information will be used to ensure a balance of affordable tenures / house types is delivered on all new proposed developments. • Utilising census data 2022, when available, to accurately inform and update policy where necessary.

Communication Needs:

- Gaelic Language
 Speakers
- BSL users
- English as a Second Language
- Other e.g. DeafBlind,
 Plain English, Large
 Print

No specific work has been carried out in regards to people with communication needs. However, the LHS 2024-29 aims to be an inclusive document, supportive of all groups and it is not anticipated there will be any negative impacts upon these groups.

Reference to Sensory Impairments is made within Chapter 5 (Housing & Support), with an action to increase knowledge of the effects of sensory impairment on housing and related services.

The LHS aims to deliver affordable and good quality housing provision and services across East Lothian something which will benefit all residents.

Actions within the LHS promote equality of housing opportunity for all including households with protected characteristics. Improving housing affordability within the region; increasing access to a range of housing options; improving access to specialist housing options and services; and providing targeted information, advice and support to vulnerable households will benefit East Lothian residents including those with communication needs.

The LHS recognises the upcoming census as a useful tool and it is likely that work will be undertaken to identify any disadvantaged groups when this data is available

2.5 Are there any other factors which will affect the way this policy impacts on the community or staff groups?

A range of factors will affect the way the LHS impacts on the residents of East Lothian, of paramount importance to carry out the actions effectively is access to adequate finance.

- At the time of writing (April 2023), economic uncertainty continues, with high rates of inflation.
- East Lothian Council and East Lothian Health & Social Care Partnership are also expected to make significant savings within their budgets.

- The Scottish Government has reduced the Affordable Housing Supply Programme budget by 4.6%.
- 2.6 Is any part of this policy/ service to be carried out wholly or partly by contractors? If yes, how have you included equality and human rights considerations into the contract?

All procurement policy will be guided by corporate procurement procedures and by the Corporate Procurement Strategy.

2.7 Have you considered how you will communicate information about this policy or policy change to those affected e.g. to those with hearing loss, speech impairment or English as a second language?

The Local Housing Strategy will be made available on the Council's online website. An easy read version will also be made available. The 'Accessibility Checker' on Word was used to highlight and solve most accessibility issues within the document, to the best of the team's ability. The website offers accessibility options through the Recite Me translation service allowing people to translate, change contrast and colours and read the website aloud.

Images, charts and tables within the LHS will be provided with Alt Text to increase accessibility of the documents.

The council offers a Translation and Interpretation Service and will respond to requests for the plan to be available in the requested language including BSL. Services arranged include:

- Interpretation in a wide range of world languages;
- Phone interpretation;
- Translation;
- BSL signing;
- Lip-speaking;
- Note-taking;
- Braille;

The service is provided by accredited interpreters and translators. All frontline staff are provided with language charts, which help clients with no English to identify their own language, so that interpretation support can be arranged. Service requests can be also made by emailing translation@eastlothian.gov.uk.

The implementation of individual actions further down the line will be communicated accordingly taking into account the demographics that will be impacted by each individual action.

2.8 Please consider how your policy will impact on each of the following?

Equality and Human rights

- Promotes / advances equality of opportunity e.g. improves access to and quality of services
- Promotes good relations within and between people with protected characteristics and tackles harassment
- Promotes participation, is inclusive and gives people control over decisions which affect them
- Preserves dignity and self-respect of individuals (does not lead to degrading treatment or stigma)
- Builds support networks, resilience, community capacity

Comments:

 Promotes / advances equality of opportunity e.g. improves access to and quality of services

As outlined in section 2.4 above, many of the policies within the LHS focus on improving access to housing services and review policies and procedures for amongst other groups: older people, LGBTQIA+, and ethnic minorities. Therefore it is considered that the LHS will have a positive impact on equality of opportunity.

 Promotes good relations within and between people with protected characteristics and tackles harassment

The LHS does not directly promote good relations within and between people with protected characteristics. LHS actions do seek to reduce existing inequalities which may contribute towards challenging relations and harassment. Therefore, a reduction in inequalities may lead towards better relations and a reduction in harassment as a result. The Connected Communities chapter promotes inclusive and resilient communities that are diverse and accepting. It also includes an action to update the Anti-Social Behaviour Strategy which will impact directly on a reduction of harassment.

• Promotes participation, is inclusive and gives people control over decisions which affect them.

The LHS promotes and welcomes public participation. The preparation of the LHS involved a variety of participation sessions as discussed within section 2.1. Furthermore, a 12 week public consultation period was launched after publishing the draft Local Housing Strategy. Some of the policies promote further public participation and possibilities for further engagement on different actions will be given due consideration.

 Preserves dignity and self-respect of individuals (does not lead to degrading treatment or stigma)

One of the LHS actions is to continue the use of Local Lettings Plans to reduce levels of antisocial behaviour and reduce the negative reputation of certain areas. Other policies focus on awareness training for staff on LGBTQIA+, gender based violence and becoming trauma informed to ensure that people with different characteristics are offered a service which is not discriminatory and ensures their needs are considered appropriately.

Builds support networks, resilience, community capacity

Some LHS actions focus on community engagement and improved partnership working between services and third party organisations. LHS actions cover topics such as having an infrastructure first approach across rural communities; improved digital connectivity; reduced social isolation in collaboration with local communities; and supporting community led regeneration. The outcome of these actions is to increase resilience and community capacity.

Reduces Poverty

- Maximises income and/or reduces income inequality
- Helps young people into positive destinations
- Aids those returning to and those progressing within the labour market
- Improves employability skills, including literacy and numeracy
- Reduces the costs of taking part in activities and opportunities
- Reduces the cost of living

The LHS supports utilising income maximisation support that is available as a tool to help those experiencing fuel poverty.

The LHS aims to reduce poverty levels and in particular tackle fuel poverty, lowering fuel bills should in theory mean residents are spending a lower proportion of their income on energy and thus reduce poverty.

The LHS aims to help young people into positive destinations by actively supporting children and young people. A number of actions within the LHS are centred on children and young people and, if implemented, will have a positive effect on this demographic.

Through the provision of more affordable housing across East Lothian, the LHS will contribute to the ability of those returning to work and those progressing within the labour market to find suitable accommodation that meets their needs.

The LHS will enhance employability skills, including literacy and numeracy in a broad sense by promoting the growth of the green economy and construction industry, this should result in more skilled employment as well as training opportunities.

By providing affordable housing and promoting 20 minute neighbourhoods the LHS envisages less reliance on cars and more local amenities thus reducing the costs incurred in taking part in activities and opportunities. The LHS actively seeks to reduce the cost of living by providing affordable housing throughout the region as well as tackling fuel poverty within East Lothian.

Protecting the Environment and Improving Sustainability:

- Reduces the need to travel or increases access to sustainable forms of transport
- Minimises waste / encourages resource efficiency / contributes to the circular economy
- Ensures goods / services are from ethical, responsible and sustainable sources
- Improves energy efficiency / uses low carbon energy sources
- Protects and/or enhances natural environments / habitats / biodiversity
- Promotes the transition to a low carbon economy
- Prepares and/or adapts communities for climate change impacts

Comments:

Promotion of 20 minute neighbourhoods should reduce the need to travel, with services provided locally and encourage the use of more sustainable forms of transport.

The LHS encourages resource efficiency and contributes to the circular economy.

The LHS does not directly seek to ensure that goods and services are from ethical, responsible and sustainable sources as this responsibility sits with Procurement.

Through the LHS actions, improvements to energy efficiency are actively encouraged including promotion of low carbon energy sources to heat homes within the region and taking a fabric first approach to energy efficiency meaning residents will not need to use as much energy to stay warm.

The LHS will attempt to protects and/or enhance natural environments / habitats / biodiversity by promoting sustainable housing developments on brownfield sites and the reintegration of empty homes into the housing ecosystem where possible, ensuring that new housing stock is not solely focussed on green field sites.

Promotion of the transition to a low carbon economy through the LHS is supported through the promotion of 20 minute neighbourhoods and exploring low carbon and renewable forms of energy for households within the region.

Preparing and adapting communities for the impacts of climate change is a key challenge within the LHS, the strategy looks at flood defence systems as well as noting areas at risk from flooding in order to make informed choices about where housing should be provided within the region. In addition the strategy and research have also investigated the future challenges that will be brought by warmer summers and wetter weather and how we can adapt our housing to this change.

Section 3.Action Plan

What, if any changes will be made to the proposal/policy as a result of the assessment?

Changes to be	Expected outcome of the	Resources	Timeline	Responsible
made	change	Required		person
Ensure that LHS	Improved understanding of	1x Strategy	Lifetime of	Rebecca
updates utilise census data	vulnerable and minority groups within the region	Officers to update	this LHS	Pringle
census data	groups within the region	relevant data		
Continue to make	Improved communication	3x Strategy	Lifetime of	Rebecca
efforts to reach	and better understanding	Officers	this LHS	Pringle
out to those who	allowing for more informed			
are less likely to	policy making decisions.			
engage in formal				

consultation	1x Team	
processes	Manager	
communities		
within the region		
over the lifetime		
of the LHS.		

For consideration of the Head of Service

Can you identify any cumulative impacts on equality groups or vulnerable people arising from this policy, when considered alongside other changes across other services?

Sign off by Head of Service

Name

Date

Engagement and Consultation Plan

Introduction

East Lothian Council is committed to ensuring that key stakeholders and the local community have a role in developing the Local Housing Strategy (LHS) 2024-2029. Only through genuine engagement can a strategy be developed which reflects local needs and aspirations.

There is a unique opportunity to engage with key stakeholders and the local community in true partnership working, with the Local Development Plan and Health & Social Care Partnership strategic plans also due. Every effort will be taken to ensure a joined-up approach.

This report supports the development of the LHS, and aims to summarise the partnership working, consultation and engagement which will take place during 2022 and 2023, prior to publication. This is a live document which will be updated as the consultation and engagement process progresses.

Background

The Housing (Scotland) 2001 Act requires that local authorities consult on their LHS, and the statutory Equality Duty on public bodies requires the involvement, consultation and engagement of as wide a range of local residents and tenants and communities of interest as possible.

The Scottish Government's Local Housing Strategy Guidance (2019) states that engagement must be underpinned by a Human Rights Based Approach which is aligned with the Community Empowerment Act (2015) and locality planning.

When preparing the Consultation and Engagement Plan, LHS Guidance (2019) guidance states that we must be mindful that:

- Engagement and consultation is undertaken early on in the LHS development process;
- A range of media and advertising is used to ensure as wide an audience as possible within local communities and from relevant representative groups including people with or who shared protected characteristics;
- In an effort to end inequality, that the make-up of the local population is accurately reflected;
- Less traditional forms of engagement methods are undertaken to ensure all those willing or able to engage have the opportunity to do so.

National Standards for Community Engagement

The National Standards for Community Engagement are good practise principles designed to improve and guide the process of community engagement. Originally launched in 2005, the National Standards were reviewed and updated in 2015/16, they set out the definitions of community engagement:

Community engagement is supported by the key principles of fairness and equality, and a commitment to learning and continuous improvement. High quality engagement is:

- Effective in meeting the needs and expectations of the people involved;
- Efficient by being well informed and properly planned; and
- Fair by giving people who may face additional barriers to getting involved an equal opportunity to participate.

Community engagement is a process which provides the foundation for:

- Shared decision making where communities influence the options and decisions that are taken;
- Shared action where communities contribute to any action taken as a result of the engagement process; and
- Support for community-led action- where communities are best placed to deal with the issues they experience and are supported to take the lead in providing a response.

East Lothian Engagement Plan

Surveys

From 7th February 2022, the Housing Strategy (HS) Team will publish a themed survey every second month, with the exception of an additional survey during May 2022 on Health, Housing and Place in partnership with H&SCP and Planning. These will be advertised via the Consultation HUB and advertised through social media channels. Each survey will be supported by an amination which explains the content of the survey.

Table x: Surveys Published			
Month	Theme	Response	
February	Initial Engagement	215	
April	Health, Housing and Place	80	
May	Rural Housing	228	
July	Older People	94	
August	Young People	80	

Equalities Workshops

During April and June, Housing Strategy, Planning Policy and ELH&SCP teams will hold joint workshops for ELC, H&SCP and third sector staff. The theme of each workshop are set out below and centre on equalities groups.

The workshops will be advertised to named contacts within each organisation as well as via Volunteer Centre East Lothian.

Table x: Equalities Workshops		
Date	Theme	Number of Participants
06.04.22	Children & Young People	8
08.04.22	Ethnic Minorities (including Gypsy/Travellers), asylum seekers & refugees	3
11.04.22	Learning Disabilities & Autism	6

19.04.22	Older People	6
20.04.22	Dementia	5
21.04.22	Homelessness	7
25.04.22	Substance Misuse	3
27.04.22	Mental Health	5
30.05.22	Gender Based Violence	11
09.06.22	Veterans	11
14.08.22	People involved in the Justice System	15

Service Providers Workshops

Table x: Service Provider Workshops			
Service	Description	Number of Staff Participants	
Action for Children	Supported temporary accommodation for young people aged 16-25.	10	
Blue Triangle	Supported temporary accommodation for young people aged 16-25 and adults.	4	
Sight Scotland	Sight Scotland is a charity that supports & cares for blind people of all ages.	1	
Stepping Out	Stepping out is a mental health project and small charity based in East Lothian.	2	
Starfish Cafe	Starfish Café is run one day a week at Hope Church in Musselburgh by volunteers in recovery from drugs and alcohol	2	
Carers of East Lothian	Carers of East Lothian support carers by providing a range of advice and support to aid the individual in their caring role, enhance their own wellbeing and strengthen their collective voice to improve services.	8	
East Lothian Health and Social Care Partnership	OT & Acute Hospital Team	22	

Lived Experience

During March and April 2022, the HSO Team will engage individually with third sector organisations to establish the best way to consult with individuals they support and/or provide a service to. The impact of Covid-19 presents us with unique challenges when consulting and engaging. While all engagement with ELC/H&SCP staff will take place virtually, to ensure we are taking and equalities focused approach, we will be adaptable to the needs of the different client groups while taking the necessary precautions. This might mean small focus groups held in third sector buildings, or 1:1 interviews on the phone or in person, or more innovative ideas such as walking consultations. Where possible, we will work alongside our colleagues in H&SCP to jointly consult with lived experience groups.

Table x: Lived Experience Workshops		
Date	Event & short description	Number of Participants
10.05.22	New Horizons – current tenants	4
11.05.22	WAEAML- Women's Aid East and Mid Lothian	6
17.05.22	New Horizons – ex-tenants	3
24.05.22	Stepping Out – Musselburgh	7
22.06.22	Stepping Out – North Berwick	13
7.04.22	Veterans Breakfast	24
15.06.22	Blue Triangle – young people	4
27.05.22	ESOL- English for speakers of other language	4
13.07.22	ESOL- English for speakers of other language	6
2.08.22-9.09-22	4 x sessions Sheltered Housing Complexes	42

Public Engagement

Alongside Comms we will investigate how we can use the website, YouTube videos with voice overs and animations to share information about the LHS. This could then be followed up with 'doors open' online events for members of the public.

We will work with colleagues in H&SCP to produce DIY Engagement Packs to be sent out to Community Councils, Local Area Partnerships, Health and Wellbeing sub-groups, patient participation groups, third sector partners and H&SCP providers. This includes a video explaining the purpose of the three strategic plans, a recording sheet to record participants, and facilitator notes to provide guidance on questions and how to facilitate a workshop. This format has been tested by H&SCP with positive results.

Community Housing & Homelessness

In April, we'll hold a workshop with Community Housing Service Development Team on LHS development and priority outcomes.

During May the HSO team will attend the team briefs of each Community Housing Team to present on 'What is the LHS? Why is it important and how can we feed into it?' This will then be followed up by two 2 hour workshops later that month (combining 2 teams for each), for Community Housing Officers to identify priorities and share their ideas.

An initial engagement presentation was delivered to the ELTRP Exec Panel in April 2022 and discussions are currently taking place as to further engagement, with the possibility of an ELTRP conference in June with the theme of the LHS.

Table x: Community Housing & Homelessness Engagement Sessions		
Date	Team and Engagement Type	
21.04.22	Service Development Team	
4.05.22	Prestonpans Team - Briefing	
5.05.22	Sheltered Housing Team - Briefing	
11.05.22	Musselburgh Team -Briefing	

12.05.22	Sheltered Housing Team - Workshop
18.05.22	Prestonpans & Musselburgh - Workshop
18.05.22	Haddington Team - Briefing
25.05.22	Tranent Team - Briefing
1.06.22	Haddington & Tranent Team - Workshops
22.06.22	Housing Options Team (Response) Workshop
27.06.22	Tenancy Support Workshop
20.07.22	Housing Options Team (Accommodation) Workshop
28.07.22	Housing Options Team (Prevention) Workshop

Area Partnership Engagement

To ensure consultation and engagement is specific to each area in East Lothian, each member of the Housing Strategy Team will be taking responsibility for engaging with specific area partnerships. The aim is that these relationships will continue after the LHS has been developed and ensure close working relationships with the Connected Communities Team.

Dunbar & East Linton Area Partnership Engagement		
Date	Event	Number of Participants
05/09/2022	Meeting with Area Partnership	2

Fa'side Area Partnership Engagement		
Date	Event	Number of Participants
October 2022	LHS Engagement with Area Partnership	Cancelled due to lack of
		participants

Haddington & Lammermuir Area Partnership Engagement		
Date	Event & short description of input	Number of Participants
13.06.22	Gifford Community Council	10
16.06.22	Haddington Area Partnership	10
23.06.22	S1-6 Youth Club	9
24.06.22	P4-7 After School Club	12

Musselburgh Area Partnership Engagement						
Date	e Event Number of Participant					
24/06/22	Dementia Friendly Musselburgh	22				

North Berwick Coastal Area Partnership Engagement					
Date	Event	Number of Participants			
31/08/2022	Area Partnership Meeting	20			
06/09/22	North Berwick Children and Young People	6			
	Network				

Preston Seton Gosford

Date	Event	Number of Participants
02.06.22	S1-4 Youth Club Prestonpans	Shadowing, no
		participation. Youth workers
		did give some backgrounds
		on the young people but the
		YP did not want to chat
08.06.22	PSG Area Partnership meeting	18
14.06.22	Longniddry Social Drop in	4
14.07.22	Lunch with the Bunch by Pennypit at the	10
	Legions	
04.07.22	Walking Football Port Seton	5

TO BE UPDATED ONCE CONSULTATION IS COMPLETE.

Child Rights and Wellbeing Screening Sheet for East Lothian Local Housing Strategy 2024-2029

1. Brief Summary

Name the policy, and describe its overall aims. Which National Outcomes does this policy/measure contribute to?

The Housing (Scotland) Act 2001 requires local authorities to prepare a Local Housing Strategy (LHS) for their area, supported by an assessment of housing need and demand. The Local Housing Strategy is the sole strategic document for housing, outlining the key issues and challenges within a changing demographic and economic context. It sets out a strategic vision for housing; priority outcomes and an action plan for the delivery of housing and related services across the county.

The policies and actions of the LHS will be in line with Scottish Government's Housing to 2040 Strategy (H2040) which aspires for everyone to have a safe, high quality home that is affordable and meets their needs in the place they want to be.

H2040 outlines that high quality affordable homes can have particular benefits for Children and Young People. Good homes and neighbourhoods contribute towards children's wellbeing and happiness.

The LHS will contribute towards all national outcomes indirectly and will have a direct impact on outcomes:

- Children and Young People
- Economy
- Communities
- Health
- Poverty
- Environment
- Human Rights

2. What aspects of the policy/measure will affect children and young people up to the age of 18?

The Articles of the UNCRC and the child wellbeing indicators under the Children and Young People (Scotland) Act 2014 apply to all children and young people up to the age of 18, including non-citizen and undocumented children and young people.

Most policies and measures mentioned within the Local Housing Strategy will affect children and young people up to the age of 18. The LHS seeks to increase housing supply; reduce homelessness and fuel poverty; and improve the quality of housing.

3. What likely impact – direct or indirect – will the policy/measure have on children and young people?

'Direct' impact refers to policies/measures where children and young people are directly affected by the proposed changes, e.g. in early years, education, child protection or looked after children (children in care).

'Indirect' impact refers to policies/measures that are not directly aimed at children but will have an impact on them. Examples include: welfare reforms, parental leave, housing supply, or local transport schemes.

Some policies and actions within the Local Housing Strategies will have direct impacts for C&YP. Those actions are concerned with children as identified in question 4 below, for example looked after children, young carers and children with disabilities. Those actions specifically attend to improving housing and housing support for those children identified.

Other indirect impacts on children will be general measures of increasing the housing supply which may contribute to a reduction in overcrowding in larger families for example. Tackling fuel poverty and improving the housing quality of all tenure housing stock will ensure that children live in warm, dry and mould free homes.

4. Which groups of children and young people will be affected?

Under the UNCRC, 'children' can refer to: individual children, groups of children, or children in general. Some groups of children will relate to the groups with protected characteristics under the Equality Act 2010: disability, race, religion or belief, sex, sexual orientation. 'Groups' can also refer to children by age band or setting, or those who are eligible for special protection or assistance: e.g. preschool children, children in hospital, children in rural areas, looked after children, young people who offend, victims of abuse or exploitation, child migrants, or children living in poverty.

The Local Housing Strategy is concerned with all C&YP. As part of a more in depth Children and Young Persons Needs Assessment to inform the LHS, children with the following characteristics were taken into consideration:

- Children & Young People in Poverty
- Children & Young People who are Ethnic Minorities
- · Children identifying as LGBTQIA+
- Children with Additional/Exceptional Support Needs
- Young Carers
- Care Experienced Young People
- Children and Young People experiencing or at risk of homelessness
- Children and Young People with disabilities including Children and Young People with residential respite needs
- Unaccompanied Asylum Seeking Children & Young People
- Gypsy/Traveller Children/Young People

All children have been considered as part of this LHS and general policies and actions such as increasing the housing supply and improving the quality of homes will have an impact on C&YP across the East Lothian. Other measures such as working towards ending violence against women or improving housing for Gypsy/Travellers will also have an indirect impact on C&YP who are affected by such violence or who are part of a Gypsy/Traveller community.

5. Is a Children's Rights and Wellbeing Impact Assessment required?

Please state if a CRWIA will be carried out or not. Please explain your reasons.

The Local Housing Strategy 2023-2028 will have direct implications on how Children and Young People will access housing services and support. Scottish Government guidance suggest to consider the following when assessing the significance of the policy and the need for a CRIWA:

- The vulnerability of the groups affected by the policy/measure;
 - All children living in East Lothian are affected by the LHS. Children particularly affected which we identified in Question 4 are considered as very vulnerable.

- The numbers of children and young people affected by the policy/measure;
 - 22,189 or 20.3% of East Lothian's population are children. 19.3% of households presenting as homeless included children (2015). 35% of homelessness application are by young people aged 16-25. 3,850 children were referred to Children's Services for support in 2021/22. 16.2% of children in East Lothian live in low income households.
- The consequences of the policy/measure for those who work with these children;
 - The LHS seeks more coordinated and improved collaboration between services and improved data gathering on the needs of children.
- Whether a high level of resources will be committed to the policy/measure;
 - LHS policies are designed to be carried out within the allocated budget of East Lothian Council and additional resources and funding opportunities are explored regularly.
- How high profile the policy/measure is;
 - The LHS is a relatively local policy document and will impact other policies and plans within East Lothian Council and upon residents of East Lothian.
- Whether this is a major new direction for policy;
 - Some of the actions and policies within the LHS reflect improvements on existing policies.
 - Some actions have been redefined to reflect policies and legislation changes within the Scottish Government and will have more significant implications.
- Whether the policy/measure will be subject to consultation;
 - Consultations on the LHS were carried out throughout 2022 and a final and formal consultation period of 12 weeks was initiated in accordance with Scottish Legislation after the publishing of the draft LHS.
- Whether the policy/measure is in legislation;
 - The Housing (Scotland) Act 2001 requires local authorities to prepare a Local Housing Strategy (LHS) for their area.
- Whether there is a lack of evidence on the way in which the policy/measure affects or could affect children and young people, including evidence from children themselves.
 - As much evidence as possible was gathered to understand the effects of the LHS on children and young people. However data limitations and difficulties to reach out to children of certain demographics is leading to incomplete evidence.
- Whether it is difficult to anticipate what the impact will be on children and young people.
 - Evidence gathered for the preparation of the LHS anticipates some of the impacts the proposed policies will have on children and young people. However annual monitoring of the proposed actions will be required to further evidence any impact.

Based on the evidence above it is considered that the LHS will have a significant impact on East Lothian overall, including Children and Young people. Therefore a CRWIA is required.

6. Sign & Date

This Screening Sheet was completed by Anne Krippler, Housing Strategy Officer, East Lothian Council.

Policy Lead Signature & Date of Sign Off: Rebecca Pringle, Housing Strategy Team Manager, East Lothian Council. 14/04/2023

Deputy Director Signature & Date of Sign Off:

Once signed off, please send to CRWIA@gov.scot and publish on gov.scot website.

Child Rights and Wellbeing Impact Assessment (CRWIA) for Local Housing Strategy 2024-2029

Contents

Introduction	8
Which articles of the UNCRC does this policy/measure impact on?	8
2. What impact will your policy/measure have on children's rights?	9
3. Will there be different impacts on different groups of children and young people?	10
4. If a negative impact is assessed for any area of rights or any group of children and youn people, can you explain why this is necessary and proportionate? What options have you considered to modify the proposal, or mitigate the impact?	
5. How will the policy/measure give better or further effect to the implementation of the UNCRC in Scotland?	12
6. How have you consulted with relevant stakeholders, including involving children and young people in the development of the policy/measure?	13
7. What evidence have you used to inform your assessment?	13
8. How will the impact of the policy/measure be monitored?	14
9. How will you communicate to children and young people the impact of the policy/measurent their rights?	
10. Sign & Date	16
Annex 1 – UNCRC Article Clusters	18
Annex 2 – General Comments	20

Introduction

As set out in Part 1 of the Children and Young People (Scotland) Act 2014, Scottish Ministers must keep under consideration whether there are any steps which they could take which would or might secure better or further effect in Scotland of the UNCRC requirements, and if they consider it appropriate to do so, take any of the steps identified by that consideration. Undertaking a CRWIA helps Ministers to fulfil this duty.

There are two key considerations when undertaking a CRWIA:

Participation: The United Nations Convention on the Right of the Child (UNCRC) sets out that children have the right to participate in decisions which affect them. When assessing the impacts of the policy/measure, it is recommended to consult with children and young people. You can do this directly, through organisations that represent children and young people or through using existing evidence on the views and experiences of children where relevant. Participation of children and young people should be meaningful and accessible.

Evidence: You are recommended to gather evidence when assessing the impact of the policy/measure on children's rights and also for measuring and evaluating the policy/measure. If you identify any gaps in the evidence base, you can discuss how you will address these with analytical colleagues.

1. Which articles of the UNCRC does this policy/measure impact on?

List all relevant Articles of the UNCRC and Optional Protocols. While all articles of the UNCRC are given equal weight and are seen as complementing each other, the four general principles of the UNCRC (non-discrimination; the best interests of the child; the right to life, survival and development; and the child's right to have their views given due weight) underpin all other rights in the Convention, and should always be considered in your assessment. Please refer to Annex 1 for UNCRC Article set out in Clusters and Annex 2 for General Comments on the Articles.

The Local Housing Strategy 2024-2029 recognises all four of the general principles which underpins the United Nations Convention on the Rights of the Child (UNCRC): non-discrimination; the best interests of the child; the right to life, survival and development; and the child's right to have their views given due weight

The Local Housing Strategy 2024-2029 is relevant to the following Articles:

- Article 2 non-discrimination The LHS does not discriminate based on background and circumstance. It aims to supply housing, and provide housing support for everyone.
- Article 3(1) best interest to be a primary consideration The LHS takes
 into consideration the interest of the child across all identified themes; housing
 supply, housing access, housing quality and energy efficiency
- Article 3(2) State's obligations to ensure necessary care and protection

 The LHS includes policies to ensure that measures around caring and protecting children regarding housing provision are improved for example through collaboration with Children's Services.

- Article 3(3) standards for institutions services and facilities The LHS
 has been developed in line with Scottish and UK Government legislation and
 policies.
- Article 6 the right to life, survival and development The LHS recognises
 everyone's right to life and policies have been written to maximise every
 child's survival through the provision of high quality housing and housing
 support.
- Article 12 respect for the views of the child During the preparation of the LHS, consultations with children were carried out as much as feasible. Due to resource constraints consultations were mainly carried out with services and organisations who support children and have their best interest in mind. The draft LHS was published for a final 12 week consultation and everyone, including children, had the right to submit their views on the LHS.
- Article 20 children deprived of their family environment The LHS supports the provision of a range of housing options for children looked after and accommodated by East Lothian Council and promoted collaboration with Children's Services to improve support to those children.
- Article 22 refugee children The LHS includes action points to review the
 different forms of support given to Asylum Seekers, Refugees and individuals
 with NRPF under various schemes to establish best practice.
- Article 23 rights of disabled children The LHS sets out the delivery of accessible housing and improvements around the adaptation of existing housing to ensure children with disabilities have access to homes that meet their needs. It also seeks to provide support such as residential respite.
- Article 24 right to health and health services The LHS recognises the
 important contribution housing makes towards mental and physical health.
 Policies within the LHS cover the provision of specialist housing for people
 with health and social care requirements, collaboration with the Health and
 Social Care Partnership; and the provision of adaptations within existing
 homes to allow children to remain within their family home.
- Article 26 right to social security The LHS works within the legislative framework of the UK and Scottish Government to support children and their families to access housing and housing benefits. It also outlines how collaboration with other services supports access to other welfare benefits and support.
- Article 27(1)-(3) right to adequate standard of living The LHS focuses on the provision of housing and related support for tenancy sustainment as it believes that housing is one of the main contributors towards an adequate standard of living. Furthermore it ensure that alongside Children's Services, looked after and accommodated children have access to housing in line with Scotland's The Promise policies.

2. What impact will your policy/measure have on children's rights?

The Local Housing Strategy has been prepared by the Housing Strategy Team of East Lothian Council, who, like other public bodies need to comply with the UK Government's Equality Act 2010. The UNCRC underpins the Equality Act 2010. An Integrated Impact Assessment has been carried out alongside this CRWIA and further outlines how the LHS has been prepared and aligns with the Equality Act.

The priorities and actions within the LHS have the potential to contribute positively to children's rights by:

- Delivering affordable homes (Article 26, 6, 2, 3)
- Improving housing quality and efficiency across all tenures (Article 27, 6, 3)
- Working with the Climate Change Officer to establish a disaster plan to ensure residents know what to have in place for protection (Article 6, 3)
- Reducing the likelihood of discrimination through providing inclusive services (Article 23, 22, 6, 2, 3)
- Improving engagement with children including: ethnic minorities, LGBTQIA+ children with disabilities, children experiencing homelessness, young carers (Article 23, 22, 12, 2, 3)
- Working towards ending gender based violence (Article 20, 6, 2, 3)
- Delivering wheelchair accessible homes (Article 27, 24, 23, 6, 3)
- Investigating the need for additional respite (Article 27, 24, 23, 3)
- Improve housing adaptations service and promoting technology enable care (Article 27, 24, 23, 6, 3)
- Providing core and cluster housing for mental health, LD, autism, and physical disabilities (Article 27, 24, 23, 6, 3)
- Providing residential care for looked after children (Article 27, 22, 20, 6, 3)
- Implement the Independent Care Review recommendations (Article 22, 20, 12, 6, 3)
- Reviewing housing protocols for young people (Article 26, 22, 20, 6, 3)
- Promoting early prevention and intervention to reduce risk of homelessness (Article 26, 20, 6, 3)
- Improving access to housing support and tenancy sustainment for children and young people with a youth work led approach (Article 27, 26, 24, 22, 20, 6, 3)

Through the annual monitoring of the LHS, its impact is assessed to allow for any changes should policies have a negative impact on the rights of the child.

3. Will there be different impacts on different groups of children and young people?

Which groups of children will be affected by the policy/measure? Are there competing interests between different groups of children and young people, or between children and young people and other groups?

The Local Housing Strategy is concerned with all C&YP. General policies and actions such as increasing the housing supply and improving the quality of homes will have an impact on all C&YP across East Lothian. Some measures indirectly concern children such as working towards ending violence against women or improving housing for Gypsy/Travellers. Some LHS policies and actions are directed towards particular groups of children:

- Children & Young People in Poverty
- Children & Young People who are Ethnic Minorities
- Children identifying as LGBTQIA+
- Children with Additional/Exceptional Support Needs

- Young Carers
- Care Experienced Young People
- Children and Young People experiencing or at risk of homelessness
- Children and Young People with disabilities including Children and Young People with residential respite needs
- Unaccompanied Asylum Seeking Children & Young People
- Gypsy/Traveller Children/Young People

Unfortunately, based on a limited housing supply not all C&YP will have equal opportunity to access housing. Housing Services which exercise most actions of the Local Housing Strategy have to work under a set budget allocated by elected members. The total council budget is mainly defined by Scottish Government funding, service income and council tax income. Additional grants are applied for where possible. However due to these budget limitations, certain thresholds of need and vulnerability need to be met for children and families with children to receive support and be able to benefit from some of the actions set out within the Local Housing Strategy. For example, to receive additional help from the children's disabilities service, a child needs to be assessed for being complex disabled and a household found intentionally homeless does not receive housing priority.

There is also conflict between the allocation of housing for C&YP and other vulnerable groups for example elderly people, adults with disabilities and women subjected to domestic abuse. During the engagement process for example, concerns were raised around Rehousing Panel cases which review a disproportionately high number of care experienced young people moving into their first home. It was argued that this puts other vulnerable groups at risk. Competing interests are further discussed in question 4.

4. If a negative impact is assessed for any area of rights or any group of children and young people, can you explain why this is necessary and proportionate? What options have you considered to modify the proposal, or mitigate the impact? If options to modify the policy/measure are included here, include associated resource implications where relevant.

It needs to be acknowledged that the housing supply in East Lothian is limited and that the need and demand for appropriate housing within the county outstrips supply. The provision of housing for different groups of children and young people is in practice very challenging. Based on the limited housing supply not all children will have equal opportunity to access housing. In accordance with Article 20 of UNCRC, East Lothian Council has additional duties to look after care-experienced children. This results in national policies and also local policies giving higher priority to care-experienced young people when it comes to providing care and support such as housing. This may put C&YP experiencing homelessness but not assessed as care-experienced at a disadvantage.

Likewise Article 23 of the UNCRC underlines the rights of children with disabilities. Unfortunately, the provision of accessible housing which meets the needs of a child with disabilities is more challenging. The limited supply of mainstream housing

outweighs accessible housing and children with disabilities are more likely to wait longer for adequate housing than children who do not have disabilities. However, the council's accessible housing targets are updated regularly, and improving housing adaptation support as well as promoting the construction of accessible homes across all tenures are policies within the Local Housing Strategy.

Scottish Government policies also have a direct impact on the rights of children and young people. For example, for children and young people who require adaptations in their own home, funding includes access to the home, and the C/YP bedroom. It does not include their siblings or parents bedrooms, all areas of the house or additional storage needs. During engagement for the LHS, parents of children with disabilities pointed out that this directly impacted on children's rights to family life.

Considering all policies combined within the LHS, negative impacts are mitigated as much as possible. However it cannot be guaranteed, based on economic uncertainties and the co-operation of different services that all policies and measures will be delivered equally well.

5. How will the policy/measure give better or further effect to the implementation of the UNCRC in Scotland?

This will inform Scottish Ministers' duty to report to Parliament on children's rights under the Children and Young People (Scotland) Act 2014.

The Children and Young People (Scotland) Act 2014 created the definition of 'corporate parenting' under which local authorities and other public bodies are required to alter, assess, promote and take action in the interest of children and young people. The Act requires local authorities to prepare a corporate parenting plan.

The LHS supports collaboration between Housing and Children Services in order to deliver policies and plans such as the corporate parenting plan.

The Act also provides extra support for looked after young people to make sure they have the same opportunities as other children and young people. It gives looked after young people the right to stay in the same placement up to the age of 21 where possible, and when they feel it's in their best interest to do so. This is known as continuing care.

The LHS seeks to deliver a variety of housing options; review housing protocols for young people to create a standardised approach between housing and children's services; and provide a new residential home for care experienced young people to be integrated into the community.

Local authorities supporting looked after young people will also have to provide "advice, guidance and assistance" to care leavers up to the age of 26. This is known as aftercare.

The LHS proposes an action to explore funding for a Specialist Youth Team who are trained in and work with a youth work led approach in order provide appropriate housing advice. The proposed widening of trauma informed training across housing

will ensure that vulnerable service users receive an appropriate service that is sensitive to their needs and is understanding of any difficulties they may encounter accessing services.

6. How have you consulted with relevant stakeholders, including involving children and young people in the development of the policy/measure?

This would include public or targeted consultations with children and young people, their parents/carers and the children's workforce. To make an informed assessment of the impact, the views of the children and young people who will be affected by the policy/measure should be considered fully. If the policy/measure has changed as a result of consultation with stakeholders, please set this out.

During the process of writing the LHS, focus groups were established that allowed vulnerable people, those who work with them and advocate on behalf of them to contribute to the development of the LHS. In particular, three workshops were carried out with young people experiencing homelessness, some of whom were care-experienced. One equalities workshop themed Children and Young People was also conducted and was attended by a variety of service providers. Another workshop with staff from a supported accommodation service was also conducted. A young people survey for residents aged 16-30 was open during the month of August 2022. Housing Strategy Officers joined three Youth Work sessions where young people aged 10-16 had the chance to talk about their housing experience.

Based on limited capacity it was not feasible to have further in depth sessions with children and young people. Most consultation sessions were conducted with Children's Services and third party providers who are regularly working with and supporting children and young people. Some of the actions within the LHS do underline the need for further engagement with children and young people from particular groups such as ethnic minorities and the LGBTQIA+ community to ensure that policies are implemented appropriately.

7. What evidence have you used to inform your assessment?

The evidence base may include demographic information, academic research, service monitoring/inspection reports, service evaluation reports, user surveys, etc. In particular, look at what existing evidence tells you about children and young people's views and experiences of the relevant service(s); and/or what it tells you about children and young people's views of the policy proposal. Identify any gaps in the evidence base, and set out how you will address these.

The evidence is mainly based on the Joint Strategic Needs Assessment with Children's Services. Evidence within that report was based on a range of data sets:

- ONS
- NRS
- East Lothian Council data records including: council tax, HL1, HL3, Prevent1
- Scottish Government policy & legislation
- SIMD
- SHCS
- SHDS
- Scottish Housing Regulator

- Census
- HNDA3
- SHIP
- Academic journals and policy reports
- H&SCP –NHS Lothian wheelchair data, Housing Episodes Form

- RSL records data, third sector organisations data collections – supported housing providers
- Primary Data gathered via online survey, interviews with services providers, focus groups, and participation groups.

During the process of writing the LHS, focus groups were established that allowed both vulnerable people, those who work with them and advocate on behalf of them to contribute to the development of the LHS. In particular, three workshops were carried out with young people experiencing homelessness, some of which were care-experienced. One equalities workshop themed Children and Young People was also conducted and was attended by a variety of service providers. Another workshop with staff from a supported accommodation service was also conducted.

C&YP highlighted the need for more housing options and improved housing support including the provision of advice, life skills based training, as well as physical and mental health support. The actions within the LHS have been written to address these needs taking into consideration current budgets and capacity.

Widespread engagement also took place with lived experience groups. Some lived experience workshops for example a LGBTQIA+, ethnic minorities, and disabilities workshop with C&YP did not take place in the end due to difficulties in outreach and resource limitations. Services for these groups tended to be based in Edinburgh making local engagement more difficult. Evidence has shown the importance of reaching out to groups with particular lived experiences. The Joint Needs Assessment and LHS highlight the importance to continue with outreach workers and conducting regular attempts to organise workshops in the future.

The decision was taken not to engage with care experienced young people via the Corporate Parenting Board. Intensive engagement with them and with other care experienced groups have taken place over the previous 3-4 years. The team were aware that we could run the risk over consulting and also re-traumatising young people. We did not want to ask them to repeat their experiences when we were aware that full policy change had not yet been achieved. We will look to consult with this group in the future again.

8. How will the impact of the policy/measure be monitored?

As part of the normal decision making process, the implementation of the policy/measure should be monitored. Please set out plans for measuring the impact of your policy/measure, including how it will support public bodies in Scotland to meet their duties to safeguard, support and promote the wellbeing of children in their area. Wellbeing is defined by eight wellbeing indicators: Safe, Healthy, Achieving, Nurtured, Active, Respected, Responsible, and Included.

The LHS is reviewed annually, progress on actions are reported on to Council and the Scottish Government and actions are updated where necessary. Changes to the LHS and actions may occur in line with Scottish Government policy and legislation.

Actions within the Local Housing Strategy are prepared in collaboration with other services such as Children's and Education Services; and the East Lothian Health and Social Care Partnership. This is to ensure that all policies within the LHS are delivered in accordance with SHANARRI and GIRFEC. Updates to the LHS and its actions will also be communicated and agreed with all relevant services to ensure the appropriate delivery of actions.

The impact of the LHS can be monitored using the eight indicators of SHANARRI as suggested by the CRWIA guidance:

- Safe: Protected from abuse, neglect and harm by others at home, at school and in the community
 - Monitoring will consider how changes in domestic abuse policies and procedures promotes the safety of children.
- Healthy: Having the highest attainable standards of physical and mental health, access to suitable healthcare, and support in learning to make healthy and safe choices;
 - Monitoring will consider how the supply of accessible homes, adaptations and the provision of housing support alongside the Health and Social Care Partnership improved the health of children.
- Achieving: Being supported and guided in their learning and in the
 development of their skills, confidence and self-esteem at home, at school
 and in the community;
 - Monitoring the provision of housing support and supported accommodation promotes children and young people to gain the necessary life skills to sustain a tenancy.
- Nurtured: Having a nurturing place to live, in a family setting with additional help if needed or, where this is not possible, in a suitable care setting;
 - Monitoring the procedures for looked after and accommodated children according to the Promise.
 - Monitoring housing options, homelessness and housing support services to assess the impact on families and children at risk of or experiencing homelessness
 - Monitoring the housing quality and energy efficiency of homes across East Lothian.
- Active: Having opportunities to take part in activities such as play, recreation and sport which contribute to healthy growth and development, both at home and in the community;
 - Monitoring the provision of accessible homes and adaptations.
 - Monitoring the promotion of accessible green spaces alongside other services such as planning and amenities.
 - Monitoring property maintenance within council properties.
- Respected: Having the opportunity, along with carers, to be heard and involved in decisions which affect them;
 - Monitoring engagement with children and young people on the policies and actions that impact them.
- Responsible: Having opportunities and encouragement to play active and responsible roles in their schools and communities and, where necessary, having appropriate guidance and supervision and being involved in decisions that affect them;

- Monitoring engagement with children and young people on the policies and actions that impact them.
- Included: Having help to overcome social, educational, physical and economic inequalities and being accepted as part of the community in which they live and learn.
 - Monitoring the procedures for looked after and accommodated children according to the Promise.
 - Monitoring housing options, homelessness and housing support services to assess their impact on families and children at risk of or experiencing homelessness.

9. How will you communicate to children and young people the impact of the policy/measure on their rights?

Providing information to children and young people on how their rights will be impacted helps to ensure that policy making is transparent. Are you publishing a child-friendly or accessible CRWIA?

The Local Housing Strategy and CRWIA will be made available on the Council's website. An easy read version of the LHS will also be made available. The website offers accessibility options through the Recite Me translation service allowing people to translate, change contrast and colours and read the website aloud.

A copy of the CRWIA will be shared with the Head of Children's Services. The CRWIA will also be shared with relevant service providers who will be asked to share the LHS and relevant CRWIA with their service users. The Young Person's online survey results were published online and shared with young people who provided their email address when filling out the survey.

Images, charts and tables within the LHS will be provided with Alt Text to increase accessibility of the documents.

The council offers a Translation and Interpretation Service and will respond to requests for the LHS and CRWIA to be available in the requested language including BSL. Services arranged include:

- Interpretation in a wide range of languages
- Phone interpretation
- Translation
- BSL signing
- Lip-speaking
- Note-taking
- Braille

The service is provided by accredited interpreters and translators. All frontline staff are provided with language charts, which help clients who don't speak English to identify their own language, so that interpretation support can be arranged. Service requests can be also made by emailing translation@eastlothian.gov.uk.

10. Sign & Date

This CRIA was completed by Anne Krippler, Housing Strategy Officer, East Lothian Council.

Policy Lead Signature & Date of Sign Off: Rebecca Pringle, Housing Strategy Team Manager, East Lothian Council 14/04/2023

Deputy Director Signature & Date of Sign Off:

Once signed off, please send to CRWIA@gov.scot and publish on gov.scot website.

Annex 1 – UNCRC Article Clusters

CRC Clusters (unicef-irc.org)

I General measures of implementation

Article 4 implementation obligations

Article 41 respect for existing standards

Article 42 making Convention widely known

Article 44(6) making reports widely available

II Definition of a child

Article 1

III General Principles

Article 2 non-discrimination

Article 3(1) best interest to be a primary consideration

Article 3(2) State's obligations to ensure necessary care and protection

Article 3(3) standards for institutions services and facilities

<u>Article 6</u> the right to life, survival and development (see also: <u>VI Basic health and</u> welfare)

Article 12 respect for the views of the child

IV Civil rights and freedoms

Article 7 right to name, nationality and to know and be cared for by parents

Article 8 preservation of child's identity

Article 13 freedom of expression

Article 14 freedom of thought, conscience and religion

Article 15 freedom of association and peaceful assembly

Article 16 protection of privacy

Article 17 child's access to information, and role of mass media

Article 37(a) right not to be subjected to torture or other cruel, inhuman or degrading treatment or punishment

V Family environment and alternative care

Article 5 parental guidance and child's evolving capacities

Article 18(1) and (2) parental responsibilities and State's assistance

Article 9 separation from parents

Article 10 family reunification

Article 11 illicit transfer and non-return

Article 27(4) recovery of maintenance for the child

Article 20 children deprived of their family environment

Article 21 adoption

Article 25 periodic review of placement and treatment

Article19 protection from all forms of violence

Article 39 rehabilitation and reintegration of victims of violence (see also: VIII -

Special protection measures)

VI Basic health and welfare

Article 6 right to life, survival and development (see also: III - General principles)

Article 18(3) support for working parents

Article 23 rights of disabled children

Article 24 right to health and health services

Article 26 right to social security

Article 27(1)-(3) right to adequate standard of living

VII Education, leisure and cultural activities

Article 28 right to education

Article 29 aims of education

Article 31 right to leisure, play and participation in cultural and artistic activities

VIII Special protection measures

A - Children in situations of emergency

Article 22 refugee children

Article 38 children and armed conflict

<u>Article 39</u> rehabilitation of child victims (see also: <u>V Family environment and</u> alternative care)

B - Children involved with the system of administration of juvenile justice

Article 40 administration of juvenile justice

Article 37(a) prohibition of capital punishment and life imprisonment

Article 37(b)-(d) restriction of liberty

<u>Article 39</u> rehabilitation and reintegration of child victims (see also: <u>V Family</u> environment and alternative care)

C - Children in situations of exploitation

Article 32 child labour

Article 33 drug abuse

Article 34 sexual exploitation

Article 35 sale, trafficking and abduction

Article 36 other forms of exploitation

D - Children belonging to a minority or an indigenous group

Article 30

Optional Protocol to the UNCRC on the Involvement of Children in Armed Conflict Governments should ensure that children under 18 who are members of the armed forces do not take a part in combat. Any recruitment of children under 18 must be voluntary and carried out with the full consent of the child's parents/carers. The UK Government has entered interpretive Declarations to this Optional Protocol. The UK would not exclude the deployment of under 18s who are members of the armed forces in direct combat if there is a genuine military need; it is not practicable to withdraw them before deployment; or doing so would undermine the operational effectiveness of their unit. The minimum age at which children may join the UK armed forces is 16 years, with parental consent required.

Optional Protocol to the UNCRC on the Sale of Children, Child Prostitution and Child Pornography Governments must prohibit the sale of children, child prostitution and

child pornography, and recognise the vulnerability of child victims, protect their privacy, provide appropriate support services and ensure their safety.

Annex 2 – General Comments

General Comments are non-legally binding interpretive aids issued by the UN Committee on the Rights of the Child to provide State parties with assistance regarding the interpretation of an article or issue relating to the UNCRC, and what actions governments should take to ensure its implementation. New General Comments appear at irregular intervals.

Treaty bodies Search (ohchr.org)

- 1. The aims of education (2001)
- 2. The role of independent National Human Rights Institutions in the protection and promotion of the rights of the child (2002)
- 3. HIV/AIDS and the rights of children (2003)
- 4. Adolescent health and development in the context of the Convention on the Rights of the Child (2003)
- 5. <u>General measures of implementation on the Convention on the Rights of the Child</u> (2003)
- 6. <u>Treatment of unaccompanied and separated children outside their country of origin (2005)</u>
- 7. Implementing child rights in early childhood (2005)
- 8. The right of the child to protection from corporal punishment and other cruel or degrading forms of punishment (2006)
- 9. The rights of children with disabilities (2006)
- 10. Children's rights in juvenile justice (2007)
- 11. Indigenous children and their rights under the Convention (2009)
- 12. The right of the child to be heard (2009)
- 13. The right of the child to freedom from all forms of violence (2011)
- 14. On the right of the child to have his or her best interests taken as a primary consideration (2013)
- 15. On the right of the child to enjoyment of the highest attainable standard of health (2013)
- 16. <u>State obligations regarding the impact of the business sector on children's rights (2013)</u>
- 17. On the right of the child to rest, leisure, plan, recreational activities, cultural life and the arts (2013)

- 18. On harmful practices (Joint General Comment with the Committee on the Elimination of Discrimination against Women) (2019)
- 19. Public budgeting for the realisation of children's rights (2016)
- 20. Implementation of the rights of the child during adolescence (2016)
- 21. Children in street situations (2017)
- 22. General principles regarding the human rights of children in the context of international migration (Joint General Comment with the Committee on the Protection of the Rights of All Migrant Workers and Members of their Families) (2017)
- 23. State obligations regarding the human rights of children in the context of international migration in countries of origin, transit, destination and return (Joint General Comment with the Committee on the Protection of the Rights of All Migrant Workers and Members of their Families) (2017)
- 24. General comment No. 24 (2019) on children's rights in the child justice system
- 25. <u>General comment 25 (2021)</u> Children's Rights in relation to the digital environment.

East Lothian's Housing Supply Target

1. Purpose

LHS Guidance (2019) requires a summary on the level and type of housing to be delivered over the period of the LHS. Crucial to this is the setting of the Housing Supply Target. To inform the LHS, this paper sets out the background, process and justification for the Housing Supply Target. This HST will be used in subsequent Local Housing Strategies (LHS) and Local Development Plans (LDP).

The HST, however, cannot be calculated in isolation and must take account of the planning process, most notably the Housing Land Requirement (HLR) and the Minimum All Tenure Housing Land Requirement (MATHLR). The figure below represents the relationship between the key stages of the housing and planning framework. Setting out that the 'clear understanding of housing need and demand' expressed within the HNDA form the basis of the Housing Supply Target (expressed in the LHS and SHIP), which then drives the Housing Land Requirement, expressed in the Local Development Plan.



2. Definitions

For the purposes of this paper, the following definitions will be used:

<u>Housing Supply Target -</u> The HST sets out a realistic amount and type of housing that will actually be delivered on the ground over the period of the plan(s). This can be higher or lower than the HNDA housing estimate. The HST should cover all tenures and set out the expected broad split between market and affordable housing. Factors such as housing policies, available finances and capacity of the construction sector are used to translate the HNDA estimates into the HST.

MATHLR – There is a statutory requirement for the NPF to contain targets for the use of land in different areas of Scotland for housing. To meet this, the NPF includes a Minimum All-Tenure Housing Land Requirement (MATHLR) for each planning authority in Scotland. The MATHLR is the minimum amount of land, by reference to the number of housing units that is to be provided by each planning authority in Scotland for a 10 year period. The MATHLR is expected to be exceeded in the local development plans LHLR.

<u>Local Housing Land Requirement –</u> the amount of land required for housing, as identified by the local development plan. The Local Housing Land Requirement (LHLR) is expected to exceed the 10 year MATHLR set out in the National Planning Framework.

3. Methodology

To calculate the HST, it is essential to take the HNDA as its starting point, while also taking account of policy and practical considerations to reach a view on the level of housing that can actually be delivered. In setting and agreeing the HST, full consideration must be given to factors which may have a material impact on the pace and scale of housing delivery.

The Housing Supply Target 2023-2028 will be based on the methodology agreed post HNDA2 by SESPlan, which was signed off as robust and credible by the Scottish Government. The methodology represents the most compatible process with the HST requirements set out in the HNDA Managers Guide and Local Housing Strategy Guidance. Figure x and the summary below sets out the methodology. It should be noted that Steps 2 and 3 are undertaken together. Neither the market nor affordable Housing Supply Target can be set independently of each other.



- 1. Review HNDA Growth Scenario's to inform Housing Supply Targets. Review the economic and demographic assumptions behind HNDA3 scenarios, current economic trends and the any new available data.
- 2. Set affordable Housing Supply Targets. Affordable Housing Supply Targets will be set at a rate that is considered realistic and deliverable. Affordable housing delivery is strongly linked to the availability of funding, which comes from a range of sources. The HST will therefore be based on an analysis of available resources to deliver affordable housing. Planning and spatial strategies are also relevant.
- 3. Consider Local Housing Land Requirements Market Housing Supply Targets are no longer a requirement of Local Development Plans. The National Planning Framework 4, introduced Local Housing Land Requirements which take the place of Market Housing Supply. The East Lothian LDP timeline does not align completely with that of the LHS, and the HLR will be decided later in 2023.
- **4. Impact of Demolitions.** As the Housing Supply Targets are net figures, affordable Housing Supply Targets will be lowered by the respective level of planned demolitions.

4. Review Alternate Futures

4.1 HNDA3 Results

The third Housing Need and Demand Assessment (HNDA3) for the South East Scotland area achieved robust and credible status from the Scottish Government's Centre for Housing Market Analysis (CHMA) on Thursday 28th July 2022. HNDA3 provides the evidence base for policy decisions in LHSs and land allocation decisions in LDPs for local authorities in South East Scotland (City of Edinburgh Council, East Lothian Council, Midlothian Council, West Lothian Council, Fife Council and Scottish Borders Council).

HNDA3 uses a similar methodology to the approach taken in HNDA2, which used the HNDA tool produced by the Scottish Government to model potential alternative futures for the SESPlan area, underpinned by scenarios/variables set out in the HNDA tool. Six alternative futures were modelled using 2020 mid-year household projections:

- Scenario 1. HNDA Tool Default
- Scenario 2. HNDA Tool Default with LA Existing Need
- Scenario 3. Strong Growth
- Scenario 4. Steady Growth
- Scenario 5. Slow Growth
- Scenario 6. Stalled Growth

All six scenarios are set out in Table 1.

Table 1: HNDA3 Scenarios 1-6, East Lothian								
	HNDA	Default with LA	Strong	Steady	Slow	Stalled		
	Default	Existing Need	Growth	Growth	Growth	Growth		
Social rent	170	188	229	220	193	229		
Below market	95	95	101	96	86	97		
Private rent	55	55	21	11	36	3		
Owner occupied	138	138	156	149	126	146		
Total p.a.	457	475	506	476	440	475		
Affordable p.a.	264	283	330	316	278	326		
Market p.a.	193	193	176	160	162	149		
Source: HNDA3, 2022								

Of the scenarios presented, the Edinburgh City Region Deal (made up of executive directors from SESPlan area local authorities) selected Steady Growth as the most likely scenario. The HNDA3 figures set out in Table 2, show a need for 4,574 new additional units across the SES area per annum, with a split of 62% affordable and 38% market housing.

Table 2: Annual Housing requirement in 5-year bands – SESPlan - Scenario 4. Steady Growth							
	2021 - 2025	2026 - 2030	2031 - 2035	2036 - 2040	20 Yr Total	20 Yr p.a.	
Social rent	2,880	2,248	1,461	1,357	39,732	1,987	
Below market	1,023	830	806	712	16,855	843	
Private rent	746	436	326	209	8,586	429	
Owner-occupied	1,500	1,245	1,302	1,215	26,308	1,315	
Total p.a.	6,149	4,759	3,895	3,493	91,481	4,574	
Affordable p.a.	3,903	3,078	2,266	2,069	56,587	2,829	
Market p.a.	2,245	1,681	1,629	1,424	34,894	1,745	
Source: HNDA3, 2022							

Table 3 breaks down the overall requirement to local authority level. The table sets out that that 476 new additional units of housing per annum are needed in East Lothian over a 20-year period, 66% affordable housing and 34% market housing. This is only marginally different from HNDA2 which sets out an estimate requirement of 553 new units per annum of which 476 (67%) should be affordable and 160 (33%) market housing.

Table 3: SESPlan HNDA3 Estimates Steady Growth 20 Year per annum 2021-2040								
	City of Edinburgh	East Lothian	Fife (West & Central)	Midlothian	Scottish Borders	West Lothian		
Social rent	1,106	220	142	287	36	203		
Below market	436	96	55	135	16	107		
Private rent	127	11	55	54	51	139		
Owner occupied	544	149	120	206	51	263		
Total p.a.	2,213	476	373	682	154	711		
Affordable p.a.	1,542	316	197	422	52	310		
Market p.a.	671	160	176	260	102	401		
Source: HNDA3, 2022								

5. Post HNDA3 Policy Themes

The following policy or legislative themes all influence housing supply within Scotland and should be taken into account when calculating a HST.

National Planning Framework 4

Perhaps the most important post HNDA3 policy document is the National Planning Framework 4 (NPF4), which was approved by the Scottish Parliament on 11th January 2023. NPF4 will become a part of the statutory development plan on 13th February 2023. On this date, the provisions of the Planning Act (Scotland) 2019 relating to the NPF will come into force. NPF4 brings in the MATHLR, and the concept of the Housing Land Requirement, as explained at the outset of this report.

NPF4 now allows local authorities to set affordable housing allocations higher than 25%, with 25% now being the minimum. To do this local authorities must set out locations or circumstances where a higher contribution is justified by evidence or need. Work to establish this within East Lothian will form the next stage of the LHS/LDP process after a HST is set.

Cost of Living (Tenant Protection) Act 2022

The Cost of Living (Tenant Protection) Act means that:

- If landlords choose to increase private rents they will be capped at 3%
- The safeguard for private landlords will be amended, allowing them to apply for increases of up to 6% to help cover certain increases in costs in defined and limited circumstances
- Enforcement for evictions will continue to be prevented for all tenants except for a number of specified circumstances
- Increased damages for unlawful evictions of up to 36 months' worth of rent will continue to be applicable
- The rent cap for student accommodation will be suspended, recognising its limited impact on annual rents set on the basis of an academic year.

The measures, if approved, will remain in place until September 30th, the Scottish Government has proposed extending Part One of the act for a final six month period until 31st March 2024.

The requirements will not be extended to social rented sector, after social landlords agreed to keep any rent increase for 2023-24 well below inflation.

Short Term Lets Regulation

The laws around short-term lets changed on 1st October 2022. New hosts are now required to apply for a short term lets licence before accepting bookings or receiving guests. Where a residential flatted property is being used as a short term let, the landlord must apply for planning permission for a change of use. At present ELC does not normally require a material change of use or planning permission for an entire property, but normally does for a residential flat to a short term let flat. NPF4 states that when considering this part 2 of Policy 20 (Tourism) states that:

'Development proposals for the reuse of existing buildings for short term holiday letting will not be supported where the proposal will result in:

- 1. An unacceptable impact on local amenity or the character of a neighbourhood or area; or
- 2. The loss of residential accommodation where such a loss is not outweighed by demonstrable local economic benefits'

This does not just apply to all new short term lets, but landlords are now required to apply in retrospect. Further to the licensing laws, planning authorities can also implement Short Term Let Control Areas in order to manage high concentrations of short term lets.

In East Lothian a decision on whether control areas are required to be implemented will be taken in January 2024, once the information on the number of short term lets is gathered through the licencing process.

6. SES HNDA3 Identified Economic Issues

The impact of Brexit and Covid-19 has been significant on Scotland's industry with a sharp decline in GDP, particularly in construction, accommodation and food services and arts, culture and recreation, with local impacts being dependent on the profile of industry in each area.

South East Scotland had been experiencing increasing levels of employment and reducing levels of economic inactivity and unemployment, with the City of Edinburgh being the focus for jobs in the region. Brexit and the Covid-19 lockdown resulted in an initial uptake of business support / furlough, which has since reduced and been replaced with increasing levels of unemployment, particularly in the City of Edinburgh and Fife. Young people have been particularly impacted by reducing employment levels and decreasing levels of economic activity.

Income growth in Scotland has been strong in the context of the UK. Regionally, the highest earnings have been in the City of Edinburgh and East Lothian. Wages have grown above inflation in the City of Edinburgh, Fife, Midlothian and West Lothian; while income growth is strongest in East Lothian and the Scottish Borders. Incomes have increased in the lowest five income deciles, while in the upper deciles it has reduced slightly. There is some evidence of the gap narrowing between upper and lower quartile incomes, but not to any significant extent. Four of six local authorities in South East Scotland have a gender pay gap beyond the average for Scotland.

Poverty levels in South East Scotland have increased, with greater prevalence in households with children, pensioners, larger families, single people, people with a disability, people unemployed and living in social rented housing. There has been little change in the geographical distribution of deprivation across South East Scotland with Fife, West Lothian and the City of Edinburgh having the highest proportions by area.

At the time of writing HNDA3 there was significant uncertainty around the future economy of South East Scotland, particularly the role of the City of Edinburgh in leading recovery within industry and employment across the region, providing a greater level of economic equality, whilst also delivering the transition required to address climate change.

7. Post HNDA3 Context

HNDA3 was researched and completed between 2020-2021, with final approval of robust and credible in 2022. As with many papers with a range of assumptions, it is based on the best available evidence at that time. At the time of writing, the majority of the current economic outlook was unknown – specifically the effects of covid, the exit from the European Union, the war in Ukraine and the cost of living crisis. However, it should be noted that the Steady Growth scenario was chosen as it allows the assumption that there would be peaks and troughs in the Scottish economic situation over the next 20 years. Therefore, the current economic challenges do not constitute a reason to deviate from this being the preferred HNDA scenario.

East Lothian Council is highly dependent on the delivery of market housing for the provision of affordable housing. Through section 75 agreements, East Lothian secures contributions from private developers.

7.1 Overall Scottish Economic Performance

The ONS released the official inflation data for December 2022 in January 2023 which showed that CPI inflation had fallen from 10.7% in November to 10.5% in December. The main items driving the fall in inflation being petrol and diesel prices, and the prices for clothing and footwear. Energy prices, however, continue to contribute to the very high inflation. Significant concern still exists for the economy, with EY predicting that 2023 will be the first calendar year of economic decline for the UK since 2009. Despite this, it is predicted that inflation will fall towards the end of 2023 to just under 4%.

7.2 Construction Sector Performance

The capacity of the construction sector to deliver new homes in East Lothian is an important factor in setting a realistic housing supply target for the next 5-20 years. Both Brexit and the Covid-19 pandemic have introduced labour shortages across the construction industry and beyond, with shortages of decorators, electricians and joiners as well as an ageing construction workforce. The absence of a co-ordinated construction training strategy, growing demand for fire safety and net zero technological advances coming at pace are all impacting the sector. Anecdotal evidence also suggests that construction companies are struggling to get workforces who can and are able to afford the increasing costs of travel to sites, particularly affecting sites in rural areas.

In addition to labour shortages, the construction sector also faces increasing costs and material shortages. Construction output price inflation for new public and private housing increased by 10.5% annually in September 2022. One of the main drivers of this being the prices of construction materials used in new build. While England and Wales has seen a knock on effect of large increases in insolvencies of construction companies (the highest in a decade), Scotland has recorded only 48 in Q3, which was in line with the 2016-2019 average.

7.3 Housing Supply

The Scottish Government's Scottish Housing Market Review Quarter 4 2022, states that after a sharp fall following the impact of Covid-19, private new build sales have returned to pre-pandemic levels, with the number of transactions over the one year period to August 2022 increasing by 2.0% relative to the one year period to August 2019.

7.4 House Prices

The Covid-19 pandemic instigated an elevated level of house price growth which has continued into Q3 2022

Edinburgh, Lothian's and Borders

Regional Residential Transactions

Sales – Q3 2022 **5,813**

12 Month Change -8%

Annual Change (rolling 4 quarters) -13.2%

Regional House Prices

Average Price – q3 2022 **296K** 12 month change **8.4%**

Annual Change (rolling 4 quarters) 6.6%

Source: RoS

in Scotland. Although signs are that it might be slowing, with average Scottish house price increasing by an annual 8.8%, down from 11.7% in Q2 2022. The strongest annual price growth by property type in Q3 2022 was for detached properties, up by an annual 10.8%, whilst flats increased by the lowest amount, up by 6.2%.

7.5 Private Rented Sector Changes

Like house prices, rent levels in the private rented sector also increased in November 2022, rising by an annual 4.4%. The Cost of Living (Tenant Protection) Act will prevent private landlords increasing rent above 3%. Although the exact mechanisms to police this are still to be set out by the Scottish Government.

7.6 Lending

Lending to both first time buyers and home movers fell in Q3 2022, with new mortgage advances to first-time buyers decreasing by an annual 15.9% whilst for home movers they decreased by 8.1%. The Bank of England has increased the Base Rate nine times since December 2021, taking the rate to 3.5%. This is estimated to increase the monthly payment by around £300 on an average new variable rate mortgage and by £170 on an average outstanding variable rate mortgage in Scotland.

8. Affordable Housing Supply Targets

8.1 Completion Rates and Capacity in the Construction Sector

Table 4 sets out the number of affordable units delivered per annum between 2018/19 and 2022/23. Including new supply via OMA, an average of 193 new affordable housing units were supplied per annum, above the HST of 189 set out in previous LHS. Completion rates were supported by record Scottish Government subsidy between 2020/21 and 2022/23, where ELC were able to draw down additional sums as opportunities arose.

Table 4: SHIP 2018/19- 2022/23 Delivered							
	Social Rent	MMR	LCHO	OMA	Total		
2018/19	88	49	0	-	137		
2019/20	101	135	22	21	279		
2020/21	116	27	1	13	157		
2021/22	94	10	0	28	132		
2022/23	191	50	0	20	261		
Total	590	271	23	82	966		

8.2 Availability of Resources

The current economic climate is causing challenges to the delivery of affordable housing programmes across Scotland, with increasing costs and contractors experiencing difficulties with supply and labour shortages. Reduction in rent yield and increasing interest rates will very much impact on the financial capacity of the Council and Housing Association partners to continue to deliver ambitious programmes. The following risks to the local housing market were highlighted as high in the SHIP 2023/24-2027/28:

- Delivery of units, especially through AHSP, dependent on prevailing market conditions and decisions of private developers and lenders in terms of their investment appetite.
- Potential negative impact of Scottish Government's Cost of Living (Tenant Protection) Bill, reducing private sector investment in new affordable housing.
- Economic impacts of potential UK Government / HM Treasury and Bank of England policy changes.
- Scottish Government plans to revise benchmarking, but not increase subsidy levels.
- The Affordable Housing Supply Programme has experienced a 4.6% cut.

Council Housing Rent Levels

Since the submission of the 2023/24 SHIP, East Lothian Council has consulted with tenants on proposed increase of rents (0%, 3% or 5%) for 2023/24. Over the last two years the Council implemented a rent freeze in recognition of the financial challenges being faced by tenants as a result of Covid-19. The impact of these rent freezes as well as the aforementioned increasing costs and interest rates, will directly affect the Council's ability to ensure affordability while maintaining wider capital investment. The results of the consultation at the time of writing (3rd February 2023) are not yet known, and a report is to be drafted for Council for late February 2023 where the decision will be made on rent levels for 2023/24. The potential impacts of a 0-3% increase in rents for 2023/24 would result in reducing service levels significantly, as well as a considerable reduction in the council's modernisation and new build program.

Affordable Housing Finance

To support strategic planning, the Scottish Government have provided our Resource Planning Assumption (RPA) for the period between 2021/22 to 2025/26. A resource planning assumption of £58m has been allocated for East Lothian, as shown in Table 8. However, we do not have any resource planning assumptions beyond 2025/26, so we have therefore used similar allocations for the next 5 years to help with our planning assumptions.

Table 5: Resource Planning Assumptions by Financial Year						
2023/24 2024/25 2025/26 2026/27 2027/28						
£11.733m	£11.774m	£11.969m	Unknown	Unknown		

Housing Supply Target

The SHIP 2023/24-2027/28 projects 1,471 completions. However, this would require £73.529m of Scottish Government subsidy, leaving a gap of around £15m. This could be gained either from drawing down extra subsidy, where Scottish Government are able to provide this, or exploring alternative models of housing delivery which do not rely on government subsidy.

Given the increasing pressures for affordable housing in East Lothian, a Housing Supply Target based on 294 units per annum, while ambitious, is necessary to ensure ELC continue to deliver much needed levels of affordable housing.

The 294 units of affordable housing per annum over the lifetime of the LHS will be delivered through a mix of social housing delivered by East Lothian Council and it's Housing Association partners, Mid-Market Rent and where viable other low cost alternatives.

9. Market Housing

9.1 Market Housing Completions

The Scottish Government set out a Final MATHLR of 6,500 for East Lothian. This the minimum amount of units to be delivered. Through the HST, LHS and ultimately, LDP process, the final Housing Land Requirement figure will be set. The expectation is that this will be higher than the MATHLR.

The figure below is an extract taken from the Housing Land Audit (HLA), which shows site completions for both market and affordable housing from 2012 to 2022. It should be noted that the HLA monitors completions annually from 1st April to 31st March. Analysis of the figures shows that over the 10-year period market housing has provided 4,091 completions across East Lothian, an average of 409 units per annum.

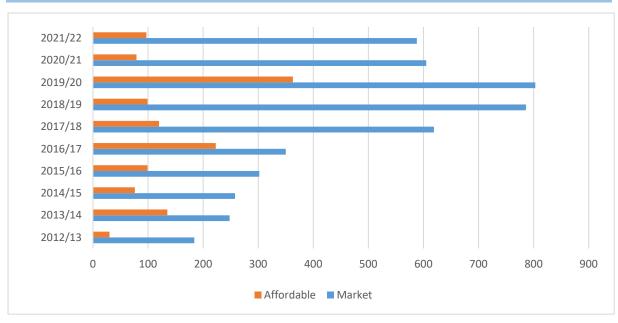


Figure 1: Market and Affordable Housing Completions, East Lothian 2012/13-2021/22

Source: East Lothian Housing Land Audit

*2021/22 are draft figures

9.2 Capacity of the Construction Sector

The capacity of the construction sector to deliver homes across East Lothian has remained steady throughout 2022. House builders have indicated that there remains some difficulty with the availability and rising cost of certain materials, which has resulted in the programming of sites being extended over a longer period than initially forecast. The more significant issue at present is the ongoing house buying market uncertainty, which will no doubt further affect the programming of sites.

9.3 Development Opportunities, Capacity, Constraints and Resources to Deliver Plan

The Council is required to identify a housing land requirement in the Evidence Report and identify whether there is a shortfall in housing supply. There is sufficient housing already identified through LDP1 to meet the MATHLR. The Requirement must be deliverable and with an annual average of around 800 houses a year already predicted to be built it must be set at a level that the industry is capable of delivering over the next 10 years.

Table 6 highlights the predicted delivery of housing over the next 10 year period of the LDP. The predicted delivery shown in Table 6 is for 7,375 units of housing over a period of 10 years. Setting the HST at 294 per annum or 1,470 over the 5 year course of the LHS, this would equate to 25.7% of the predicted delivery of 5,708, highlighted in yellow below.

Table 6: Predicted delivery of housing over the next 10 year period of the LDP										
	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Predicted Delivery	1386	1173	956	723	841	629	564	407	391	305
Ave Annual land capacity (22/32)	834	834	834	834	834	834	834	834	834	834
NPF4 Min (MATHLR)	650	650	650	650	650	650	650	650	650	640

10. Demolitions

Housing Supply Targets are net figures, not gross. They are annual or period totals of the number of additional homes that are to be added to the existing supply. If they are planned or expected housing demolitions, then the number of homes demolished are subtracted from the number of new homes added to the supply to calculate the net additional completions. For example, a housing proposal which demolishes 10 homes and then rebuilds 10 homes would contribute a net zero to the Housing Supply Target.

NPF4 and, as with the previous HST methodology, allows for market and affordable Housing Supply Targets to be lowered by the levels of planned demolitions or by historic trends in demolitions.

East Lothian Council has considered planned demolitions and historic demolition trends, and has concluded that there are no planned demolitions over the course of the coming 5 years which will impact on the HST.

11. Conclusions

While setting the Housing Supply Target at 294 is an ambitious proposal, the demand for affordable housing in East Lothian is increasing, and with mounting national economic pressure, this demand is expected to grow. There is no doubt that the 294 units are dependent on the construction and private housing market continuing to develop in East Lothian, as well as consistent Scottish Government subsidy.

The HST of 294 units is representative of 25% of the current predicted delivery set out in the LDP, and is 20 units per annum lower than the HNDA3 estimated need.

The next steps in the strategic housing and planning process will be to set out a Housing Land Requirement for East Lothian. This will directly inform the Housing Supply Target for market completions. Within this process will be the ability to set higher percentages for affordable housing specific to the area it's being developed in. This may aid our ability to meet the HST by bringing on additional sites where we can evidence a growing need for affordable housing.



Research into the Private Rented Sector in East Lothian

Final Report

November 2022



East Lothian Council

Research into the Private Rented Sector in East Lothian



Table of Contents

1 Ir	ntroduction and Project Methodology	4
1.1	Project Methodology	5
2 D	Desk Based Analysis: 2022 East Lothian Private Rented Sector Profile	6
2.1	The PRS as a Housing Tenure in East Lothian	6
2.2	PRS Property Profile in East Lothian	8
3 T	he Impact of Short-term Lets on the PRS in East Lothian	15
4 P	PRS Affordability Analysis	19
4.1	Rental Cost Analysis	20
4.2	Income Profile: CACI Paycheck Data	23
4.3	Model Assumptions: Income to Rent Ratios	24
4.4 Rati	How Affordable are East Lothian PRS Rents when using a 30% to 35% Incom io? 24	e to Rent
4.5	Key Findings: East Lothian Housing Affordability Analysis	28
5 P	Profiling the PRS in East Lothian: Primary Research Outcomes	30
5.1	PRS Landlord Survey	30
5.2	2022 East Lothian Tenant Survey	35
6 P	PRS Stakeholder Engagement Sessions	41
6.1	Engagement with Landlords and Letting Agents	41
6.2	Engaging with Housing Advice and Advocacy Providers	46
6.3	Key Findings: Stakeholder Engagement Sessions	50
7 K	Cey Research Findings and Conclusions	52

Appendix A: 2022 ELC PRS Statistical Data-book

Appendix B: 2022 PRS Secondary Data Profile

Appendix C: 2022 ELC PRS Affordability Model

Appendix D: 2022 PRS Affordability Slidepack

Appendix E: 2022 East Lothian PRS Survey Technical Report

Appendix F: 2022 East Lothian PRS Survey Results Databook

Appendix G: 2022 East Lothian PRS Survey Results Slidepack.

Appendix H: PRS Stakeholder Engagement Report

East Lothian Council

Research into the Private Rented Sector in East Lothian



Arneil Johnston 50 Scott Street Motherwell ML1 1PN

Research into the Private Rented Sector in East Lothian



1 Introduction and Project Methodology

In April 2022, East Lothian Council commissioned Arneil Johnston to carry out research into the operation of the Private Rented Sector (PRS).

This research study provides an evidence base offering the latest insight on the dynamics of the Private Rented Sector in East Lothian including its scale, role and function. It explores key characteristics such as PRS concentration and supply pressures, rental values and inflation, PRS affordability, PRS quality and security of tenure, housing suitability for PRS tenants, landlord intentions and the operation of the short-term lettings sector. Research outcomes provide clear evidence of the role of the PRS in meeting housing need and the extent to which the sector delivers effective housing outcomes, particularly in relation to tenants on low to middle incomes.

The context for the research is an ambitious national policy agenda for the PRS aligned to the Scottish Government's Housing to 2040 strategy. The Scottish Government have carried out a national consultation exercise on a 'New Deal for Tenants' which introduces a series of PRS reforms aimed at improving housing quality, energy efficiency, housing management, security of tenure and housing affordability. Key proposals for the PRS include:

- delivering a new deal for private rented sector tenants that puts them on a more equal footing with social rented tenants, through the introduction of a new Housing Bill
- establishing a regulator for the private rented sector that will enforce standards
- implementing a national system of rent controls for the private rented sector
- creating a new Housing Standard setting a consistent standard for housing condition and quality across all tenures (including the PRS) aligned to energy efficiency and net zero targets set out in the Heat in Buildings Strategy.

Furthermore, during the execution of the research programme and as informed by the Programme for Government 2022/23, the Scottish Government passed emergency legislation (The Cost of Living (Tenant Protection) (Scotland) Act) to give Ministers temporary powers to cap rent increases for private tenants, until at least 31st March 2023, effectively freezing rents for most tenants during this period. The legislation also prevents the enforcement of eviction actions resulting from the current cost of living crisis and includes a reform of the law on damages for unlawful evictions.

In addition, a new licensing scheme for the Short-term Letting Sector was implemented on 1st October 2022 and the Scottish Government also recently accepted Mid-Market Rent (MMR) as an affordable housing option, with RSLs and local authorities now able to claim subsidy for development of this intermediate market tenure. As well as significant changes to the policy context for private renting in Scotland, the research also coincides with a shift in housing system operation nationally, where global economic impacts have stimulated inflationary and interest rate pressures which may impact on the ongoing growth of the PRS in Scotland, a consistent trend in recent years.

As East Lothian Council, prepare the development of a new Local Housing Strategy (LHS), it is essential that credible insight and evidence on the role and operation of the PRS informs strategy interventions to support the development and improvement of the sector and its interaction with other housing tenures. This evidence will inform policy direction within the new

Research into the Private Rented Sector in East Lothian



LHS and assist with the Council's approach to managing short term lets, homelessness prevention and targeted interventions which seek to improve housing system balance and PRS operation.

A key aspect of this study has involved evidencing and better understanding the operation of the East Lothian PRS by commissioning primary research to seek the views of both landlords and tenants. Primary research outcomes are also instrumental in building a more comprehensive profile of PRS properties in terms of size, type, condition and management arrangements.

The study has also provided an opportunity for qualitative engagement with landlords, letting agents and housing information and advocacy providers to build contextual analysis of PRS dynamics, its effectiveness in meeting housing need and prospects for future development and improvement.

1.1 Project Methodology

The project methodology has been designed to deliver robust and credible housing market evidence on:

- the profile of PRS properties, landlords and tenants across East Lothian
- an overview of PRS rental values, inflationary trends and housing affordability pressures, particularly for tenants on low to middle incomes
- analysis of the impact of short-term lets on the operation of the PRS
- assessment of the key issues facing the sector which may underpin future LHS options and interventions to enable the sector to change, improve and grow
- PRS market prospects including PRS landlord intentions, tenant aspirations and the potential impact of proposed legislative change on the operation of the sector.

To achieve this, the research programme was executed around the following five stage methodology:

- desk based analysis of secondary data sources including: the Private Landlord Register (PLR), housing waiting list data, homelessness datasets and statistics, energy and housing repair grant funding awards, welfare benefit data and rent deposit guarantee scheme data
- analytical modelling of housing affordability in the PRS across East Lothian relative to local incomes and alternative housing tenures
- analysis of the concentration, scale and impact of the Short-term Letting Sector on the operation of the PRS in East Lothian
- primary research including comprehensive private landlord and tenant surveys
- interactive workshops with private landlords, letting agents and housing advice and advocacy agencies.

This research report details each aspect of the research, synthesising conclusions and raising key questions for LHS development to improve the operation of the private rented sector in East Lothian.



2 Desk Based Analysis: 2022 East Lothian Private Rented Sector Profile

An important initial aspect of the research study was to assemble a profile of the private rented sector across East Lothian, maximising all available secondary datasets to provide insight on the role and function of the sector. There has been extensive analysis of secondary data to assemble and understand the profile of the PRS across East Lothian, including:

- landlord registration data and statistics
- Scottish Household Survey and Scottish Neighbourhood Statistics
- Annual Return on HMOs (Houses of Multiple Occupation)
- ELC Rent Deposit Guarantee Scheme data
- Scottish Government Private Rented Statistics
- East Lothian HL1 Annual Returns
- East Lothian Common Housing Register data
- Local Housing Allowance Rates ELC.

A statistical data-book and summary slide-pack detailing this analysis can be accessed by clicking on the following links:

- Appendix A: 2022 ELC PRS Statistical Data-book
- Appendix B: 2022 PRS Secondary Data Profile.

By analysing the full range of available secondary data and statistics, an extensive evidence base has been assembled which highlights the extent, nature and operation of the PRS in East Lothian and the extent to which housing need is and can be met. Chapter 2 details the key findings on the current profile of the PRS across East Lothian.

2.1 The PRS as a Housing Tenure in East Lothian

The PRS is a diverse sector with a broad customer base, meeting a wide range of housing need and demands both in East Lothian and in Scotland. It is recognised as providing a good housing option for those requiring flexibility in terms of employment and for those setting up home for the first time. However, in recent years, the sector has also become a housing option for those seeking longer-term accommodation as well as for those unable to access social housing. Demand for PRS housing is strong in East Lothian and it is important the PRS is enabled to meet the needs of a broad range of tenants seeking accommodation including temporary workers, students, households not eligible for social housing and those who seek to move to the East Lothian area.

It is evident that the role of the PRS has changed in recent years and that a variety of wider circumstances have led to a shift in its operation and purpose. Limited access to social housing and owner occupation has characterised the operation of the East Lothian housing system for several decades.

Analysis of the extent and nature of the PRS across East Lothian and the role it plays in meeting housing need have been assembled from:

East Lothian Private Landlord Register

Research into the Private Rented Sector in East Lothian



- Scottish Household Survey
- Scottish Government, Private Rented Statistics 2010-20
- Scottish Household Survey 2019.

Taken together, these data sources indicate that there are just under 5,000 dwellings (including HMOs) in the PRS across East Lothian. Table 2.1 below shows the number of PRS properties (4,825) by locality taken from a snapshot of the Private Landlord Register (PLR) in April 2022.

Private Landlord Registrations	No of Registered Properties	% of Registered Properties	No. of Dwellings	% of PRS as all Dwellings
Dunbar and East Linton	789	16%	7,055	11%
Fa'side	549	11%	8,954	6%
Haddington and Lammermuir	763	16%	6,674	11%
Musselburgh	1,361	28%	12,434	11%
North Berwick Coastal	781	16%	7,417	11%
Preston Seton Gosford	582	12%	8,084	7%
Total	4,825	100%	50,618	10%
Average	804	17%		

Table 2.1: Number and % of PLR properties by Locality (April 2022)

The greatest proportion of registered PRS properties in East Lothian are located in Musselburgh (28%) indicating a high degree of sector concentration in this locality. Outside Musselburgh, concentrations of PRS properties are relatively even, with three localities each with a 16% share of the sector (Dunbar and East Linton, North Berwick and Haddington and Lammermuir). Fa'side and Preston Seton Gosford have comparatively fewer PRS properties at 11% and 12% respectively. On average there are just over 800 PRS properties in each locality. Table 2.1 shows that overall, the PRS in East Lothian accounts for 10% of all dwellings and with the exception of Fa'side and Preston Seton Gosford, accounts for 11% of all dwellings in each locality.

Across East Lothian there are 30 Houses of Multiple Occupation (HMO) with the majority (28%) located in Musselburgh.



Research into the Private Rented Sector in East Lothian

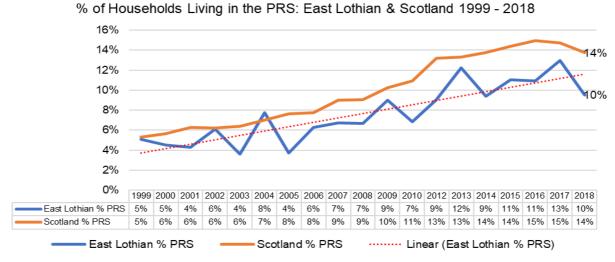


East Lothian Council commission Landlord Accreditation Scotland to deliver 3 Core Standard training courses for registered landlords operating in the area. Over and above this, 21 landlords (with a total portfolio of 65 homes) have also attained accredited landlord status since 2011. There are 28 Letting Agents in East Lothian who have also attained accreditation status since 2011. These letting agencies manage a total portfolio of 550 properties or 11% of all PRS tenancies in East Lothian.

Approximately 10% of the overall housing stock in East Lothian is located in the PRS according to the Scottish Household Survey, which means one in ten households currently live in the sector compared with 14% for the whole of Scotland. Following sustained growth from 5% in 1999 to 9% in 2009, the size of the PRS in East Lothian has fluctuated over this period, peaking at 13% in 2017¹.

At a national level, the proportion of households in the private rented sector in Scotland has grown steadily from 5% in 1999 (120,000 households) to 15% in 2016 (370,000 households), an increase of a quarter of a million households. According to the Scottish Household Survey, the proportion has since dropped slightly to 14% in recent years (2018) to stand at 340,000 households.

Graph 2.1 below demonstrates the tenure share held by the PRS in East Lothian between 1999-2018.



Graph 2.1: Housing Tenure Split - East Lothian and Scotland 1999-2018 (Source: Scottish Household Survey)

2.2 PRS Property Profile in East Lothian

According to data from Home Analytics, the majority of PRS properties in East Lothian (38%) were built pre 1919 with 23% built 1950-1983. Having just over a third of PRS properties in this age range suggests there may be maintenance challenges in keeping homes modernised and warm. Table 2.2 shows a comparison of properties by age and housing tenure. It is notable

¹ It should be noted that small sample size for East Lothian may be an influencing factor in this national research



that only 3% of social rented homes and 17% of owner-occupied homes are within this older age band.

Tenure	Pre-1919	1919- 1949	1950- 1983	1984- 1991	1992- 2002	Post-2002
Owner Occupied	17%	11%	33%	9%	10%	21%
Social Rented Sector	3%	19%	46%	5%	5%	23%
Private Rented Sector	36%	9%	23%	6%	8%	18%

Table 2.2: PRS Dwelling Profile in East Lothian by Age Band and Tenure (Home Analytics)

Older properties tend to have higher rates of disrepair and less able to achieve energy efficiency standards than more recently built homes. Equally they are also more challenging to adapt or make accessible through the installation of aids and adaptations. A higher concentration of older properties in the PRS in East Lothian means that tenants in the PRS may be more likely to experience fuel poverty and live in homes that require repair, maintenance and improvement to tackle disrepair.

As the East Lothian sample of the Scottish House Condition Survey is not sufficient to allow any meaningful reporting on the PRS, it is not possible to offer a property size, type or condition profile for the PRS using secondary data alone. This crucial gap in the evidence base will be addressed in the primary research element of the study.

There is evidence of grant funded investment in the repair and improvement of PRS homes in East Lothian. Over the last 10 years, households in private sector housing (both owner occupation and the PRS) have benefited from on average £347k per annum in repair and improvement grants. Over the last 3 years, on average the PRS has benefited from £64k of this funding, roughly 18% of the annual total. Over and above this, average investment in energy improvement works in the PRS has totalled £93k per annum.

£3.8M

improvement works/adaptations to over 748 households in private sector housing funded through Private Sector Housing Grant 2011/12-2021/22

Average annual spend = £347k

£93k 🏥

Energy efficiency improvement works to households in the PRS via the HEEPs ABS programme in East Lothian from (2019/20 – 2021/22)

2019/20 spend = £50k

£64k

Property adaptations delivered via Care & Repair in East Lothian from (2019/20 – 2021/22)

2019/20 spend = £42k

2.3 Homelessness and the PRS

Analysis of homelessness statistics in East Lothian's for 2020/21, shows that the number of homeless applicants who originate from PRS tenancies is decreasing annually, from 18% in 2018/19 to 10% 2020/21. Overall, 63 households from the PRS in East Lothian made a homeless application in 2020/21.



Year	Total HL1 applications	Applicants from PRS	% Applicants from PRS	Resolved homelessness in PRS	% Resolved in PRS
2018/19	795	143	18%	29	4%
2019/20	728	118	16%	37	5%
2020/21	627	63	10%	18	3%
Total	2,150	342	15%	84	4%

Table 2.3: Analysis of HL1 statistics (East Lothian Council HL1 Data, 2018-2021)

The Private Housing (Tenancies) (Scotland) Act 2017 restricts the circumstances under which the First Tier Tribunal² may grant an order for eviction from a private residential tenancy. This means a private landlord can no longer ask a tenant to leave simply because the fixed-term of their tenancy has ended. This could be an influencing factor in the reducing number of homeless presentations from PRS tenants.

Given that the sector accounts for approximately 10% of all homes in East Lothian, the statistics would suggest a lower proportion of housing outcomes are delivered by the PRS than other tenures. In 2020/21, just 4% (18) of all HL1 applicants (627) resolved their homelessness in the PRS. The number of homeless applicants accessing the PRS as a housing outcome has remained fairly static at between 3-5% 2018-2021. Given the scale of

the PRS in East Lothian there is perhaps more potential for the sector to be maximised as a settled housing option.

Over the past three years, whilst 15% of homeless applications have come from PRS households, a higher proportion approach the service for advice on the prevention of homelessness. According to Prevent 1 statistics, 38% of all households who approached the service for preventative support came from the PRS in East Lothian. However, in 2020/21, 28% of households facing homelessness were successful in resolving housing crisis in the PRS.



There is also evidence of tenancy sustainability issues in the PRS, with 22% of approaches for prevention advice coming from households who previously accessed the PRS as an outcome of a homeless application. Furthermore, 13% of Prevent 1 cases were as a result of 'action by landlord resulting in the termination of tenancy'.

2.4 Housing Waiting Lists and the PRS

Almost a quarter (24%) of waiting list applicants for social housing in East Lothian are made by households currently living in the PRS. This is more than double the proportion of households

² The First-tier Tribunal for Scotland (Housing and Property Chamber) was formed to deal with determinations of rent or repair issues in private sector housing and in exercising a landlord's right of entry. Since 2017, the Chamber has played a key role in determining private rented cases, following a shift from the Sheriff Court system.



who live in the sector (10%) and would suggest a strong unmet demand for social housing from PRS tenants.

Applicants by Tenure	Total Applications	% Applications by tenure
Social Housing	452	12%
Private Rental Sector	922	24%
Owner Occupier	507	13%
Tied Housing	27	1%
Homeless	62	2%
Ex-Armed Forces	2	0%
Other	1798	48%
Total	3770	100%

Table 2.4: Housing Waiting List Application by Housing Tenure (ELC Waiting List Data, 2022)

PRS tenants seeking social rented housing in East Lothian are concentrated in North Berwick Coastal (36%), Haddington and Lammermuir (31%) and Dunbar and East Linton (27%).

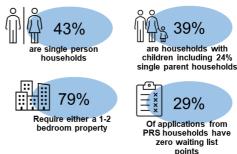
Locality	PRS (Waiting List)	% of applicants from PRS
Dunbar & East Linton	106	27%
Fa'side	138	23%
Haddington & Lammermuir	126	31%
Musselburgh	255	25%
North Berwick Coastal	75	36%
Preston Seton Gosford	109	20%
Elsewhere	113	19%
Total	922	100%

Table 2.5: Housing Waiting List Application by PRS Tenants by Locality (ELC Waiting List Data, 2022)

The majority of PRS waiting list applicants are single people (33%) and single parents (24%). A significant proportion of PRS applicants seeking social housing require either a one or two bedroom property (79%).

There is evidence of a significant proportion of PRS tenants who have no eligibility for social housing despite their preference to live in the sector. Overall, 29% of all PRS waiting list applicants have zero waiting list points. This suggests for up to 1 in 3 households, private renting is a secondary option and that households may be experiencing housing affordability pressures that could be eased by social housing.

Analysis of Waiting list applications from PRS households reveals



The Scottish Households Survey 2019 indicates that the majority of households living in the PRS are single adults (35%) with a further 30% being in the small adult households category.



Single person households are most susceptible to experiencing housing affordability issues, as this group fails to benefit from dual incomes or welfare benefits associated with having children. 17% of dwellings in the PRS have a 'Most Deprived Score of 1 according to SIMD 2020' records with the majority being in large urban or other urban areas (78%).

2.5 Alternatives to PRS: Mid-Market Rent in East Lothian

Mid-market rent (MMR) is an affordable alternative to the PRS, with rent levels generally lower than market levels but higher than social housing rents. Properties are aimed at households on moderate incomes who have difficulty accessing the social rented sector but who would also struggle to purchase their own home or afford private rents. Rental charges for MMR are typically set in threshold of 20% above social rent levels or 80%-100% of Local Housing Allowance (LHA) levels. As an intermediate housing tenure, MMR rents cannot exceed the LHA and can be an important tenure for households on low to moderate household incomes with no eligibility for social housing.

Across East Lothian there have been 115 MMR Affordable Housing Supply Programme (AHSP) completions between 2016-2021, accounting for 10% of all completions funded under the affordable housing supply programme.

The 2021-2026 Strategic Housing Investment Plan (SHIP) projects a further 191 MMR units will be developed over this five year period and will make up 12% of the programme. Table 2.6 below provides a comparison of AHSP units across all HMAs:

SHIP 2021/22 New Supply	Social Rent	Mid-Market Rent	% MMR Homes
Dunbar and East Linton	143		0%
Fa'side	443	75	17%
Haddington and Lammermuir	295		0%
Musselburgh	498	66	35%
North Berwick Coastal	63	20	32%
Preston Seton Gosford	79	30	38%
Unknown	50		0%
Total	1,571	191	12%

Table 2.6: SHIP 2021/22 – 2025/26 Affordable Housing Supply Programme Social Rent and MMR Units

The majority of this programme will be delivered in Fa'side (75 units) with Musselburgh (66 units), Preston Seton Gosford (30 units) and North Berwick Coastal (20 units) making up the rest of the properties being developed. Preston Seton Gosford has the highest density of MMR units alongside social rent (38%) in comparison to the other areas.

2.6 The Rent Deposit Guarantee Scheme

Rent Deposit Guarantee Schemes (RDGS) makes an important contribution to supporting households to access the PRS by providing landlords with a guarantee that a deposit will be paid in the event of loss or damage to the property. This means that a tenancy can begin without the need for a financial deposit.



There have been 152 RDGS allocation since 2018-19, with the total number of applicants reducing year on year since 2019-20, culminating in 34% fewer applications were processed by the scheme in 2020-21. It should be noted that this reduction could be associated with limited lettings activity during the Covid-19 pandemic.

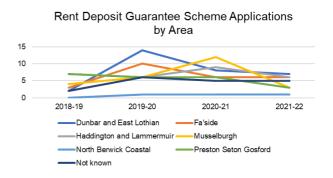
Rent Deposit Guarantee Scheme	2018- 19	2019- 20	2020- 21	2021- 22	Total	%
Dunbar & East Linton	2	14	8	7	31	20%
Fa'side	3	10	6	6	25	16%
Haddington & Lammermuir	7	6	9	6	28	18%
Musselburgh	4	6	12	3	25	16%
North Berwick Coastal	0	1	1	1	3	2%
Preston Seton Gosford	7	6	6	3	22	14%
Not known	2	6	5	5	18	12%
Total	25	49	47	31	152	100%

Table 2.7: Rent Deposit Applicants in East Lothian 2018/18-2021/22 (Source ELC RDGS dataset)

Graph 2.2 illustrates East Lothian's RDGS applications by area and clearly demonstrates a decline in activity over the past three years. Most rent deposits have been created in Dunbar & East Linton (20%), Haddington & Lammermuir (18%) and Musselburgh (16%).

Although a substantial number of property sizes were not recorded or unknown, it is unsurprising that 41% of applications in 2021-22 were for one-bedroom properties, followed by 31% for 2 bedroom and 24% for three bedroom. Applications for 4 bedroom or above were minimal.

Despite the small scale of RDGS cases currently operating in East Lothian, the Scheme still makes a valuable contribution to the sector for those in housing need.



Graph 2.2: RDGS Applications by Locality

2.7 Key Findings: Statistical Profile of the PRS

Comprehensive analysis of all known statistical data sources for the PRS in East Lothian provides an insightful baseline understanding of the scale, concentration and operation of the sector. Against a backdrop of limited access to social housing and owner occupation in East Lothian, the PRS plays an important role in meeting housing need. Demand for PRS housing outstrips supply in East Lothian and it is important the PRS is enabled to meet the needs of a broad range of tenants seeking accommodation.

There are 4,825 properties in the PRS in East Lothian, with the majority concentrated in the Musselburgh area (28%). Elsewhere, there is a relatively equal concentration of PRS homes in each locality (circa 800) with the exception of Fa'side and Preston Seton Gosford.

East Lothian Council

Research into the Private Rented Sector in East Lothian



The majority of PRS properties in East Lothian (38%) were built pre-1919 with 23% being built 1950-1983. A higher concentration of older properties in the PRS in East Lothian means that tenants in the PRS may be more likely to experience fuel poverty and live in homes that require repair, maintenance or housing adaptations.

Over the last 3 years, roughly 15% of all homeless applications in East Lothian are made by households leaving the PRS. Furthermore, almost 40% of households seeking advice and support on homelessness prevention originate from the PRS, which could be an indicator of tenancy sustainment issues in the sector.

Almost a quarter (24%) of waiting list applicants for social housing in East Lothian are made by households currently living in the PRS. This is more than double the proportion of households who live in the sector (10%) and would suggest a strong unmet demand for social housing from PRS tenants. There is evidence of a significant proportion of PRS tenants (29%) who have no eligibility for social housing despite their preference to live in the sector. For up to 1 in 3 households, private renting is a perhaps secondary option, which creates housing affordability pressures for those on modest incomes. The delivery of over 190 mid-market housing options (MMR) through the affordable housing programme in East Lothian could offer much needed alternatives to the PRS for housing seeking social housing.



3 The Impact of Short-term Lets on the PRS in East Lothian

A key question which underpins this research study relates to the extent to which the PRS in East Lothian has been affected by the growth of short term lets (STLs). Building on research into the 'Impact of short term lets on communities across Scotland' (Scottish Government 2019), analysis has been undertaken to assess the extent to which there is local evidence of private landlords 'flipping' residential tenancies into short term lets in East Lothian.

To achieve this, a dataset of advertised vacancies for short-term lets in East Lothian area was created using holiday, letting sites and other local tourism websites. This snapshot was assembled by address, property type, property size and rental value over a 4-week period, offering a weekly dataset of vacancies to provide a relatively robust sample of short-term lets across East Lothian.

In addition, East Lothian Council provided data on known short-term lets and self-catering accommodation from an external contractor. This was combined with the STL market snapshot assembled by Arneil Johnston. Using this data, analysis was carried out to ascertain the degree of overlap between the STL and PRS markets and determine whether rental prices in settlements with higher levels of STLs had notably higher PRS rents as a result. The data was analysed based on properties that could only have been used as a permanent residential home.

In total, 387 short term lettings vacancies were identified and analysed, with a focus on properties which could only be residential dwellings. The highest proportion of STL snapshot vacancies were in North Berwick Coastal (58%) followed by 19% in Dunbar & East Linton. Musselburgh had the lowest proportion of STLs (2%) along with Fa'side and Preston Seton Gosford (3.4%). It should be noted however, that high proportions of STL's may be a function of the sample, rather than an indicative distribution of rental properties in the area.

Locality	Number of STLs	% of STLs
Dunbar & East Linton	76	20%
Fa'side	13	3%
Haddington & Lammermuir	32	8%
Musselburgh	25	7%
North Berwick Coastal	225	58%
Preston Seton Gosford	13	3%
ELC Total	387	100%

Table 3.1: Short Term Lets (STLs) by Locality Area

The snapshot suggests that North Berwick Coastal has been impacted the most in terms of properties being taken out of the residential market, with 22% of the properties that could be rental homes in this area functioning as STLs. Whilst PRS vacancies dominate STLs across every locality in East Lothian, the turnover rates of STL properties will be accelerated in comparison to the PRS.

Table 3.2 below shows the breakdown of STLs by locality area. In most localities, with the exception of North Berwick Coastal (22%) and Dunbar & East Linton (9%), STLs account for less than 5% of rental properties available. In the areas where there are significantly higher



proportions of STLs, it could be concluded that short term letting may be restricting the PRS residential market. The impact of this aligned to limited social housing supply, means reduced housing options in these localities.

Locality	PRS Homes	STLs Snapshot	Total Potential Rental Properties	STL% of Total Lettings	
Dunbar & East Linton	789	789 76		8.8%	
Fa'side	549	13	562	2.3%	
Haddington & Lammermuir	763	32	795	4.0%	
Musselburgh	1,361	28	1,389	2.0%	
North Berwick Coastal	781	225	1,006	22.4%	
Preston Seton Gosford	582	13	595	2.2%	
ELC Total	4825	387	5,212	7.4%	

Table 3.2: Short Term Lets as a % of all Residential Lets by Locality

However, there is no evidence to suggest that a reduced residential letting sector as a result of short term lets is driving demand for social housing. Table 3.3 shows the % of Residential Lets and % of Housing List Applications. It shows that in areas of STL concentration (North Berwick and Dunbar & East Linton), social housing applications are below average.

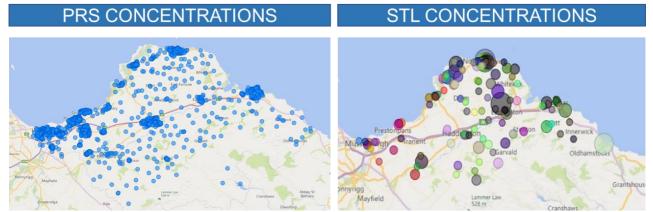
Locality	Total Housing List Applications	% Housing List Applications	STL% of Total Lettings	
Dunbar & East Linton	394	12%	9%	
Fa'side	611	19%	2%	
Haddington & Lammermuir	401	13%	4%	
Musselburgh	1004	32%	2%	
North Berwick Coastal	211	7%	22%	
Preston Seton Gosford	554	17%	2%	
ELC Total	3175	100%	7%	

Table 3.3: Short Term Lets as a % of all Residential Lets and % of Housing List Applications

The snapshot of STL dwellings has been mapped to provide a visual aid detailing the concentration of short term lets across East Lothian. Given the limited availability of postcode data for advertised vacancies, Map 3.1 does not reflect the concentration of STLs for the full snapshot sample but offers a good indicative profile.

Map 3.1 show that in some areas there is a relationship between the concentration of short-term and PRS rental properties, although not consistently so.





Map 3.1: Distribution of PRS tenancies and STL concentration across East Lothian

3.1 Does the Market for Short Term Lets influence PRS Rental Values?

Average monthly costs for short term lets are found to range from £2,968 to £12,824, with an average STL rent per calendar month achieving £4,093 compared to the average monthly rental yield in the PRS of £1,041. From the snapshot analysis available there is an average difference of £3,052 per calendar month in terms of income that can be generated for properties that are STL and those that are PRS properties.

The property size profile of the short-term lettings sector may be a factor in the analysis, with a significantly higher number large properties available to accommodate group holidays and events in some localities e.g. in Haddington & Lammermuir where the margin between STL and PRS rental income is as high as £4,000 per month. Table 3.4 below demonstrates the disparity in rents per calendar month for STLs and PRS vacancies by HMA.

	PRS PCM	STL PCM	Difference	
Dunbar & East Linton	£803	£4,136	£3,333	
Fa'side	£956			
Haddington & Lammermuir	£1,044	£5,225	£4,181	
Musselburgh	£1,052	£2,968	£1,916	
North Berwick Coastal	£1,162	£3,353	£2,191	
Preston Seton Gosford	£869	£4,001	£3,132	
East Lothian	£1,041	£4,033	£2,992	

Table 3.4: Comparison of Average PRS and STL Rents by Locality

There appears to be no real correlation between value of STL rents and PRS rents in most locality areas. The evidence suggests there is no consistent relationship between the market for short-term lets and PRS rental inflation as higher PRS rent levels are more prevalent in areas where there are fewer STLs. It is more likely to be the case that a lower number of PRS properties relative to local demand is a clearer driver of PRS rental inflation, rather than STLs driving PRS inflation.



3.2 Key Findings: The impact of Short Term Lets on East Lothian Housing Market

Greater insight on the true extent and nature of the short-term lettings sector in East Lothian will become available as the new STL licensing scheme, introduced on 1st October 2022, is in full operation in 2023. At this stage, the research analysis provides a helpful indicative profile of the operation of the short-term letting sector in East Lothian and its impact on the PRS.

The snapshot sample of short term lets in East Lothian suggests there were up to 400 STLs available to let, with almost 60% located in the North Berwick Coastal area. Whilst there are significantly more PRS properties registered (4,825) than STL dwellings in the snapshot (387), it is estimated that short-term lets account for 7% of the lettings market in East Lothian.

Most notably, short-term letting account for 22% of the lettings sector in North Berwick, suggesting that properties suitable as residential homes may have been taken out of the PRS to become STLs. In localities where there is already a limited supply of residential rental properties, even a small number of dwellings converting to STLs could have a disproportionate impact on meeting housing need. Having said this, there is no evidence to suggest that a reduced residential letting sector as a result of short term lets is driving demand for social housing.

The rental costs of STLs vary considerably across localities averaging at £4,033 per month. There would appear to be no real correlation between value of STL rents and PRS rents in most locality areas. The evidence suggests there is no consistent relationship between the market for short-term lets and PRS rental inflation, with higher PRS rent levels are more prevalent in areas where there are fewer STLs. Again, the exception to this pattern is the North Berwick Coast locality.



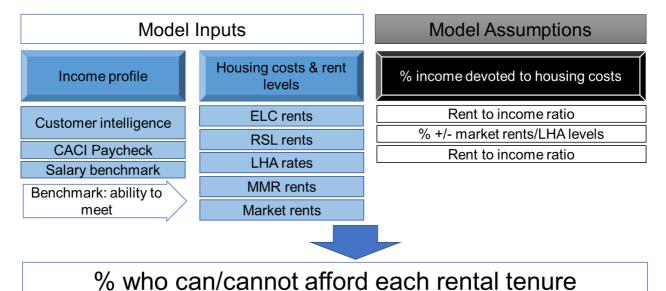
4 PRS Affordability Analysis

Housing affordability analysis provides important insight into the role and effectiveness of the PRS in meeting housing need across a range of income groups. In particular this analysis will offer insight into the extent to which the PRS is affordable to tenants on low to middle incomes and the extent to which affordability pressures may be evident for private tenants who need but cannot access affordable housing locally. Chapter 4 details the findings associated with PRS affordability pressures in East Lothian.

A statistical data-book and summary slide-pack detailing this analysis can be accessed by clicking on the following links:

- Appendix C: 2022 ELC PRS Affordability Model
- Appendix D: 2022 PRS Affordability Slidepack.

As part of the research methodology, Arneil Johnston developed a modelling tool to comprehensively assess housing affordability by benchmarking the profile of local incomes to housing costs across rental tenures and by locality area. The housing affordability model works by benchmarking the value of local incomes to housing costs across the rental housing market in East Lothian. This analysis is disaggregated by the model so that housing affordability can be tested by locality and property size. The following diagram illustrates how the model works in practice:



The model is populated with data inputs and insights on the costs associated with various rental tenure options including:

- rent levels for East Lothian Council
- rent levels for locally operating RSLs
- mid-market rent levels set at benchmarks including 90-95% of the Local Housing Allowance

East Lothian Council

Research into the Private Rented Sector in East Lothian



- local housing allowance levels (the threshold at which welfare benefits are set to support PRS tenants with meeting housing costs)
- PRS market rents.

Housing affordability is assessed by testing a range of income to rent ratios (the proportion of household income to be devoted to housing costs) to assess the risks associated with housing induced poverty in each tenure. The model also tests the housing affordability of low income households such as those earning the Scottish Living Wage or national minimum wage. Furthermore, using a banded income profile from CACI PayCheck, the model can calculate the proportion of households who can/cannot afford housing costs across a range of rental tenures and localities.

4.1 Rental Cost Analysis

To assess the affordability of the PRS in East Lothian, analysis of current rent values were assembled from a range of sources including Rent Service Scotland data which provided 418 records, Hometrack data which monitors PRS rental values (245 records), and data generated via an internal analysis of online private rental vacancies (146 records).

To provide a current snapshot of PRS rental values, rental values were assembled for the PRS by tracking market vacancies. This analysis generated a profile of average PRS rental costs by property size and locality. To assemble this data, analysis of private rented sector vacancies using online letting platforms (such as S1 Homes, Right Move, Zoopla, Prime Location, Gumtree and Nestoria) was carried out. Vacancies were captured at separate intervals including the 17th May 2022, 23rd May 2022, 25th May 2022, 6th July 2022, 13th July 2022 and 20th July 2022.

These data sources were used to assemble a combined sample with Scottish PRS rent statistics for 2021 used to triangulate findings and validate the overall East Lothian profile.

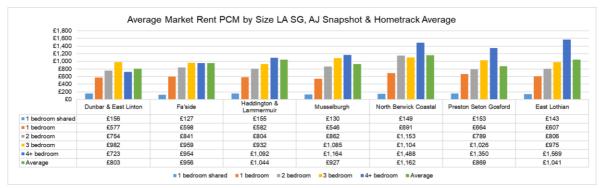
4.1.1 Market Rent Comparison

In 2021, the average market rent in East Lothian was £1,040.79 per month. This reflects the value of the wider Lothian rental market, where rents are 26% above the national average. Furthermore, rental inflation in the Lothian PRS over the last 10 years is 42%, 16% higher than Scotland.

Monthly rents vary significantly across property size from an average of £606.77 for a 1-bedroom property to an average of £1,568.68 for a 4-bedroom property. There is a high degree of variation in average rental market prices across localities in East Lothian. North Berwick Coastal is the locality with the highest average rental value at £1,162.16. In contrast, Dunbar and East Linton has the lowest average market rental value at £803.42.

Research into the Private Rented Sector in East Lothian





Graph 4.1: Average PRS rental values by HMA and property size

It is notable that North Berwick Coastal has the highest average rents across all property size categories relative to other housing market areas in East Lothian. In particular, average rents on 4-bedroom properties in this area are more than double those found in Dunbar and East Linton. When North Berwick Coastal is set aside, there is much less variation in average rents across the remaining localities. The greatest variations can be found in 3-bedroom and 4-bedroom properties.

To assess the affordability of the private rented sector for tenants who may be reliant on welfare benefits to meet housing costs, the Local Housing Allowance (LHA) is compared with average PRS rents. Overall, market rents in East Lothian are 3% lower than Local Housing Allowance levels, with Table 4.1 indicating that the LHA exceeds average market rents for all property sizes across East Lothian. Local Housing Allowance rates exceed average PRS rents by a notable margin in 1-bedroom properties (by 13%) and in 3-bedroom properties (by 12%).

Property Size	East Lothian	LHA	Difference	% Difference
1 Bedroom	£606.77	£688.09	-£81.32	-13%
2 Bedroom	£806.39	£822.73	-£16.34	-2%
3 Bedroom	£975.17	£1,096.98	-£121.81	-12%
4 Bedroom	£1,568.68	£1,690.35	-£121.67	-8%
Average	£1,040.79	£1,074.54	-£33.75	-3%

Table 4.1: Comparison between PRS rent levels and Local Housing Allowance rates by HMA and property size

Within East Lothian localities, the LHA exceeds average rents across property sizes in Dunbar & East Linton, Haddington & Lammermuir and Preston Seton Gosford. North Berwick Coastal proves an exception, with all but 4-bedroom property average market rents exceeding the LHA. In this case, 2-bedroom PRS rents exceed the LHA by 29%. This is more in line with other local authority areas in Scotland where market rents can be as much as 20% higher than LHA subsidy levels. Therefore, in most areas across East Lothian, the LHA rate makes private renting generally affordable for those reliant on welfare benefits to meet housing costs.



		Shortfall of Surplus of LHA in Meeting PRS renst by Property Size and Locality						
£	688.09	£	822.73	£	1,096.98	£	1,690.35	
1-t	oedroom	2-b	edroom	3-	bedroom	4-	bedroom	
£	81.32	СŁ	16.34	£	121.81	£	121.66	
£	111.03	£	68.49	£	115.12	£	967.01	
£	90.44	-£	17.80	£	138.45	£	736.68	
£	106.48	£	18.25	£	164.65	£	598.68	
£	142.16	-£	38.95	£	11.79	£	525.87	
-£	3.08	-£	329.86	-£	7.10	£	202.14	
£	24.42	£	33.80	£	71.32	£	340.35	
	1-l £ £ £ £ £	1-bedroom £ 81.32 £ 111.03 £ 90.44 £ 106.48 £ 142.16 -£ 3.08	1-bedroom 2-t £ 81.32 £ £ 111.03 £ £ 90.44 -£ £ 106.48 £ £ 142.16 -£ -£ 3.08 -£	1-bedroom 2-bedroom £ 81.32 £ 16.34 £ 111.03 £ 68.49 £ 90.44 -£ 17.80 £ 106.48 £ 18.25 £ 142.16 -£ 38.95 -£ 3.08 -£ 329.86	1-bedroom 2-bedroom 3- £ 81.32 £ 16.34 £ £ 111.03 £ 68.49 £ £ 90.44 -£ 17.80 £ £ 106.48 £ 18.25 £ £ 142.16 -£ 38.95 £ -£ 3.08 -£ 329.86 -£	1-bedroom 2-bedroom 3-bedroom £ 81.32 £ 16.34 £ 121.81 £ 111.03 £ 68.49 £ 115.12 £ 90.44 -£ 17.80 £ 138.45 £ 106.48 £ 18.25 £ 164.65 £ 142.16 -£ 38.95 £ 11.79 -£ 3.08 -£ 329.86 -£ 7.10	1-bedroom 2-bedroom 3-bedroom 4- £ 81.32 £ 16.34 £ 121.81 £ £ 111.03 £ 68.49 £ 115.12 £ £ 90.44 -£ 17.80 £ 138.45 £ £ 106.48 £ 18.25 £ 164.65 £ £ 142.16 -£ 38.95 £ 11.79 £ -£ 3.08 -£ 329.86 -£ 7.10 £	

Table 4.2: Comparison between PRS rent levels and Local Housing Allowance rates by HMA and property size

4.1.2 Social Rent Comparison

The average market rents in East Lothian have also been compared to rent levels in the social housing sector. Social housing rent levels are calculated using data submitted by Registered Social Landlords (RSLs) to the Scottish Housing Regulator (SHR) in 2020/21 as part of the Annual Return on the Charter (ARC dataset). Table 4.3 details social housing rents within East Lothian by property size:

Property Size	RSLs	Market Rents	Difference	% difference	
1 bedroom	419.55	606.77	-187.22	-31%	
2 bedroom	455.06	806.39	-351.33	-44%	
3 bedroom	477.54	975.17	-497.64	-51%	
4 bedroom	538.37	1568.68	-1030.31	-66%	
Average	445.71	1040.79	-595.08	-57%	

Table 4.3: Comparison between PRS rents and social housing rents by HMA and property size

Table 4.3 shows that market rents in East Lothian are significantly higher than social rents, ranging from 31% higher for 1 bedroom properties up to 66% higher for 4 bedroom properties. On average, market rents exceed social rents by 57%. Table 4.3 also shows that there is a significant differential in rental values for larger properties as social rents in East Lothian have a much flatter rental structure. As a result, the larger property size, the greater the differential between market rents and the average social rent levels.

4.1.3 Mid-Market Rent Comparison

In addition to benchmarking to social rents, PRS rent levels are also assessed against the affordability of rents in intermediate housing tenures. Table 4.4 below shows the differential between market rents in East Lothian where Mid-Market Rent levels (MMR) are set at 85%, 95% and 100% of the Local Housing Allowance rate.

As LHA rates sit close to PRS market rent levels at an East Lothian area level, Table 4.4 shows that in order for MMR to make a meaningful contribution to housing affordability, MMR rents will potentially require to be set under the LHA threshold and potentially in the region of 85-90%.



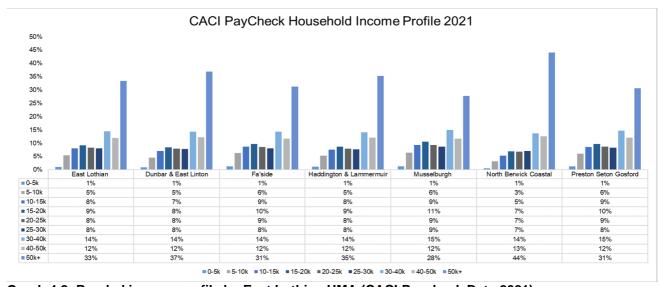
Property Size	Market Rents	MMR 100%	Difference	100% Difference	95% Difference	85% Difference
1 bedroom	£606.77	£688.09	-£81.32	-13%	-8%	4%
2 bedroom	£806.39	£822.73	-£16.34	-2%	3%	13%
3 bedroom	£975.17	£1,096.98	-£121.81	-12%	-7%	4%
4 bedroom	£1,568.68	£1,690.35	-£121.66	-8%	-2%	8%
Average	£1,040.79	£1,074.54	-£33.75	-3%	2%	12%

Table 4.4: Comparison between PRS rents and MMR rent scenarios by property size

4.2 Income Profile: CACI Paycheck Data

Establishing the income profile of local households is an important element of assessing the affordability of each housing tenure at a housing market area level. To achieve this, analysis of CACI Paycheck data was performed to profile the value and distribution of local incomes by standard income bandings.

CACI Paycheck data also provides the lower quartile income levels for localities across East Lothian. Analysis of Paycheck data reveals that the median income in East Lothian is £36,782, which is higher than the median income for Scotland at £29,876. The lower quartile income for households living in East Lothian is £20,713, which again is higher than is the case for Scotland (at £16,497). Graph 4.2 below details the profile of incomes across East Lothian by HMA and banded increments.



Graph 4.2: Banded income profile by East Lothian HMA (CACI Paycheck Data 2021)

In East Lothian, 32% of households earn less than <£25K per annum. There is clear evidence of income inequality locally with almost the same proportion of households (33%) earning £50k+ annually. Most localities have the same proportion of middle earners (43%), with more variation between localities on the proportion of high and low earners. In North Berwick Coastal, only 23% earn less than £25k, whilst Dunbar & East Linton has 29% of households within this income threshold. Other areas such as Musselburgh have 37% of households in this category.



North Berwick Coastal also has a notably greater proportion of high-income households (with 34% earning more than £50k per annum) than other localities which have on average 24% of earners in this category. In contrast, whilst Musselburgh has the greatest proportion of households earning between £0-£15K per annum at 17%, with North Berwick Coastal the lowest at 9%.

4.3 Model Assumptions: Income to Rent Ratios

A key model assumption relates to the proportion of household income that an individual must devote to meeting housing costs. Housing affordability analysis measures a person's ability to pay for housing. It is a complex issue influenced by local housing and labour markets as well as wider economic, environmental and social factors.

The housing affordability model tests the interaction between housing costs, household incomes and the proportion of income that households are typically willing or able to devote to rental payments. When households struggle to meet the costs of housing because they are devoting unsustainable levels of income to meet the costs, they are typically described as experiencing housing induced poverty.

Measures of housing affordability are a topic of debate. UK social policy since the 1980s has typically used a percentage of income spent on housing costs to estimate the number of households experiencing difficulties.



Rents are considered to be affordable if a household pays no more than 25%-35% of their income on housing costs

(HNDA Guidance)

In reality, some households will spend more than this depending on their household circumstances & rental cost

Most social landlords will test housing affordability using an income to rent test of 30%

Generally, those who require to spend more than 30-35% of their household income on housing costs are regarded as experiencing affordability difficulties; although in highly pressured housing markets, housing consumers may opt to spend well in excess this benchmark in order to meet housing needs. A key aspect of model development has been to scenario test the proportion of household income required to meet PRS costs at a 30% and 35% income to housing cost ratio.

4.4 How Affordable are East Lothian PRS Rents when using a 30% to 35% Income to Rent Ratio?

Whilst East Lothian PRS rents generally sit below Local Housing Allowance rates for the area; this in itself doesn't prove rents to be affordable relative to local incomes. In order to assess affordability, analysis is performed which benchmarks PRS rents to local income levels and assesses whether those earning minimum income thresholds (without reliance on housing subsidies) could afford market rents and other rental tenures. To test this, analysis was carried

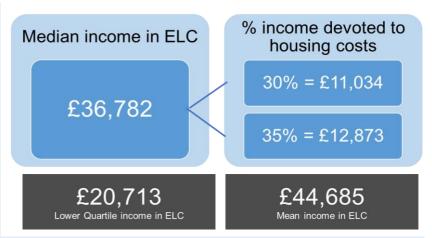
Research into the Private Rented Sector in East Lothian



out to measure how much a household in East Lothian would have to earn to be able to afford PRS rents if 30% or 35% of their income is devoted to meeting housing costs.

Based on the median income, at a 30% income to rent ratio, annual average market rents in East Lothian would require to be no more than £11,034 per annum to be considered affordable.

Calculated from the average monthly rent for East Lothian at £1,041, the average annual PRS rent equals £12,492.



It could therefore be concluded that households earning the East Lothian median income could comfortably afford the cost of market rents when devoting 30% of their household income to housing costs.

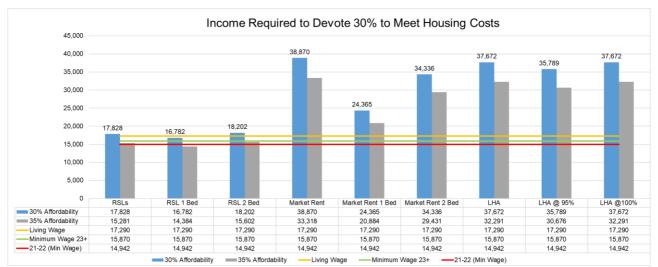
However, based on the lower quartile income benchmark in East Lothian (£20,713), at a 30% income to rent ratio, annual average market rents in East Lothian would require to be set at no more than £6,213 per annum. As the average annual PRS rent in East Lothian is more than double that amount at £12,492, the evidence suggests that PRS rents are simply not affordable to households on lower quartile incomes.

To assess the affordability of PRS rents to households on minimum income thresholds, the income required to devote no more than 30-35% of earnings for each tenure has been benchmarked to annual earnings under minimum wage (£15,870 for 25+) and living wage (£17,290).

Graph 4.3 illustrates that based on both a 30% and 35% income to rent ratio, average PRS rents in East Lothian are clearly unaffordable to those earning minimum and living wage benchmarks.

Research into the Private Rented Sector in East Lothian





Graph 4.3: Minimum Income Affordability by Rental Tenures in East Lothian 2022

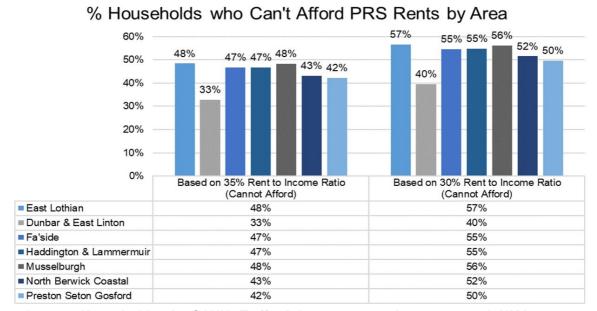
Graph 4.3 shows that a single household earning around £24,500k would be able to afford the average East Lothian 1-bedroom market rent if they were devoting 30% of their income to housing costs. This is significantly above the annual earnings of a single person reliant on Minimum Wage (£15,870) or Living Wage (£17,290).

Even when a 35% income to rent measure is used, the costs of PRS rents still exceed minimum income benchmarks. At 35%, a household in East Lothian would require to earn £20.8k to afford the costs of a 1-bedroom PRS property, with single earnings on Minimum Wage (£15,870) or Living Wage (£17,290) significantly below this benchmark. This analysis provides clear evidence suggests that households relying on minimum income measures will struggle to meet the costs of PRS rents, without devoting unsustainable proportions of household income.

Furthermore, analysis was performed using the CACI 2021 Paycheck data at locality level to assess the proportion of households across each locality who can/cannot afford average PRS rents in East Lothian based on a 30% and 35% income to rent ratio.

Graph 4.4 below illustrates the proportion of households who cannot afford the average market rents per locality using these rent to income ratios. This shows that on average 57% of households cannot afford the PRS rents when devoting 30% of their income to housing costs. At a 35% income to rent ratio, on average 48% of households in East Lothian cannot afford PRS rents.

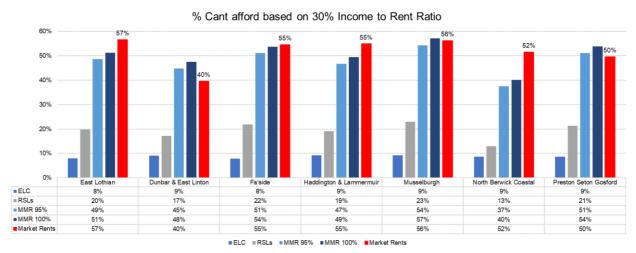




Graph 4.4: % Households who CANNOT afford the average market rent per sub HMA

Housing affordability in the PRS is worst in Musselburgh where 56% of households cannot afford a PRS rent based on a 30% rent to income ratio, followed by Fa'side and Haddington & Lammermuir (at 55% respectively). In these localities, this outcome is likely to be driven by the high proportion of households who are earning less than £15k per annum at 16%.

The analysis in Graph 4.4 is further developed by using the CACI Paycheck income profile in each area to assess the affordability of a range of housing tenures across each sub-area, including East Lothian Council rents, RSL rents and MMR (set at 95% and 100% of the LHA).



Graph: 4.5: % households who cannot afford housing tenures when devoting 30% of income to rent by HMA by Locality

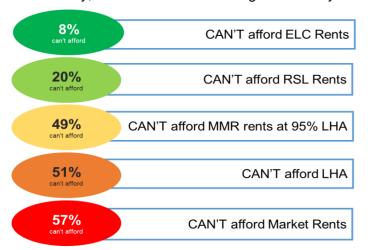
Graph 4.5 details the proportion of households per housing market area who cannot afford each rental when devoting 30% of their income to benchmark costs. Council rents are affordable to 9/10 households across East Lothian, with just 8% unable to rental costs without subsidy support. The analysis shows that on average, 20% of households are unable to afford



RSL rents (without subsidy) in comparison to 57% of households who cannot afford market rents.

The analysis of Mid-Market rental values is interesting, as in some areas, this tenure clearly improves PRS affordability outcomes. Whilst 57% of households can't afford PRS rents across East Lothian, this drops to 51% if MMR rents are set using the Local Housing Allowance, an improvement in affordability for 6% of households. Furthermore, if MMR rents are set at 95% of the LHA rate, 49% of households cannot afford housing costs, an improvement in affordability for 8% who cannot afford the costs of PRS rents. Whilst this pattern is not consistent across localities, MMR would appear to improve affordability outcomes for households in Haddington & Lammermuir (by 6%) and North Berwick Coastal (by 12%) at 100% of the LHA; and by 8% and 15% at 95% of the LHA.

In summary, the outcomes of housing affordability modelling across East Lothian show that:



East Lothian Private Rented Sector Affordability

- The average PRS rent is £1,041 per month
- The Local Housing Allowance (LHA) for East Lothian is above market rent levels for most property sizes, avoiding a major shortfall for those relying on subsidy to help meet their housing costs
- A household requires to earn up to £39k to be able to afford the average PRS rent if they devote 30% of their income to housing costs. This is significantly beyond lower quartile incomes in East Lothian (£20k) rendering PRS rents out of reach for low income households

4.5 Key Findings: East Lothian Housing Affordability Analysis

The average market rent in East Lothian in 2022 is £1,040.79 per month. Unlike other local authorities in Scotland, the Local Housing Allowance rate in East Lothian exceeds the value of average market rents by 3%. In 50% of localities including Dunbar & East Linton, Haddington & Lammermuir and Preston Seton Gosford, the LHA more than covers rental costs for all property sizes. North Berwick Coastal is an exception with all but 4-bedroom property rents exceeding the LHA rate.

In East Lothian, average market rents are more than double (57%) RSL rents. This demonstrates the important role for affordable housing in meeting the housing needs of those on low to moderate incomes.

The average income in East Lothian is £36,782 which is higher than average income levels Scotland (£20,713). The lower quartile income in East Lothian is £20,713 which is also higher than lower quartile incomes in Scotland (£16,497). Musselburgh has the greatest proportion of households earning between £0-£15K per annum at 17%, with North Berwick Coastal the lowest at 9%. North Berwick Coastal is an outlier relative to other localities, with higher average rents than other localities and a greater proportion of high income (£60K+) individuals residing in the area than elsewhere in East Lothian.

East Lothian Council

Research into the Private Rented Sector in East Lothian



To afford average market rents in East Lothian, a household would need to earn £38,870. Less than half of households in East Lothian earn this value (46%) and findings suggest that 57% of East Lothian households are unable to afford the average market rents at a 30% income to rent ratio.

Whilst 57% of households can't afford PRS rents across East Lothian, this drops to 51% if MMR rents are set using the Local Housing Allowance, an improvement in affordability for 6% of households. Furthermore, if MMR rents are set at 95% of the LHA rate, 49% of households cannot afford housing costs, an improvement in affordability for those cannot afford the cost of the PRS by 8%.



5 Profiling the PRS in East Lothian: Primary Research Outcomes

A priority for East Lothian Council in producing credible research on the operation of the private rented sector was to commission primary research to provide current and reliable intelligence on scale, nature and profile of homes and tenancies in the sector. Whilst secondary data can provide meaningful insights on the concentration and affordability of the sector, the Council identified limitations in relying solely on secondary data for research purposes, namely:

- no data on the property profile of PRS homes in relation to house type, size or property condition as the Private Landlord Register is limited to collecting address details only
- no credible information on the profile of landlords operating in the sector including portfolio sizes, tenancy management practice, return on investment or future intentions
- no credible, recent information on PRS tenant circumstances, housing intentions or aspirations including housing suitability, affordability, access and mobility, fuel poverty and housing status.

A key aspect of the research study was therefore to commission a large-scale survey of landlords operating in the East Lothian area and of PRS tenants on low to moderate incomes. To achieve this, Arneil Johnston commissioned Research Resource (a professional market research consultancy) to deliver PRS Landlord and Tenant research surveys, with fieldwork taking place between July and September 2022.

A full technical report detailing the survey methodology, questionnaire design and data accuracy is available in Appendix E: East Lothian PRS Research Survey Technical Report.

A statistical data-book and summary slide-pack detailing survey outcomes can be accessed by clicking on the following links:

- Appendix F: 2022 East Lothian PRS Survey Results Databook
- Appendix G: 2022 East Lothian PRS Survey Results Slidepack.

5.1 PRS Landlord Survey

A hybrid research methodology was used for the landlord survey comprising an online questionnaire with a telephone survey option for landlords who specified this as their preference. To administer the survey, East Lothian Council contacted all landlords on the Landlord Registration database, inviting them to participate in the survey and asking them to provide active consent to participate. Landlords were able to respond by clicking on a link by email, taking them directly to the online survey tool.

The landlord survey was designed to be short and simple, capturing quantitative responses in a manner that was quick and easy to complete to encourage as high as possible a response rate. The survey was set up in online SNAP survey software which allows the development of attractive and easy to complete questionnaires.

In total, 353 landlords participated in the survey exercise, with 316 responses to the online questionnaire and 37 field-worker led telephone interviews carried out.

Research into the Private Rented Sector in East Lothian



The landlord questionnaire was designed to address gaps in secondary data analysis and allow for landlords to offer meaningful feedback on their experiences, motivations and future intentions. The questionnaire included questions on:

- property portfolio and profile
- · approach to tenancy management
- · approach to rent setting
- property condition and maintenance
- future intentions.

The research outcomes arising from the 2022 East Lothian PRS Landlord survey provide invaluable insight into the extent and nature of homes in the sector, the economics of renting property in East Lothian and the nature of tenant/landlord relationships.

Key research headlines are detailed below:



There are a number of characteristics that define the landlord population operating in East Lothian. One of the most significant headlines is that the majority of landlords (42%) operating in East Lothian have been doing so for more than ten years.

Furthermore, the majority (50%) describe themselves as 'accidental' landlords who are letting out their former home or a property they inherited. The next most common motivation was property investment to build a portfolio of rental homes (17%) followed by 12% who

indicated that this was a single property investment to supplement their income. Only 5% of private landlords who participated in the survey identified as being professional landlords with a portfolio of assets as a full-time business. These findings suggests that private rented properties in East Lothian are predominantly provided by individuals rather than commercial businesses.

The most common property size within landlord portfolios is two-bedroom properties (49%). Two-bedroom properties account for almost half of the PRS portfolio in the research sample. Three bed-room properties account for just over a quarter of PRS homes (26%), with 1 bed-room (17%). There are very limited numbers of landlords who offer larger properties within their portfolio. The property size profile of the East Lothian PRS and dominance of 2 bedroom properties could cause some challenges for those seeking housing, particularly single people under the age of 35 who are limited by Local Housing Allowance rate for sharing. Equally those seeking larger homes may struggle to meet their needs in the market.

The majority of landlords indicated that their properties are flatted (40%) or 47% if four in a block properties are included in this category. If all 'houses' (detached, semi-detached, terraced and bungalow) are grouped together then low-rise properties make up almost half (48%) of all PRS homes; suggesting an even split between 'houses' and flatted accommodation across East Lothian.

Over a quarter of PRS homes were built pre-1919 (26%), with a third built before 1945; a lower proportion than suggested by the Scottish Household Survey. This aligns with the overall stock profile across East Lothian.

Research into the Private Rented Sector in East Lothian



The vast majority of landlords said that their properties used mains gas (71%) as a main source of heating; followed by electric (18%) as the next most common option. A proportion of landlords (40%) did not know the current energy rating of their property (EPC) whilst almost a third (31%) achieved an energy rating of C. Just 6% of landlords offered properties that had an energy rating of Band B or above. This is a key survey finding in the context of the Scottish Government target for all PRS homes to achieve an energy rating of Band B in the next 10 years.

There appears to be a positive position in relation to tenancy sustainment in the East Lothian PRS. Of the 353 landlords surveyed 48% indicated their current tenant had lived in the property for more than 3 years. At the other end of the scale, 25% of tenancies were less than year old.

One in four landlords (24%) indicated their property would be suitable for a wheelchair user to visit the property, with 70% stating this would not be possible. The vast majority of landlords (84%) stated that there had been no special forms of adaptations installed in their property. Of the minority who had installed property adaptation, the most common adaptation was handrails (7%) followed by door entry systems (6%).



Of the landlords who participated in the survey there is a relatively even split in terms of how they manage properties, with half using an agent to provide tenancy management services and 48% indicating that they manage PRS tenancies themselves. Most landlords said they advertise properties through a letting or estate agent (63%), however, property listing sites on the internet (14%) and social media (13%) were also methods adopted. A relatively high proportion, around 1 in 5 (21%) said that they identified potential tenants through word of mouth and 10% said that tenants were found via friends and family.

Almost all landlords (96%) said that they have no difficulty finding tenants for their properties. Landlords were asked if they placed any restrictions on the type of tenants, they were willing to accommodate, with 40% indicating they would not accept a tenant if the number of people in the household meant the property would be overcrowded. Other common reasons for restrictions include poor credit reference (34%), tenants who can't provide a reference from previous landlord (32%) and tenants who have been evicted from a previous tenancy (31%).

The vast majority of landlords offer long term lets (88%) under a Private Residential Tenancy with a further 12% offering short-term lets of up to 6 months. A very small proportion of landlords (6%) offer seasonal lets, temporary accommodation, tied tenancies or short assured contracts.

Most landlords indicated that they had not experienced any difficulties in ending a tenancy in the last five years (89%). Those who did experience difficulties (11%) advised that the biggest reasons for difficulties were tenants stopping to pay rent (69%), tenants causing significant damage to the property (42%) or tenants not leaving at a due date after notice to quit had been issued (39%).

The most common reason landlords stated for tenant contact was to report a repair (93%) followed by a request for home improvement or modernisation works (22%) then permission for a pet (20%). Only a small proportion (4%) were contacted most often in relation to tenants



looking to discuss help with paying rent or applying for housing benefit, with an even smaller number about aids or adaptations being installed (2%).



Over half (59%) of landlords said that they were advised by a letting agent or solicitor when it came to setting rents for their property. 30% indicated that they considered other rents in the area and used this as a benchmark, whilst 14% set their rents at a level to cover their own costs. Most landlords (71%) felt that the rent they collected covered the costs they had in letting their property and gave them a reasonable return. 13% said that their rent levels were not sufficient, whilst 7% said they weren't looking for a return.

With regards to tenants who may be experiencing difficulty in paying their rent, just below half of landlords (46%) said that they would know where to direct their tenant for advice and assistance. However, a significant proportion (38%) indicated that they would not know how to signpost for support and a further 16% felt it wasn't their business and wouldn't get involved. For those who said they would be able to signpost their tenants, the majority (67%) would direct tenants to Citizens Advice, whilst 30% would direct them to the local authority/housing service.



Just under half of the landlords (45%) said that property repairs were organised through their managing agent, who sourced tradespeople and managed the process. Half said they sourced tradespeople themselves, however, this would depend on the repair needed. Around a fifth of landlords indicated that where possible they would carry out the repair themselves, with 14% stating they had a repairs and maintenance contract in place which covered things like home maintenance and boiler repairs.

Where unexpected or emergency repairs arise, landlords indicated that they either had the means to cover these costs (59%), had a contingency fund in place to cover costs (35%) or had a maintenance contract in place (13%). A small proportion of landlords (3%) indicated that they did not have the means or resources to cover emergency repairs should they arise.

Most landlords (87%) said there were no current outstanding repairs in their portfolio. For landlords who indicated that there were outstanding repairs, the most common reason for work not being done was inability to find a reliable builder or contractor (6%). Other reasons for work not being progressed related to communal repairs. In some instances (3%) there was no factor or owner association to organise the works and a further 3% said they couldn't get agreement with other property owners to get the work done. Together this accounts for 6% of outstanding repair jobs.

The majority (57%) of landlords either carry out annual property inspections or at the end of a tenancy, to prepare a maintenance and improvement plan. Around a quarter carry out modernisation or improvement works if they are requested by a tenant. Just over 10% of landlords have a longer-term plan and prepare an improvement plan every five years to commission a property condition survey. This indicates that most landlords are taking a reactive approach to property improvement and modernisation works rather than considering a longer term planned maintenance approach.



50% of landlords stated they have already installed energy saving measures to their properties with further 15% who would like to do it but can't at the moment. The most common upgrade is double glazing (45%), with 8% having installed solar panels and a further 7% heat pumps. Most landlords have made energy improvements to support tenants to achieve lower fuel bills (51%) whilst a quarter felt improvements attracted tenants, with a further 25% concerned about the environment and carbon emissions. The least common reason was due to tenant complaints (4%). For those landlords who would like to install energy saving measures but can't, the main reason was property type/building fabric unable to support the improvements (59%), with a quarter (27%) unsure how to go about it and a further 24% unable to afford the improvements.

Landlords were then asked how the Heat in Buildings Targets would affect them as a landlord. A significant proportion (41%) hadn't heard about the targets. For those who had heard about them, 18% said their property would meet the standards, 18% said they would need funding/grant to carry out improvement works and 14% indicated they would do the work themselves. There was a small proportion of landlords (3%) who said that they would sell their property as a result of the standards. 51% of landlords said they would like more information on the Heat in Building Strategy and how it may affect them as a private landlord.



A large proportion (45%) did not feel that they would benefit from any of the support options provided to improve their practice as a landlord. For landlords who did feel that they would benefit from improving practice, most interest was around information on the availability of grants to improve the energy rating of properties or to install adaptations (42%) followed by advice on how to improve the energy efficiency of their property (22%). 15% of landlords said they would be interested in training or information in relation to tenancy law and landlord obligations, with a further 13% who would like regular updates

on sector issues through the local landlord forum.

However, whilst many landlords did not feel the need to engage with training and support to improve their practice, there is evidence that some landlords would benefit from this. In a series of true or false questions, the survey tested knowledge of landlords responsibilities. Whilst the majority of questions were answered accurately by landlords, a number of key gaps in understanding were evident, as follows:

- 36% did not know they must give the tenant details of their name & address
- 27% did not know if a deposit is required, it must be no more than the equivalent of two
 months' rent
- 88% did not know that a tenant has a right to adapt their home to make it suitable for a disabled person who lives there
- 80% did not know that a tenant has a right to adapt their home to take advantage of a government scheme to install central heating or energy efficiency measures.



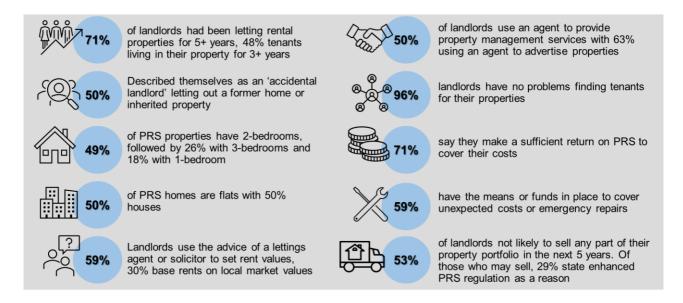


Landlords were asked how likely they would be to sell any or part of their portfolio over the next five years. There was a considerable range of responses with over half saying they are not very likely (27%) or not at all likely (26%) to sell. However, 16% said it was very likely they would sell and a further 15% said it was fairly likely. This would mean a number of PRS properties potentially leaving the sector. A further 16% of landlords didn't know at this time what their future position would be. From those who said they were very or fairly likely to sell, the most common reason provided was 'other' which provides limited insight into

the reasons for their decision (42%). 29% indicated that they would sell due to increasing regulation in the PRS, with a further 12% doing it to pay off their mortgage on their own home. 9% of landlords were confident they would get a good price for their property given the current market conditions.

The 2022 East Lothian PRS landlord survey has succeeded in delivering credible insight into the extent and nature of landlord property portfolios, tenancy management arrangements and property maintenance practice. Furthermore, the survey intelligence provides crucial contextual evidence of what motivates investment in the PRS, the economics of private renting and landlord intentions to remain in the sector.

Headline findings from 2022 East Lothian PRS Landlord Survey can be summarised as follows:



5.2 2022 East Lothian Tenant Survey

The intention of the East Lothian PRS tenant survey was to explore the extent to which the sector is effective in meeting housing need, particularly for households on low to moderate incomes. In the absence of a representative dataset of PRS tenants to participate in the research, Arneil Johnston worked with a network of trusted agencies and advocates who engage with tenants living in the PRS to seek their consent to participate in the survey. Working with CHR and Housing Options services as well as housing advice agencies, a sample frame of willing participants was developed for the purposes of the tenant survey.

Research into the Private Rented Sector in East Lothian



Furthermore, the tenant survey was widely through marketed using East Lothian Council's social media channels, encouraging any private tenant to opt into the research.

A hybrid research methodology was used for the tenant survey comprising an online questionnaire with a telephone survey option for tenants who specified this as their preference. The tenant survey was designed to be short and simple, capturing quantitative responses in a manner that was quick and easy to complete to encourage as high as possible a response rate. The survey was set up in online SNAP survey software which allows the development of attractive and easy to complete questionnaires.

In total, against a target of 100 tenant interviews, 158 tenants participated in the survey exercise, with 58 responses to the online questionnaire and 100 telephone interviews carried out.

The tenant questionnaire was designed to address gaps in secondary data analysis and allow meaningful feedback on tenant circumstances, needs and aspirations. The questionnaire included questions on:

- profiling the tenant population
- suitability of current home including property condition and repairs
- · housing choice options and access
- current housing status and future intentions
- tenancy management experiences
- housing costs and affordability.

It should be noted given the scope of the research and the nature of the sample, the research focuses on PRS tenants on low to middle incomes and those who may have housing support requirements. Whilst the outcomes, offer useful insight into the role of the PRS in meeting housing need, it should be borne in mind that survey results do not provide a fully representative response of the full tenant population living in the PRS.

The research outcomes arising from the 2022 East Lothian PRS tenant survey provide invaluable insight into the tenant population and their experiences of living in the PRS. Key headlines are detailed below:



Nationally, the PRS is dominated by single and two person households. The PRS tenant survey shows a similar pattern in East Lothian with adult only households accounting for 55% of survey respondents, with 24% single person households, 26% 2-adult households and 5% 3+adult households. There are smaller proportions of families living in the PRS, with 16% of tenants single parents and 17% 2-parent families.

There could potentially be a future shift in the household profile of PRS tenants if more people choose to cohabitate in the sector to share housing costs or as a result of limited housing options locally.

Most PRS tenants who participated in the survey were female (67%) and the most common age group to engage was those 35-44 years old (29%). A smaller proportion of households over 65 took part in the survey (10%).



Most PRS tenants were renting unfurnished property from a private landlord (65%) followed by 15% renting a furnished property, with other variations including rented from family (5%), shared tenancy (7%). Most tenants had a long term let (72%), 12% were in temporary accommodation and 6% had a short term let of up to 6-months. There were similar numbers of tenants living in flatted accommodation (45% including four in a block), with (48%) living in houses including detached, semi-detached, terraced and bungalow. Most PRS tenants (83%) were not sharing any rooms with another household, and for those who were (17%), the majority were sharing a kitchen (96%).

50% of PRS tenants were living in 2-bedroom properties, with a fifth in 1-bedroom and another fifth in 3-bedroom homes. The majority of PRS tenants (59%) said they have the right number of bedrooms to meet the needs of their household, with 32% saying that they had fewer bedrooms than needed. This suggests up to a third of PRS tenants may be overcrowded in their current property.

There were equal proportions of tenants who were satisfied or dissatisfied with their current home. 42% tenants said they were either very or fairly satisfied with their home whilst 41% indicated they were either very or fairly dissatisfied, with 15% being neither satisfied nor dissatisfied.



To gauge what might be driving housing satisfaction levels, tenants were asked if they were affected by a range of situations in their current home. The biggest factor affecting PRS tenants is that heating costs are not affordable. 49% said this was a serious problem with a further 29% indicating that rent costs were also a serious problem. Most tenants have gas heating (74%) with 13% having electric heating.

Accessibility along with property size and type were also viewed as serious problems for some households. 19% of tenants said they felt

isolated and lonely at home with a further 18% indicating that the health of a household member suffered due to the property being the wrong size or type. The findings of the PRS tenants survey indicate that health and wellbeing are important to tenants and that the current housing circumstances of some households in the sector are causing a serious problem.

Given that the biggest factor affecting PRS tenants is the ability to heat their home, it is not surprising that 54% of those surveyed said they were spending more than 10% of their income on heating bills. A quarter of households surveyed didn't know if they spent 10% of income heating their home, with a further 23% who said they found in neither easy not difficult to afford the costs of heating their home.



Just under half (48%) of tenants said their property did not have any outstanding maintenance or repairs work required, however, 41% indicated that there were outstanding works. Most outstanding repairs relate to minor repairs or improvements (42%). The second most common problem is condensation (20%) followed by significant dampness (14%). In terms of property improvements, 7% of tenants stated they needed a new heating system, 10% need a new boiler, 22% insulation measures and 9% better lighting and ventilation.

Most tenants (52%) said they would be able to have the repairs or maintenance needed carried out, however, 25% said they would not and a further 23% who didn't know. For those



who were unable to have repairs or maintenance delivered, the most common reason was that their landlord was refusing to carry them out. 15% said their landlord wouldn't give them permission to carry out repairs or improvements and 9% said they didn't know who to ask to get help.



Most PRS tenants indicated that they found it very difficult to find suitable housing in their area of choice (59%), with a further 25% of tenants describing it as difficult. Only 4% of PRS tenants described the search for a home as easy.

The majority (68%) said that renting from East Lothian Council would have been their first preference, with 22% indicating a local housing association would have been their first choice. Just 19% said private

renting was a first choice option. This clearly shows that renting from a social housing provider is the most preferred choice of housing option for this cohort.

More than half of PRS tenants (53%) said that 'after looking at all my housing options, private renting was the only available option for me in the area I was looking for', with a further 47% saying that 'private renting was a secondary option after it became clear I would not be able to access social housing. 14% said that private renting was either their preferred choice due to location or cost. 57% of tenants said that they felt private renting was the only option as they were unlikely to either own their own home or ever have a social tenancy.

A large proportion (39%) felt that private renting was a short-term solution until they would get an offer of social housing whilst (10%) viewed the PRS as a short-term solution until they could afford their own home. This highlights the wide range of attitudes towards PRS, and the variety of reasons households turn to the PRS for a housing solution.



The vast majority (77%) of PRS tenants surveyed said they would either like to move or need to move in the next two years, with 16% stating they didn't want or need to move and 6% who didn't know. For those who would like or need to move, main reasons include being unable to afford their rent (39%) and unable to afford heating bills (30%). These push factors indicate the serious affordability challenges within the sector for low on low to moderate incomes. Second to affordability, PRS tenants want to move because they need a bigger home (27%). Further reasons

broaden out to wider health and well-being motives such as feeling isolated (21%), being closer to family and friends (20%) and looking to have access to a garden or outdoor space (19%).

For those households who felt that they would move, just under half (46%) thought they'd be most likely to move to a housing association property, whilst 17% thought they'd rent from another local authority. Only 6% thought they'd be likely to rent from East Lothian Council. Interestingly, 16% felt that they would be most likely to move to another private let whilst 13% thought they would buy their home with a mortgage. There is a clear aspiration from the majority of respondents, with social housing clearly a housing option of choice.

The most common reason for not being likely or actively trying to move is the lack of available of homes in the area (52%). Other reasons include not having enough priority needs to be allocated social housing (46%) and a lack of affordable properties in areas where people want to live (42%). Only 1% of those who participated in the survey indicated that they required



specialist accommodation or support that is not available. There were a considerable proportion of households who indicated across a range of indicators that suitable accommodation and ability to finance home ownership were the reasons for not being able to move. The analysis suggests that lack of housing choice in areas, compounded by barriers to accessing both social housing and home ownership.



Survey respondents were asked a series of question in relation to housing costs and affordability. Just under half (49%) indicated that they had to pay one month's rent deposit when they first moved into their home. 20% paid no deposit and 15% had to pay two months' rent. A very small proportion (1%) had to pay a deposit of three months. The ability to pay one or two months deposit can impact on a household being able to afford the PRS as a housing choice.

Participants were provided with a range of example scenarios that would cause a household to have difficulty paying their rent. The main scenarios that impact on difficulties with paying rent include the rising cost of living (55%) and rising energy and fuel costs (54%). This means that more than 50% of PRS tenants on low to moderate incomes are experiencing difficulties in keeping up with rent payments. 33% said they were not having any difficulties in meeting rent payments.

For tenants who indicated that they were struggling to pay their rent, the survey asked if they would know where to go for information or advice. The majority (52%) said they would not know where to go, 33% said they would go to Citizens Advice Bureau and 13% said they would access the Council's Financial Inclusion Service.

Whilst most tenants are in employment (39% are in full-time work, with a further 23% in part-time work) the affordability challenges experienced by PRS tenants appear to be considerable. Fewer numbers had a long-term sickness or disability (11%), 5% were unemployed and seeking work, with 10% being retired. This demonstrates the wide range of economic circumstances of PRS tenants.

The majority of PRS tenants (51%) said that they were spending more than 30% of their income on housing costs, with 49% spending less than 30%. This offers clear evidence of the scale of housing affordability pressures in the East Lothian PRS.



Almost two thirds of PRS tenants are satisfied with the way their landlord manages their tenancy (64%), with 18% neither satisfied nor dissatisfied, and 18% dissatisfied. Of those who are dissatisfied, key reasons relate to landlord reluctance to carry out repairs (59%), to carry out modernisation works (39%) or difficulties with making contact (35%).

Whilst most tenants generally understand the tenancy rights available to them, there are some areas of confusion:

- 35% did not know they could present to the First Tier Tribunal to request an order requiring landlords to carry out repairs
- 68% did not know that a tenancy deposit could be no more than 2 months' rent



- 86% did not know that a tenant has a right to adapt their home to take advantage of a government scheme to install central heating or energy efficiency measures
- 88% did not know that a tenant has a right to adapt their home to make it suitable for a disabled person who lives there.

The latter point is of particular concern given that 47% of PRS tenants who have a household member with a long term illness or disability (53%), state that their current home does not meet the health and disability needs of the household. Furthermore, 13% require aids and adaptions to the property, the most common being level access showers (9%).

The 2022 East Lothian PRS tenant survey has succeeded in delivering credible insight into the population who make the PRS their home, housing suitability, housing choice and access and housing affordability pressures. Furthermore, the survey intelligence provides crucial contextual evidence of tenant attitudes towards the PRS and future housing aspirations.

Headline findings from 2022 East Lothian PRS Landlord Survey can be summarised as follows:

₩₩ [™] 17%	of tenants share the property with another household, with 83% living in the PRS as an independent household	RENT 84%	of PRS tenants describe finding a suitable home in their area of choice as difficult (25%) or very difficult (59%)
75%	of tenants homes have less than 2 bedrooms with, 32% saying they have fewer bedrooms than needed by the household	57%	of PRS tenants feel that 'private renting is my only option as I am unlikely to own my home or have a social tenancy
41%	of PRS tenants are satisfied with their current home, with 41% dissatisfied. 18% are neither satisfied or dissatisfied	67%	of PRS tenants would either like (39%) or need (39%) to move home in the next 2 years
41%	of PRS tenants state that there are outstanding maintenance/repair jobs to be completed on their homes, with 1/4 suggesting the landlord will not carry out these repairs	5 77%	of PRS tenants do NOT need any adaptations to their property to make it more suitable for the need of their household
54%	of PRS tenants are spending more than 10% of their income on heating costs, with 64% describing the cost of heating as 'difficult'	50%	of PRS tenants are spending more than 30% of their household income on rent with 26% spending more than 40%



6 PRS Stakeholder Engagement Sessions

A key aspect of the research programme involved engagement with landlords, letting agents and other stakeholders to gather evidence of lived experience on the operation of the PRS in East Lothian and to test prospects for its continued growth and improvement. To achieve this, PRS landlords, letting agents and advice and advocacy agencies were invited to a programme of stakeholder engagement workshops in September 2022.

The aim of each engagement workshop was to present emerging research findings on PRS operation, gather lived experience of living, working, managing or providing PRS accommodation locally; and to consider future prospects and potential interventions to support PRS growth and improvement.

Each workshop was structured around interactive activities to enable stakeholders to firstly consider the operation and characteristics of the East Lothian PRS and then assess areas for development. Up to 20 partners and stakeholders attended the workshop programme, including 5 PRS landlords, 9 letting agents and 6 housing advice and advocacy agencies.

Chapter 6 details the key consultation outcomes achieved by engagement with landlords, letting agents and housing advocates. A full briefing paper detailing the outcomes of each workshop activity is available in Appendix H.

6.1 Engagement with Landlords and Letting Agents

The first two workshops were designed to build insight on the operation of and prospects for the PRS from locally operating landlords and letting agents. Local landlords were recruited on an 'opt-in' basis by expressing interest to participate in further research as part of the PRS landlord survey. In total, 5 landlords participated in the engagement research. Local letting agents were recruited via the Scottish Association of Landlords, with 9 locally operating agents participating in the research.

The workshop programme was designed to allow landlords and letting agents to offer insight on the operation of the PRS, drivers and barriers to future growth and support for landlords to develop and improve the sector.

6.1.1 Activity 1: How does the Private Rented Sector in East Lothian Operate?

Activity 1 was intended to enable landlords and letting agents to reflect on and define the characteristics and dynamics that drive the operation of the PRS in East Lothian. This short interactive exercise was used to develop a sense of the housing market, regulatory and economic factors that drive PRS operation, as well as strengths and weaknesses of the sector. Using an interactive whiteboard, participants were asked to consider a range of PRS characteristics, assessing the extent and nature of their impact on the operation of the sector in East Lothian.

There was a consensus view across both landlords and letting agents on some of the positive characteristics of the PRS in East Lothian including:

- the quality of property management.
- the condition and quality of PRS homes in East Lothian.

Research into the Private Rented Sector in East Lothian



- strong demand for available PRS properties.
- competitive market for landlords to operate in.

Both sets of stakeholders noted extremely positive demand for available PRS tenancies, acknowledging that surplus demand undoubtedly fuels rent inflation in the local area. All other things remaining equal, the extent of demand in the East Lothian PRS market should be enabling investor confidence to grow but proposed legislative reforms to the sector is currently restricting investor appetite. It was acknowledged that the demand for PRS accommodation is also changing locally, with the Edinburgh student market shifting into East Lothian, and new households migrating from other areas in Scotland and the UK to access such a high-quality local environment.

"Demand is incredibly positive. I can post a new listing on a Friday and receive over 15 enquiries in the first weekend alone"

"Households relocating to East Lothian like the flexibility that the PRS can offer. It gives them time to test living in the area and to purchase a property. We are definitely seeing more of that"

Whilst security of tenure was seen as a positive by letting agents, they did acknowledge that limited flexibility to move around the PRS is driven by high costs of moving (both deposit values and rent in advance) and the limited availability of PRS homes in key locations. As a result, local households who have managed to access the sector tend to stay put. Whilst landlords also acknowledged that security of tenure is positive in East Lothian, with households remaining in tenancies for extended periods, it was suggested that Scottish Government restrictions on recovery of possession tip the balance of fairness too far in respect of tenant rights, creating major risks to landlords.

"Landlords feel that they are under attack – why would you take the risks of investing in an asset only to be told that you cannot access this investment when you need to. It's a huge risk..."

Landlords and letting agents both agreed that the rent affordability is limited for tenants and particularly so for those in local employment or on low-to-moderate incomes – a poor characteristic of the East Lothian PRS. Landlords suggested, however, that rent affordability pressures do not influence the operation of the local market, as surplus demand continues to fuel rental prices. This is exacerbated by the limited availability of homes in areas where local people want to live, or which are well connected to transport links. Whitecraigs and Gullane were both provided as good examples.

Letting agents acknowledged that the best way to control rent inflation would be to grow the supply of properties through continued landlord and investor appetite. However, both landlords and letting agents acknowledged that prospects for the growth and improvement of the PRS in East Lothian are extremely low despite very positive market demand. Both groups of stakeholders cited the increasing costs of investment as a barrier to growth. However, proposed Scottish Government reforms are having a major impact on landlord and investor risk appetite.

"Rent freezes and restrictions on recovery of possession are a major risk to landlords. Add to that the cost of new improvement standards and PRS investment is not the good prospect it once was. To put it simply, there are easier and safer ways to invest than the PRS"

"There is evidence that lenders are pricing risk into the rates of Buy to Let mortgages in Scotland given the perceived risks associated with recovery of possession and rents. In fact,



some lenders are leaving the Scottish market. So, investment costs are high, risks are high, and you can't access finance – landlords simply won't invest or will leave the market"

It was agreed that a decreasing PRS in East Lothian could have devastating consequences for the local economy and attracting and retaining key workers; as well as local residents and communities who will face even more limited housing options in areas of pressure or the end of their PRS tenancy.

Key findings from Activity 1 can be summarised as follows:



The Operation of the PRS in East Lothian: Positive characteristics

- · Good quality property management
- · Quality and condition of PRS properties on offer
- · Strong market demand for PRS properties
- · Competitive market for landlords and investors



The Operation of the PRS in East Lothian: Negative characteristics

- Rent affordability (for tenants in local employment or low to moderate incomes)
- Limited availability of PRS properties in areas where people most want to live
- Prospects for PRS growth landlord, investor and lender investor appetite
- · Rising costs of investment and landlord liabilities
- · Rising regulation, enforcement and investment risk associated with proposed SG reform

6.1.2 Activity 2: What are the Main Drivers of Future PRS Growth and Improvement?

Activity 2 was designed to enable landlords and lettings agents to assess the strengths and weaknesses of the private rented sector in East Lothian and the extent to which these forces could be a driver or barrier to growth.

On balance, both landlords and letting agents were able to define fewer drivers for growth and improvement in the East Lothian PRS than barriers to restrict growth and improvement. Letting agents identified the condition of PRS homes and the security of tenure offered by the local sector as drivers of growth. It was noted that a quality asset base and offers that are effective in meeting need provides a strong foundation for future growth and improvement. There were conflicting views around increasing regulation and enforcement with letting agents seeing this as 'incidental to the vast majority of good landlords' and landlords seeing increasing red tape and cost as a barrier to improvement.

There was clear consensus from landlords and letting agents that the barriers to growth and improvement in the PRS are significant and likely to be highly impactful. The first group of resisting forces relate to economic barriers to growth including:

- the fluctuating housing market
- the taxation system for private renting
- increasing interest rates and rising cost of borrowing.

It was acknowledged that whilst the property market is currently buoyant in Scotland, a fluctuating housing market as a result of economic uncertainty could see property values decline in the short term whilst interest rates increase. Rising interest rates will also have a

Research into the Private Rented Sector in East Lothian



major impact on both existing landlords and prospective investors and could restrict investment in PRS growth. It was also acknowledged that value of market properties in East Lothian as well as the costs of purchase (both deposit values and the Additional Dwelling Supplement of 4%) create further barriers to investment. Other economic barriers included the taxation system for private renting in the UK, which has reduced the margins of private landlords and could influence investor appetite.

"The tax implication for private landlords is a big issue – no other type of investor is facing the same pressure. It makes you question whether you would be better off switching investments?"

The second group of resisting forces relate to operating factors including the Private Residential Tenancy regime and restrictions on recovery of possession, with the latter identified as the 'the single greatest risk to private landlords operating in Scotland'. Both landlords and letting agents were quick to point out that the risk of investment is prohibitive if landlords cannot access their assets or realise their value should they need to do so. Again, it was pointed out that no other type of investor would face such barriers to accessing their capital and that this is increasingly recognised by lenders as a risk who are more cautious about operating in the Scottish market.

The third group of resisting forces relate to property investment barriers including the costs of new property standards, the age and energy rating of PRS homes in East Lothian and the prospect of rent freezes then rent controls. Both landlords and letting agents were quick to acknowledge that investment in property standards would be extremely challenging should rental income stagnate or reduce in the future as a result of proposed reforms. The age of PRS homes in East Lothian would make meeting proposed energy efficiency standards more challenging and expensive than in other areas. These factors may lead to landlords reconsidering their future motivations to continue to operate in the PRS.

Finally, the fourth group of resisting forces relate to viability barriers including declining rental yields/rates of return and a shift in landlord risk appetite. Both landlords and letting agents expressed major concerns regarding the proposed Scottish Government reforms of the PRS and their impact of the financial model associated with private renting.

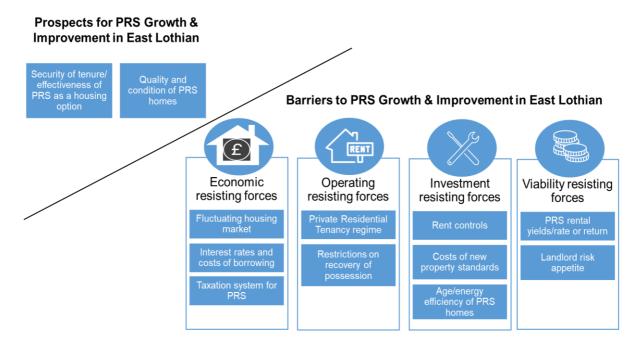
"If landlords lose rental income and at the same time are hit by new investment standards, we won't be able to continue to operate. Add to that not being able to access your properties and it's a perfect storm"

Overall, letting agents were extremely pessimistic about the growth and improvement of the PRS in East Lothian, unanimously concluding: 'in 2 years' time the sector will be smaller in East Lothian'. Landlords echoed this view and questioned whether the long term economic impact of a shrinking PRS had been considered or measured at a national level:

"if the private rented sector in East Lothian contracts as a result of Scottish Government reforms, it will take decades to recover. This will have a devastating impact on the economy in East Lothian"

Key findings from Activity 2 can be summarised as follows:





6.1.3 Activity 3: What Support do Landlords Need to Grow and Improve the PRS in East Lothian?

Building on the outcomes of Activity 2, the final activity encouraged landlords and letting agents to assess the extent and nature of policy and support options that could enable investment, growth and improved standards in the private rented sector. Landlords and letting agents considered a range of policy and improvement options, building a spectrum of priorities to support landlords to grow and improve the sector. Key areas of consensus include:

- reviewing grounds for recovery of possession, creating a fair system for landlords and tenants
- changes to the taxation regime for private landlords
- grants/low cost loans to encourage landlords to invest in property maintenance and improvement
- grants/low cost loans to encourage landlords to invest in energy efficiency measures.

Whilst acknowledging it was not in the control of East Lothian Council, both landlords and letting agents agreed that reviewing grounds for recovery of possession to create a fair system for both landlords and tenants, would be the single greatest factor in encouraging landlords to remain in the sector.

Letting agents were also keen that the control of the short term lettings sector be considered to support landlords to engage in residential letting. There is some anecdotal evidence that increasing energy costs and rising regulation is encouraging landlords in the short term lettings sector to return to the PRS. Given the current risks facing the PRS, any opportunity to return high quality accommodation to residential letting should be considered.

Letting agents were also keen to see more targeted enforcement activity to address poor practice in the local PRS using the powers already available to East Lothian Council. This was

Research into the Private Rented Sector in East Lothian



seen as a priority over the creation of a new regulator. It was also noted that sufficient resources should be dedicated to this task to enable a proactive, investigative approach.

Whilst landlords were keen to see improvement to the flexibility of the Private Residential Tenancy regime, letting agents suggested that harmonising tenancy rights across the private and social housing sectors was a poor proxy for increasing the supply of affordable homes, which should be the main priority of local and national government.

Landlords added their own suggestions to the list of support options that should be made available including mechanisms to balance the risks for landlords associated with proposed PRS reforms, or ideally... "Scrapping proposed PRS reforms excluding the new standards in relation to housing quality and energy efficiency".

Both landlords and letting agents were keen to see better collaboration between local and national government, letting agents and landlords to develop proposals to improve the private rented sector, as well as ongoing and meaningful consultation which informs public policy. Landlords suggested a need for this to take place at a local level through:

"Ongoing and meaningful engagement with landlords to evidence and understand the economics of the sector – the survey intelligence gathered is simply a snapshot in time. This needs to continue".

Whilst landlords and letting agents acknowledged that many of the most influential options to support landlords did not fall within the powers available to East Lothian Council, the following options should be considered to improve the operation and growth of the sector in the new LHS:

- grants/low cost loans to encourage landlords to invest in property maintenance and improvement
- grants/low cost loans to encourage landlords to invest in energy efficiency measures
- targeted and intelligent enforcement activity by investing in dedicated resources which can take a proactive approach
- present a positive business case on the role of the PRS on the East Lothian economy and local communities
- ongoing and meaningful engagement with private landlords
- maximise investment in affordable housing across East Lothian
- assess impact of controls to the short term lettings sector to support landlords to engage in residential letting.

6.2 Engaging with Housing Advice and Advocacy Providers

The third workshop was designed to build insight on the operation of the PRS from locally operating housing advice and advocacy providers who support PRS tenants in East Lothian. This workshop was designed to explore the effectiveness of the PRS in meeting the needs of low to middle earners who may be engaging with local providers for advice and assistance, as well as private tenants with housing support needs.

Local advice and advocacy agencies were invited to participate in the workshop using a contact list provided by East Lothian Council. Representative from six agencies participated in



the session, providing qualitative views on current PRS effectiveness in meeting the housing needs of local households on low incomes or with support needs.

6.2.1 Activity 1: How does the Private Rented Sector in East Lothian Operate?

Activity 1 was designed to enable advice and advocacy agencies to reflect on and define the characteristics and dynamics that drive the operation of the PRS in East Lothian.

Housing advice and advocacy providers could identify some positive characteristics of the East Lothian PRS including its ability to relieve housing pressures in key areas as a flexible housing option. It was also acknowledged that whilst the majority of homes in the East Lothian PRS are very likely to offer security of tenure, positive tenancy management and good housing condition, households with low incomes or support needs do not perceive this to be the case, as they are rarely empowered to exercise the rights available to them.

"There is a definite perception that the PRS is NOT secure or that the power balance in the landlord/tenant relationship is not in their favour. This may not be the case, but this is what many of clients feel. It stops them asking landlords for help or improvements"

Providers agreed that there is limited understanding across this client group of the rights and protections offered by the Private Residential tenancy regime and feel powerless to address tenancy or rent affordability pressures.

On balance, housing advice and advocacy providers characterised the operation of the PRS in negative terms when considering the needs of households with low incomes or housing support needs. Fundamentally, a lack of alternative affordable housing options for this client group generates the wrong type of demand for private renting, ultimately creating tenancies that are not affordable or sustainable. More specifically, limited access to social housing often means that the PRS is the only housing option available. This is particularly the case for younger households on low incomes.

"The PRS works for households with moderate to median incomes and no to low support needs. But it creates risks for low incomes households or those with support needs - more affordable housing options are desperately needed to meet the need of this client group"

"An acute lack of affordable housing options is driving households into a sector which is not meeting their needs or set up to meet their needs. We need a better range of options in every tenure in East Lothian"

Providers also recognised that poor local housing options and choice was driving demand for available PRS tenancies, creating competition which excludes low income or vulnerable households from accessing the sector. This competition has led to practices in the sector including payment of 6 months in advance or restrictions on certain types of tenant that further disadvantage households with low income or support needs: "Competition for PRS lets is fierce and credit checks are often part of the process. It's not a level playing field for households on low incomes."

It was acknowledged that whilst access to the PRS is extremely limited to low incomes households, for those in the sector, it rarely offers a sustainable housing solution from either an affordability or a housing support perspective. Providers also acknowledged affordability issues were often exacerbated by fuel poverty with older, electric heating systems being particularly expensive to run. It was also noted that there are no services available to assist



low income households to save or improve energy usage. Overall, the poor affordability of PRS rents was a major characteristic of the East Lothian PRS with anecdotal evidence of households with low incomes increasingly struggling to make ends meet: "I have some clients living in the PRS who are working 3-4 jobs just to cover basic living costs."

Key findings from Activity 1 can be summarised as follows:



The Operation of the PRS in East Lothian: Positive characteristics

- · Flexibility of the PRS as a housing options
- Security of tenure
- · Quality of tenancy management
- · Condition and quality of PRS homes



The Operation of the PRS in East Lothian: Negative characteristics

- Rent affordability (for tenants with low to moderate incomes or support needs)
- · Competition/demand for PRS properties
- Limited range of available properties by area, size, type fuelling demand
- · Sustainability and accessibility of PRS homes for households with support needs

6.2.2 Activity 2: How effective is the PRS in meeting the housing needs of tenants?

Activity 2 was designed to understand the effectiveness of the PRS in East Lothian in meeting housing need in East Lothian, with a focus on tenants with low incomes or support requirements. Advice and advocacy agencies were asked to examine and identify what they perceive to be the strengths and weaknesses of the sector in offering secure, suitable, well maintained, warm and affordable accommodation.

Advice and advocacy agencies could recognise positive forces that succeed in enabling the PRS to be effective in meeting the needs of local households including the quality of PRS homes and the freedom form repair and maintenance liabilities which is particularly beneficial to households on low incomes or those with support needs. It was also acknowledged that the PRS can enable social mobility and is an important initial tenure in longer term housing journeys.

Providers also acknowledged the PRS offers good potential to meet housing needs effectively with good security of tenure and tenancy management services delivered in the main by locally operating reputable providers. This includes landlord responsibilities to carry out repairs, adaptations and property improvements. It was acknowledged however, that households with support needs or low incomes are often not empowered to access these rights and benefits as they do not understand the tenancy protections in place or have confidence to engage with landlords.

"Many of our clients definitely perceive security of tenure to be low. They don't understand the legal or tenancy protection in place. We need to address that and support tenants to feel empowered."

In contrast, advice and advocacy agencies identified a number of resisting forces that hold the PRS back in meeting housing needs effectively.



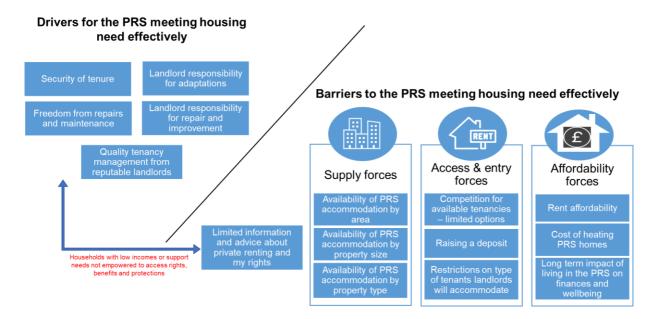
A major resisting force relates to shortages of accommodation in specific localities that local households want to live or in the right size or type of properties to meet housing need. In particular, a shortage of 1-bedroom and 4-bedroom homes were identified as key gaps. This mismatch between households and homes can often lead to households living in unsuitable accommodation or younger households failing to form new households.

Limited housing options and choice in the PRS is further exacerbated by the type of restrictions landlords place on the type of tenants they will accept including those with poor credit histories or reliance on housing benefits. These forces were identified as major factors in the PRS not meeting housing need effectively.

The major weakness of the PRS was identified as the affordability of PRS rents and the costs of accessing the sector. The long term impact of devoting substantial proportions of household incomes to meet PRS rents is often extremely damaging from a both a financial and wellbeing perspective.

"We're encouraging vulnerable and low income households to access a sector that is not equipped to meet their needs. Households then become trapped and fall through the cracks. We need a better range of affordable rental options with support. Ideally, we need more access to social housing"

Key findings from Activity 2 can be summarised as follows:



6.2.3 Activity 3: Tenant priorities for private rented sector change and improvement

Building on the outcomes of Activity 2, Activity 3 was designed to enable housing advice and advocacy providers to assess a range of policy and improvement options that would enable better operation of the PRS in East Lothian for tenants with low incomes or housing support needs. Participants considered a range of policy and improvement options, building a spectrum of priorities that would enable better operation of the PRS in East Lothian. The outcomes of Activity 3 are detailed below:

Research into the Private Rented Sector in East Lothian



Housing advice and advocacy providers recognised that the key to improving the operation of the PRS for households with low incomes or support needs would be options to improve the affordability of rents and to increase the supply of private rented accommodation. On this basis, the LHS should consider if rent controls could improve PRS rental affordability in areas of pressure. Furthermore, short term let control areas should be explored where there is evidence that this market is reducing the supply of residential housing for local households. In both instances, consultation with landlords is essential to avoid them leaving the sector and reducing the overall supply of rented accommodation options.

Secondly, options which offer support and advice to empower tenants to exercise their rights and seek the protections of the private residential tenancy should be prioritised. This includes

- support to identify reputable landlords and letting agents
- support to secure property adaptations
- advice and advocacy services to enable tenants to engage positively with landlords
- mediation services to support tenants in dispute with landlords
- better knowledge and understanding of security of tenure.

As well as options to support tenants, providers also acknowledged that landlords should be supported to invest in repair, maintenance and energy improvements through the provision of grants and low cost loans.

There was also scepticism about the creation of a new regulator or new enforcement powers to deal with landlords who do not meet minimum standards. Instead, advice and advocacy providers were keen to see existing powers used more effectively with a more proactive approach to enforcement adapted by East Lothian Council. This included improving tenant knowledge of how to engage with enforcement services and report poor practice.

6.3 Key Findings: Stakeholder Engagement Sessions

Engagement with landlords, letting agents and housing advice agencies offered an important opportunity to assemble lived experience evidence from those supporting and managing the operating of the sector.

Landlords and letting agents characterise the East Lothian PRS as offering high quality homes and security of tenure. It was acknowledged that surplus demand fuels rental inflation in the area and creates housing affordability pressures and poor mobility across the PRS. Prospects for the future growth and development of the sector were extremely low fuelled by rising interest rates and proposed reforms to the sector which will fundamentally change the PRS financial model and load risk towards PRS investors. Current restrictions on recovery of possession were seen as the single greatest factor in holding back PRS growth and improvement and central to diminishing investor appetite.

Overall, the prediction of both landlords and letting agents is that the PRS in East Lothian is highly likely to shrink in the next 3-5 years, as landlords leave the sector. This will have a devasting impact on the East Lothian housing system and local economy. Creative options to support landlord retention include lobbying the Scottish Government on a more balanced approach to recovery of possession, more targeted enforcement activity using existing powers. and landlord grant assistance to support property maintenance and energy saving measures.

Research into the Private Rented Sector in East Lothian



Housing advice and advocacy agencies characterise the PRS as offering an option to local households who often have little or no housing choice. As a consequence, many PRS tenancies are neither affordable nor sustainable to those on moderate to low incomes. The accessibility of the PRS is a huge challenge for low to middle earners with surplus demand fuelling questionable lettings practice, with competition for available properties described as 'fierce'.

It was suggested that whilst the East Lothian PRS offers good security of tenure and tenancy management, households with support needs or low incomes are often not empowered to access these rights and benefits as they do not understand the tenancy protections in place or have the confidence to engage with landlords. However, the main weakness of the PRS is the affordability of PRS rents and the costs of accessing the sector. The long term impact of devoting substantial proportions of household income to meet the cost of PRS rents is often extremely damaging from a both a financial and wellbeing perspective.

Housing advice and advocacy providers recognise that the key to improving the operation of the PRS for households with low incomes or support needs would be options to improve the affordability of rents and to increase the supply of private rented accommodation. Whilst targeted rent controls and restrictions on short-term lets are potential options to explore, landlords must be engaged in assessing these options to avoid a shrinking of the sector.



7 Key Research Findings and Conclusions

The operation of the private rented sector in East Lothian is complex with a range of factors influencing its current effectiveness in meeting housing need as well as its future potential. The research and evidence base that has been developed provides an improved understanding in relation to PRS concentration, supply pressures, property profile, sector role, management profile, quality, security of tenure and the impact of the short-term lettings sector.

Chapter 7 synthesizes key findings from each element of the research study to answer the key questions posed by the research.

7.1 East Lothian PRS Property and Market Profile

Whilst the PRS in East Lothian has witnessed an overall growth trajectory over the last two decades, it would appear the sector's tenure share has plateaued in recent years. Roughly 1 in 10 households in East Lothian live in the PRS, a slightly smaller proportion than is the case in Scotland (14%). There are 4,825 properties in the PRS in East Lothian, with the majority concentrated in the Musselburgh area (28%). Elsewhere, there is a relatively equal concentration of PRS homes in each locality (circa 800 properties) with the exception of Fa'side and Preston Seton Gosford which have a lower market share.

The property profile of the PRS is a 50:50 split of houses and flats, with a dominance for 2-bedroom homes (49%). There are limited options for larger households in the PRS and too few one bedroom homes for the proportion of single people seeking housing.

A third of all PRS properties in East Lothian (36%) were built before 1945 with a quartile built before 1919. This high concentration of older properties in the PRS will undoubtedly impact on both property performance and tenant experience, with older homes more difficult to repair, maintain, adapt or meet energy efficiency standards.

The vast majority of PRS properties rely on mains gas as heating source, with very limited understanding of the energy performance of homes in sector (42% of landlords have no knowledge of the energy performance of their properties). Just 6% of landlords offer homes which have an energy rating of Band B or above. This potentially leaves a significant challenge for the sector meeting the targets set in the national Heat in Buildings Strategy. In fact, 1 in 4 landlords have never heard of the Heat in Buildings Strategy or national energy efficiency targets.

On balance, the condition of PRS properties would appear to be positive in East Lothian, 8 out of 10 homes requiring no repairs (43%) or minor repairs of improvements (42%). However, 1 in 5 tenants suggest that poor property condition is a serious problem (17%). Despite this, the majority of landlords (87%) report no outstanding repairs in their portfolios. This is in contrast to 50% of tenants who report outstanding repairs and maintenance works needed in their homes, with the majority (42%) relating to minor repairs and improvements. Where unexpected or emergency repairs arise, the vast majority of landlords indicate they have the means to cover these costs or contingency plans in place.

The issue of repairs and improvement works is a key factor in the quality of landlord and tenant relationships, with up to 59% of tenants who are dissatisfied with their landlord frustrated with landlord reluctance to carry out repair or improvement works. Overall, two thirds of tenants are satisfied with the way their landlord manages their tenancy.



7.2 East Lothian PRS Landlord and Tenant Profile

The PRS landlord survey reveals an experienced landlord population, most of whom have been letting property for over 5 years. The vast majority of private landlords (75%) have just 1 property for rent, with half of PRS landlords describing themselves as 'accidental' landlords renting out a former home or inherited property. Just 5% describe themselves as professional landlords with a portfolio of assets as a full-time business.

50% of landlords rely on a letting agent to provide tenancy management services. Whilst many landlords did not feel the need to engage with training and support to improve tenancy management practice, there is evidence that some landlords would benefit from this, with gaps in understanding in relation to some tenant rights, including right to adapt or seek energy improvements.

The operation of the PRS in East Lothian would appear to offer incentives that have to this point in time, balanced the business risk of investors. Landlords reveal positive security of tenure in the East Lothian PRS (48% of current tenants have been living in the property for more than 3 years). Furthermore, landlords almost unanimously said that they have no difficulty finding tenants for their properties, and in some cases apply restrictions to the type of tenants they will accept.

Crucially, most landlords (71%) felt that the rent they collect covers the costs of letting their property and gave them a reasonable return. Perhaps aligned to this, over half of landlords, state they are unlikely to sell any part of their property portfolio in the near future. It should be noted that the research was carried out before Bank of England increases to interest rates which could impact on the viability of the PRS business model, plus the Cost of Living (Tenant Protection) (Scotland) Act, which has effectively imposed a rent freeze on the sector.

Nationally, the PRS is dominated by single and two person households, with the East Lothian tenant population offering a similar pattern. 55% of housing living in the sector are all adult households, including 24% single person households, 31% 3+ adult households. There are smaller proportions of families living in the PRS, with 16% single parents and 17% 2-parent families.

There are a wide range of economic circumstances across the PRS population in East Lothian. Most tenants are in employment (39% are in full-time work, with a further 23% in part-time work). Just over a third of PRS tenants in East Lothian are economically inactive, including those with long-term sickness or disability (11%), retired (10%) or unemployed and seeking work (5%).

Most PRS tenants rent unfurnished properties from private landlords (65%) followed by 15% renting a furnished property. Most tenants also describe their tenancy as a long term let (72%), with 18% in temporary accommodation or shorter term lets.

Generally, PRS do not share any rooms with another household (83%), with the remaining sharing kitchen facilities. The majority of PRS tenants (59%) said they has the right number of bedrooms to meet the needs of their household, with 32% saying that they had fewer bedrooms than needed. This suggests up to a third of PRS tenants may be subject to overcrowding in their current property.

Research into the Private Rented Sector in East Lothian



Over half of PRS tenants have a household member with a long term illness or disability (53%), with 47% of this group stating their current home does not meet the health and disability needs of the household. Furthermore, 1 in 10 PRS tenants require aids and adaptions to the property, the most common being level access showers (9%).

The biggest single issue affecting tenants in the East Lothian PRS is the affordability of heating their home with half of all tenants suggesting this was a serious problem. A further 29% of tenants also suggested that the affordability of rental costs was a serious problem. It is not surprising that 54% of PTS tenants describe themselves as being in fuel poverty, spending more than 10% of their income on heating bills.

7.3 Effectiveness of the PRS in Meeting Housing Need

Landlords and letting agents characterise the East Lothian PRS as offering high quality homes and security of tenure. Furthermore, demand for private rented accommodation is extremely high with evidence that surplus demand fuels rental inflation. As a consequence, high rental values create housing affordability pressures and poor mobility across the PRS.

Housing advice and advocacy agencies characterise the PRS as offering an 'option to local households who often have little or no housing choice'. As a consequence, many PRS tenancies are neither affordable nor sustainable to those on moderate to low incomes. Accessibility into the sector is often a significant challenge for low to middle earners, with competition for available properties described as 'fierce'.

Echoing these views, the vast majority of PRS tenants (84%) describe finding their current home as difficult amid a shortage of available properties locally. Just 1 in 5 tenants living in the sector said private renting was a first choice option, with more than half describing the PRS as the 'only option available to me'. There are clear preferences for and aspirations to access social housing expressed by most PRS tenants, reflects the nature of the sample and focus on households with low to moderate incomes.

Almost a quarter of waiting list applicants for social housing in East Lothian are made by households currently living in the PRS. This is more than double the proportion of households who live in the sector (10%) and would further evidence a strong unmet demand for social housing from PRS tenants. However, a significant proportion of PRS tenants (29%) have no eligibility for social housing despite their preference to live in the sector. The delivery of over 190 mid-market housing options (MMR) in East Lothian in the next 5 years could offer much needed alternatives to the PRS, expanding the range of affordable social housing options locally.

Over the last 3 years, roughly 15% of all homeless applications in East Lothian have been made by households leaving the PRS. Furthermore, almost 40% of households seeking advice and support on homelessness prevention originate from the PRS, which could be clear indicators of tenancy sustainment issues in the sector.

Housing advice and advocacy agencies suggest that whilst the East Lothian PRS generally offers good security of tenure and tenancy management, households with support needs or low incomes are often not empowered to access these rights, do not understand the tenancy protections in place or have the confidence to engage with landlords. Improving tenant access to information, advice and advocacy could be an important aspects of improving the effectiveness of the sector in meeting housing need.



Stakeholders agreed that the main weakness of the PRS is the affordability of PRS rents and the costs of accessing the sector for those seeking housing. The long term impact of devoting substantial proportions of household income to meet the cost of PRS rents is likely to be extremely damaging from a both a financial and wellbeing perspective.

7.4 The Impact of Short-term Lets on the PRS

Greater insight on the true extent and nature of the short-term lettings sector in East Lothian will become available as the new STL licensing scheme, introduced on 1st October 2022, is in full operation in 2023. At this stage, research analysis provides a helpful indicative profile of the operation of the short-term letting sector in East Lothian and its impact on the PRS.

A snapshot sample of short term lets in East Lothian identified up to 400 STLs available for letting, with just under 60% located in the North Berwick Coastal area. It is estimated that short-term lets account for 7% of the total lettings market in East Lothian, with the exception of North Berwick where short-term letting accounts for over 20% of the lettings sector. This could perhaps indicate a movement of residential rental homes from the PRS to become short term lets in the North Berwick area. That said, there is no evidence to suggest that short terms lets are driving demand for affordable housing, even in the North Berwick area.

Furthermore, there is no clear correlation between value of STL rents and PRS rents in most East Lothian localities, with higher PRS rent levels more likely to be prevalent in areas where there are fewer STLs. Again, the exception to this pattern is the North Berwick Coast locality.

7.5 Rents and Affordability in the East Lothian PRS

The average market rent in East Lothian in 2022 is £1,040.79 per month. This reflects the value of the wider Lothian rental market, where rents are 26% above the national average. Furthermore, rental inflation in the Lothian PRS over the last 10 years is 42%, 16% higher than Scotland.

As a function of operating in the Lothian market, the Local Housing Allowance rate in East Lothian exceeds the value of average market rents by 3%. In 50% of localities including Dunbar & East Linton, Haddington & Lammermuir and Preston Seton Gosford, the LHA more than covers rental costs for all property sizes. North Berwick Coastal is an exception with all but 4-bedroom property rents exceeding the LHA rate.

In East Lothian, average market rents are more than double (57%) RSL rents. This demonstrates the impact of affordable housing in meeting the housing needs of those on low to moderate incomes.

The average income in East Lothian is £36,782 which is higher than average income levels Scotland (£20,713). The lower quartile income in East Lothian is £20,713 which is also higher than lower quartile incomes in Scotland (£16,497). Musselburgh has highest concentration of households earning below lower quartile incomes (17%), with North Berwick Coastal the lowest at 9%. North Berwick Coastal is an outlier relative to other localities, with higher average rents and a greater proportion of high income (£60K+) individuals residing in the area than elsewhere in East Lothian.

To afford average market rents in East Lothian, a household would need to earn £38,870. Less than half of households in East Lothian earn this level of income (46%). Affordability

Research into the Private Rented Sector in East Lothian



analysis suggests that 57% of East Lothian households are unable to afford the average market rents at a typical 30% income to rent ratio. Furthermore, PRS rental costs are not affordable to households on minimum earnings including Living Wage and Minimum Wage levels.

Whilst 57% of households can't afford PRS rents across East Lothian, there is some evidence that mid-market options could help to improve affordability pressures in some localities. The proportion of households who cannot afford PRS rents drops to 51% if MMR rents are set using the Local Housing Allowance, an improvement in affordability for 6% of households. Furthermore, if MMR rents are set at 95% of the LHA rate, an improvement in affordability for those cannot afford the cost of the PRS of 8% is achieved.

7.6 PRS Tenant Perspectives, Aspirations and Expectations

There are equal proportions of tenants who are satisfied or dissatisfied with their current home with 42% tenants satisfied and 41% dissatisfied. Dissatisfaction factors focus on rent and energy cost affordability, with 1 in 5 tenants experiencing isolation at home or accessibility problems for households with health conditions and disabilities. Whilst most tenants describe their current home as offering the right number of bedrooms for their households up to a third may be overcrowded in their current property.

Three quarters of PRS tenants surveyed said they would either like to move or need to move in the next two years with main reasons focusing on affordability problems with rent and heating costs. The majority of PRS tenants (51%) are currently spending more than 30% of their income on housing costs, echoing the outcomes of the housing affordability modelling.

Whilst these push factors indicate the serious affordability challenges within the sector for tenants on low to moderate incomes, there are low tenant expectations of finding alternative housing options in East Lothian and some evidence that local households in the area are seeking accommodation elsewhere. The most common reason for not being likely or actively trying to move is the lack of available of homes in the area (52%) or not having enough allocation points to access social housing (46%).

7.7 Future Prospects for the PRS in East Lothian

Stakeholders confirmed that prospects for the future growth and development of the PRS in East Lothian are extremely low fuelled by rising interest rates and proposed reforms to the sector, which will fundamentally change the PRS financial model and load risk towards PRS investors. Current restrictions on recovery of possession are seen as the single greatest factor in restricting PRS growth and central to diminishing investor appetite.

Overall, the prediction of both landlords and letting agents is that the PRS in East Lothian will shrink in the next 3-5 years, as landlords leave the sector. This is likely to have a devasting impact on the East Lothian housing system and local economy. Creative options to support landlord retention include lobbying the Scottish Government on a more balanced approach to recovery of possession, more targeted enforcement activity using existing powers. and landlord grant assistance to support property maintenance and energy saving measures.

Stakeholders acknowledge that the key to improving the operation of the PRS for households with low incomes or support needs lies in improving the affordability of rents and increasing the supply of private rented accommodation. Whilst targeted rent controls and restrictions on



short-term lets are potential options to explore, landlords must be engaged in assessing these options to avoid a shrinking of the sector.

7.8 Policy Implications

The East Lothian PRS research study offers invaluable evidence on the operation of the section, the landlord population who serve it and the tenant population who call it their home. Aligned to the research evidence, key questions and policy implications which should be explored in the development of the new Local Housing Strategy include:

- options to target support with meeting the rising costs of home energy to households living in the PRS
- options to target support with improving the energy efficiency of homes to PRS landlords
- proactive and person-centred housing options advice to PRS tenants considering leaving the PRS as a result of rent affordability pressures
- targeted support and dedicated resources to maximise the incomes of PRS tenants struggling with rent and energy affordability pressures
- consideration of a short term let control area in the North Berwick Coast locality (following the full implementation of the STL licencing scheme across East Lothian)
- extend the range of affordable housing tenures including mid-market rent, using affordability analysis to target investment in localities
- targeted enforcement activity to address questionable letting activities associated with surplus demand
- well publicised, accessible information, advice and advocacy options to empower private tenants to exercise tenancy rights
- well publicised, accessible training and development materials for private landlords on tenancy legislation and compliance
- develop a business case highlighting the role played by the PRS in supporting the East Lothian economy
- ongoing and meaningful engagement with private landlords on current and proposed reforms to the sector to identify through partnership, how landlords can be supported to remain in the sector.