East Ayrshire Council
Comhairle Shiorrachd Inbhir Àir an Ear

Housing Need and Demand Assessment

April 2018

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1. Signatories

Signatories

The analysis and production of the HNDA has been undertaken by the Indigo House Group, with review and sign off of each chapter and the HNDA overall, supported by the HNDA Strategic Steering Group.

The following named Heads of Service from East Ayrshire Council have signed this document confirming that they have jointly produced this Housing Need and Demand Assessment and agreed the Core Outputs.

This statement is in fulfilment of the requirements of Core Process 6 as detailed in the HNDA Manager's Guide (June 2014).

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2. Key Findings

2.1 Scenario Results – LHS Time Period

HOUSING NEED AND DEMAND ASSESSMENT

Key Findings Template: Estimate of Additional Future Housing Units

		Number of years to clear existing need
Total households with existing need (net)	50	5

	Household Projection Period					
	2018-2022 (LHS)					
	Principal Projection	High migration	Low migration	Differential migration	Shift from owning to renting	Higher existing need
Total number of new households over the projection period	1,113	1,338	920	1,113	1,113	1,113
						Existing need 650

Add more or less var as needed

	HNDA Projection Period					Resolved over 10 years
Total households over the projection period who can afford:	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
OWNER OCCUPATION	463	557	383	466	231	598
PRIVATE RENT	194	233	160	196	425	250
BELOW MARKET RENT	194	233	161	194	194	251
SOCIAL RENT	312	365	267	307	312	339
Total additional future housing units	**1,163**	**1,388**	**970**	**1,163**	**1,163**	**1,438**

Add more or less scenarios as neede

2.2 Scenario Results – LDP Time Period

HOUSING NEED AND DEMAND ASSESSMENT

Key Findings Template: Estimate of Additional Future Housing Units

		Number of years to clear existing need
Total households with existing need (net)	50	5

	Household Projection Period					
	2023-2032 (LDP)					
	Principal Projection	High migration	Low migration	Differential migration	Shift from owning to renting	Higher existing need
Total number of new households over the projection period	1,126	**1,651**	644	1,127	1,126	1,452
						Existing need 650

	HNDA Projection Period					Resolved over 10 years
	2023-2038 (LDP)					
Total households over the projection period who can afford:	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
OWNER OCCUPATION	469	687	268	471	234	604
PRIVATE RENT	215	315	123	221	450	277
BELOW MARKET RENT	188	276	108	186	188	243
SOCIAL RENT	254	373	145	249	254	328
Total additional future housing units	**1,126**	**1,651**	**644**	**1,127**	**1,126**	**1,452**

2.3 Key Issues Table

LHS and Development Plan	Housing Market Drivers - key issues identified in the HNDA
Demographic issues for the local housing market	1. There is relatively low household growth projected, with variability by HMA – with projected falls in household population in Cumnock, and Doon Valley. 2. Households are getting smaller, and there is a projected decrease in family and larger households. The proportion of older households is increasing and working households decreasing. These trends are particularly acute in Cumnock and Doon Valley where the only type of households increasing are aged over 60, but particularly aged over 75 years. Kilmarnock HMA is the only area where there is a small increase in working age households. 3. Over recent years there has been net loss of population from East Ayrshire. Although there has been an increase in children and the older working age population, there has been a decrease in those aged 16-29 years. 4. These trends suggest considerable challenges for the East Ayrshire Community Planning partners in how to address community sustainability to the south of the area, and how to ensure there is the right type, size and price of housing in the north to retain and attract working households to the area.
Affordability issues for the local housing market	1. Private rent levels are relatively low and aligned to the Local Housing Allowance (LHA), and there is little differential between private rents, social rents and the LHA. This means any exploration of intermediate tenures will have to be carefully tested for feasibility, and success will likely be location specific, and quality driven. 2. East Ayrshire house prices are low compared to the national average, and although sales volumes are increasing, have not yet recovered to 2008 prices suggesting a continuing dampened market. 3. While market prices (sale and rent) may be low, so too are local incomes, with more people likely to earn under £25k than elsewhere in Scotland, and proportionally more people are claiming housing benefit. 4. Comparing all local prices across tenure (sale and rent) to local income, there are affordability issues in East Ayrshire driven by low incomes. This is exacerbated by lack of access to mortgages due to low levels of savings. Any pressure in prices is to the north of East Ayrshire, driven by the Glasgow market area.

Economic issues for the local housing market	1. There has been some limited economic growth in East Ayrshire since the recession, although in recent years there is evidence of increased unemployment and inactivity. 2. Deprivation is spread throughout East Ayrshire, with deep rooted deprivation concentrated in parts of Kilmarnock and Doon Valley. 3. There are prospects for economic development driven through the Ayrshire Growth Deal, with the aim for 5,000 jobs to be created over the next 10 years. Regeneration is supported by through the Community Action Plans. 4. A key challenge for the community planning partners is how to regenerate much of the low value housing markets while there is underlying low income and deprivation issues. If economic development is to be successful there is a requirement to retain and attract working age households, while at the same time supporting existing older households live independently in their own communities. This requires restructuring of some of the housing markets, strong placemaking strategies with the right mix in type and price of housing and aligned to the Council's economic development strategy in order to help many of East Ayrshire's communities regenerate.
LHS and Development Plan	**Housing stock profile and pressures - Key issues identified in the HNDA**
Housing stock pressures	1. Housing pressure varies significantly across East Ayrshire with generally higher pressure in the Kilmarnock HMA, and much lower housing pressure elsewhere in East Ayrshire. There is relatively high demand across all housing tenures in the Kilmarnock HMA. 2. However, the rate of new build housing for sale has reduced significantly since the recession and has not yet started to recover. Any new private market supply tends to be focused in the Kilmarnock HMA and is of higher value, rather than entry level prices. SRS new build has recently outstripped private new build supply, including a new build programme by the Council. 3. Social renting is a significant tenure, particularly in Doon Valley where there is less choice in other tenures. SRS is in low demand / oversupply, particularly in Doon Valley, Cumnock and some specific parts of Kilmarnock. 4. Overall the evidence shows a low value, low demand market in the south, with higher demand in the north where the market is catering more for the needs of commuters to Glasgow that have moved into East Ayrshire, rather than local households on moderate incomes for families, or older people wishing to downsize in the private market.

Size, type, tenure and location of future social housing supply	1. There is lack of supply of smaller properties across all tenures, relative to household size. However, there are tensions around need, demand and supply – there is lack of supply of one bedroom properties relative to **need**, <u>but</u> there is clear evidence of low **demand** for one bedrooms in parts of the SRS. Some of this will be driven by housing type and profile of local communities. This dilemma between need and demand for the smallest sized accommodation will be a key policy area for determination through the Local Housing Strategy, Local Development Plan, Strategic Housing Investment Plan and health and social care policies. Regeneration and place making strategies at the community level will be key in identifying specific types and sizes of houses required which meet need **and** demand in each location. 2. Demand for housing is greatest in Kilmarnock and other areas within the Kilmarnock HMA. There is demand for affordable rented housing, and for home ownership from families and other households on moderate incomes. 3. The aging population requires properties that are fit for purpose, and the low demand of some of the smaller properties is due to lack of suitability to meet mobility and health needs. 4. Areas of lower demand in SRS may not require **additional** supply, but there is a need to **reconfigure** the stock size and type to meet the need for regeneration, and to cater for the needs of the aging population.
Sustaining communities	1. There is a role for housing investment to contribute to the regeneration of Cumnock and Doon Valley in line with the Council's economic and community development strategies. The regeneration and restructuring of the housing supply in these areas is being led through the Council's Housing Asset Management Framework, SHIP and Housing Investment Programmes. 2. There is a lack of smaller and lower value new build supply in the private sector – increasing the proportion of entry level housing will help create mixed incomes and sustainable communities in areas of new housing supply, and provide more graduated markets. 3. The Community Planning partners combined economic and housing regeneration programmes will be key in retaining current households, and attracting new households to live in East Ayrshire, and so stem the projected decreasing household population in some areas of East Ayrshire.

LHS & Development Plan	Housing requirements - key issues identified in the HNDA
Factors to help determine the HST, including for: ▪ Owner Occupation ▪ Private rented ▪ Below market rent ▪ Social rented	1. The required number of properties projected by the HNDA is broadly consistent with the recent new supply being provided. However, most of this new supply has recently been provided in the social rented sector with limited interest from the market. 2. Owner occupation - A key challenge for setting the HST is the fact that most of the HNDA estimates is projected to be met by the market, and yet a relatively dampened market means attracting the market to provide new supply will be difficult. The market supply has recently been relatively low (125 in 2015/16), and focusing on the commuter executive market. If new supply is to be delivered in line with these estimates, this means encouraging graduated housing markets in a range of locations – where local households have a range of market options in terms of different size, type and price of housing. This should cater for the needs of a range of different households types including small emerging households, families, and older households who may be looking for more suitable housing. The market should be encourage in the context of regeneration and renewal in some areas. 3. Private rented sector and below market rent – these tenures are the lowest requirement. PRS is currently aligned broadly to the Local Housing Allowance and is relatively affordable. Feasibility of new supply PRS may be difficult at these lower rent levels, but could be aligned to mixed tenure development including ownership, intermediate and social rent products in carefully selected locations, again potentially in the context of regeneration. Intermediate renting may have an important niche role in the more buoyant markets to provide affordable, quality rented housing for those who cannot, or do not wish to buy. 4. Social rented housing requirement is low when compared to the new supply that have been delivered in recent years (133 in 2015/16). However, this should be seen within the context of the Council’s strategic housing asset management programme (HAMF), with the requirement for reprovisioning, including demolition and replacement, being complemented by the relatively modest requirement for additional new social rented supply. All the strategic planning (through HAMF, SHIP, LHS and LDP) should be aligned to ensure a strategic placemaking approach is taken to grow and regenerate communities.
LHS	**Specialist Provision - Key issues identified in the HNDA**
Accessible and adapted housing	1. Adaptions will increase as households get older – the projected total need for adaptations is up to about 2,000 in 2037. 2. Careful use and allocation of housing that has already been adapted will contribute to maximising of resources for adaptations in future.

Wheelchair housing	1. Across existing stock, adaptions and new-build, there is estimated up to 350 fully wheelchair-accessible properties. It is difficult to determine the exact number of wheelchair adapted housing due to limitations in data, especially in the private sector. 2. Supply is probably fewer than required, and there is an estimated 147 wheelchair users in housing need in East Ayrshire and 87 wheelchair users on the waiting list. 3. A local stock condition survey would provide useful information to capture cross-tenure information on adaptations and accessibility.
Non-permanent housing e.g. for students, migrant workers, asylum seekers, refugees	1. Permanent tenancies are generally used to house homeless households rather than temporary accommodation. Periods in temporary accommodation are typically short and the vast majority rate it as satisfactory. 2. The numbers in temporary accommodation have increased. In future the Council's HAMF strategic asset management process may put further pressure on the availability of temporary lets through this route. Recent trends suggest the need for 11 additional units a year up to 2022. 3. Despite the recorded increase in domestic abuse, the demand on women's refuge accommodation has remained fairly constant. This demand on refuge accommodation is unlikely to increase. 4. There has been no specific need identified for student accommodation across East Ayrshire. 5. The number of migrants and asylum seekers are relatively small and will continue to be housed in the Council's or RSLs' housing stock.
Supported provision e.g. care homes, sheltered housing, hostels and refuges	1. With a shifting balance of care, the current level of care home provision would be adequate to cover need, as long as there was a 1% increase per 10-year period in alternative provision through supported housing, or suitable housing with care packages. 2. The number of people with dementia will increase, and due to the complexity of the disease the prevalence rates requires ongoing analysis on an ongoing basis through health and social care strategic planning. 3. The current provision of homeless hostels is sufficient to meet projected needs of homeless people. 4. There is adequate provision now and projected for supported accommodation for women fleeing violence. There is a shortfall of supported accommodation for people with learning disabilities, with geographic disparities across East Ayrshire. The Assisted Living model is a key model for the Health and Social Care partners in provision of supported accommodation for those with learning and physical disability with additional 56 spaces planned.

Care/support services for independent living	1. The aging population will mean an increase in demand for home care for older people. 2. If the current average of 9.9 hours of home care continues, the increase in home care hours would be from 2016 rate of 18,200 hours to 33,660 hours of care by 2037. 3. The demand for telecare/community alarms will increase – from current 3,500 households to estimated 4,500 households by 2037, with greater numbers with the shift in care. 4. Demand for Care and Repair will increase to 1,685 cases by 2027 and 1,815 cases by 2037.
Site provision e.g. sites/pitches for Gypsy/Travellers and sites for Travelling Show-people	1. There is currently no Gypsy/Traveller site in East Ayrshire and this has been a continuing consideration by the Council. According to the 2011 census there may be around 60 Gypsy/Travellers in the East Ayrshire are, mainly concentrated in Kilmarnock HMA. 2. There is need for at least one site to accommodate 13-23 households.
Development Plan	**Key issues identified in the HNDA**
Strategic planning for housing for Specialist Provision	1. There are no additional locational / spatial considerations in relation to specialist provision
Site provision	1. The requirement for additional Assisted Living developments will require land for new build. These are planned with the SHIP, and sites have already been identified in the SHIP 2017-2022. 2. There is a requirement for new supported accommodation housing options for young people leaving care which may require new build options. 3. There is a requirement for 1 site, or 2 smaller sites for Gypsy/Travellers
Housing condition and quality	1. Around half of the private sector stock does not meet the SHQS – mainly in the owner-occupied sector. Older people are more likely to live in poorer quality housing than families in East Ayrshire. 2. There are 450 failures of SHQS in the SRS – this is driven by poor energy efficiency, which is related to the age of the stock – heavily concentrated in the inter-war years. 3. Energy efficiency is the key challenge across all housing tenures.

3. Introduction and Housing Market Areas

3.1 Purpose and Scope of the Housing Need and Demand Assessment (HNDA)

The Housing (Scotland) Act 2001 places a duty on local authorities (LA) to develop Local Housing Strategies (LHS), informed by an assessment of housing need and demand and the provision of related services in their area. In addition, the Town and Country (Scotland) Act 1997 (as amended) requires Local and Strategic Planning Authorities to plan for land use in their area, including the allocation of land for housing. This is achieved through the Development Planning system, and in East Ayrshire, the Local Development Plan 2017 (LDP). The Housing Need and Demand Assessment (HNDA) informs both processes for the LHS and the LDP. Within the suite of strategic planning documents, the HNDA also informs the local authority's Strategic Housing Investment Plan (SHIP), used to inform the local authority, Scottish Government, development partners on the scale, type and location of affordable housing provision in the area.

Scottish Government Guidance (2014) offers detailed guidance on how local authorities should undertake the HNDA. This includes an HNDA Tool used to calculate the requirement for new-build housing and to enable local authorities to develop long-term strategic views of housing need and demand based.

Scottish Government's intention is that the HNDA provides the evidence base from which Housing Supply Targets (HSTs) are developed. The HST is the LA's target for housing to be supplied and enables the LA to ensure the sufficient land is allocated to meet these targets. It should be noted that the housing estimates produced by the HNDA tool do NOT necessarily equate to the HST. East Ayrshire Council's ambitions for growth, economic development and regeneration of housing markets are not necessarily reflected in the historic demographic trends which are perpetuated in the HNDA Tool. East Ayrshire Council's policy position on housing supply will be reflected in its next LHS and LDP.

The HNDA incorporates concepts of

- Housing need - households lacking their own housing or living in housing which is inadequate or unsuitable, who are unlikely to be able to meet their needs in the housing market without some assistance. Within 'housing need' there is future need for households yet to form, and existing (or backlog) currently experienced.

- Housing demand - housing which households wish to buy or rent and can afford.

- Housing market areas (HMA) - geographical areas which are self-contained in terms of housing demand, i.e. household movement is within a certain area.

3.2 Core Outputs and Processes

The **Core Outputs** required by Scottish Government are:

Key housing market drivers - Identifies the key factors driving the local housing market - household formation, population and migration, housing affordability including income, house prices, rent levels, access to finance and key drivers of the local and national economy. This reflects the data that is used in the HNDA Tool, and the choice of scenarios that are chosen to run the Tool.

Estimate of additional housing units - This figure breaks down the number of households who can afford a) owner occupation b) private rent c) below market rent or d) social rent. Estimates are reported for each year of the projection, each five year period within the projection and the cumulative total at the end of the projection. The geography fits with the geography used for the East Ayrshire LHS and LDP.

Specialist Provision – This identifies the contribution that Specialist Provision plays in enabling people to live well, with dignity and independently for as long as possible. It identifies any gap(s)/ shortfall(s) in that provision and the future level and type of provision required. It gives due consideration to the provisions of the Equality Act (2010).

Housing stock profile, pressures and management issues - Considers what existing housing stock is available to meet the housing needs of the local population. This identifies any pressure/under-supply or surplus of certain kinds of housing. This demonstrates where the existing housing stock may be pressured and where that stock may need to be managed in order to meet the housing needs of the local population. It consider the types and number of in-situ solution and the housing stock is considered by size, type, condition, occupancy, concealed households and turnover (relets and voids).

The **Core Processes** required by Scottish Government are:

- A Housing Market Partnership (or equivalent) has overseen production of the HNDA and other stakeholders have been engaged with separately.
- Housing Market Areas have been agreed with the Housing Market Partnership and are considered in the production of all core outputs.
- The methodology, limitations and quality control mechanisms are given full technical explanation.
- Assumptions, judgements and scenarios are well reasoned and transparent.
- Key findings have been summarised, at the start of the HNDA, using the template provided.
- HNDAs have been officially signed-off by the Head(s) of Housing and the Head(s) of Planning or the designated senior official.

3.3 Governance and consultation

The analysis and production of the HNDA has been undertaken by the Indigo House Group, with review and sign off of each chapter and the HNDA overall supported by the HNDA Strategic Steering Group. This group compromises of representatives from the following organisations:

- East Ayrshire Council Housing Services
- East Ayrshire Council Private Sector Housing Unit
- East Ayrshire Council Vibrant Communities
- East Ayrshire Council Planning
- East Ayrshire Council Estates

- East Ayrshire Health and Social Care Partnership
- Local Registered Social Landlords

Group members were invited to steering group meetings to discuss each chapter of the HNDA and which scenarios to use for the HNDA tool. (Minutes of these meetings are available on request). They were also forwarded a draft copy of each chapter for comment and feedback before these were finalised. Each chapter went through a number of iterations as new evidence was identified. The steering group's consideration was as follows:

- November 2016 – Housing Market Analysis and Chapter 2 Housing Market Drivers were drafted and presented to the steering group. Comments were made and further investigation undertaken on the HMAs. Highlights on the housing estimates scenarios were used to develop proposals on possible scenarios to test. Comments were received from the steering group and factored into a redrafted Chapter 2 – Housing Market Drivers - which was used for scenario building.
- February 2017 – The steering group had an initial presentation of the HNDA tool scenarios which drives the estimates. It was agreed to refine scenarios to add models exploring (1) lower owner-occupation (2) differential migration (high in Kilmarnock etc.) and (3) a higher need option. The final scenarios selected are each described fully below.
- April 2017 – The steering group fed back on the stock profile and pressures Chapter 3. Feedback from the steering group on Housing Need Estimates Chapter 4 and Specialist Provision Chapter 5 also suggested further refinement of the models (including setting the time-period to 2018).
- Further comments and feedback were provided by the steering group partners in June and July, including additional data provision for Specialist Provision Chapter 5.
- In August, the 'higher need' scenario was further refined to align better to CHMA data on concealed and overcrowded households, with the Steering Group's preference for a 10-year period to deal with the higher back-log need.
- A final steering group meeting was held in September 2017 to discuss and agree the final draft outputs of the HNDA before final submission to the Scottish Government, in advance of final East Ayrshire Council approval.

Although not member of the steering group, a range of other stakeholders were consulted including a large range of East Ayrshire Council officers not involved in the steering group, private letting agents, tenants and owners consulted through a range of focus groups and depth telephone interviews, East Ayrshire Care and Repair, and two housing developers.

A subgroup from the HNDA Strategic Steering group, including representatives from Housing and Planning, was formed to consider the findings of the HNDA assessment tool and how, alongside local context and Scottish Government targets, this will inform the local Housing Supply Targets.

The HNDA governance in turn feeds into wider East Ayrshire Council governance structures which have oversight on land use Planning, Housing Strategy and Health and Social Care. East Ayrshire Council also has specific consultation and governance processes which consider equality issues, outlined in detail in chapter 5.

This HNDA was signed off as robust and credible by the Scottish Government on 18 April 2018.

3.4 Quality Assurance and data Issues

The HNDA Guidance notes the requirement to detail the quality assurance procedures undertaken as part of the HNDA, so it is based on a robust evidence base. The procedures used to assure the quality of data and processes are as follows –

National data sources – throughout the HNDA, the most recent information available at the time of writing has been used. Where there are official data sources – such as National Registers of Scotland household and population estimates, Census data and Scottish Household Survey data – these are used.

Local data sources – the analysis has involved collating local data from East Ayrshire Council and its partners and local stakeholders. The local data has been sourced from a range of providers, including East Ayrshire Council, local RSLs, Health and Social Care partners and others. Each of these organisations has their own data quality procedures in place to ensure that data provided is robust. Where there are any omissions, gaps or other data quality concerns these are highlighted in the analysis.

Triangulation – the HNDA presents alternative data sources for the examination of housing need, to examine the range of possible needs estimates. Where a number of years of data show variable results, the most consistent figures or an average across these is used, to reduce the chance of data 'outliers' having an undue effect.

Critical review – the HNDA drafting has involved review and proof-reading from within the Indigo House research team and with members of the East Ayrshire Council and their stakeholders. The drafting of the HNDA has involved Director-level staff within Indigo House and senior management staff within East Ayrshire Council.

Summary of issues - Throughout the analysis we have used blue highlight boxes to indicate summary of the key issues from the proceeding analysis.

3.5 Equality considerations

The HNDA has been developed with consideration to the Equality Act 2010, which places a duty on all public sector bodies to eliminate discrimination, harassment and victimisation; advance equality of opportunity, and foster good relations.

Equality considerations are particularly considered through the evidence presented on Specialist Provision and around the four protected characteristics of age, disability, sex and race. This evidence base will be used for the East Ayrshire LHA, and the LDP which will both be subject to Equality Impact Assessments.

3.6 Geography - Housing Market Areas (HMAs)

Substantial analysis was undertaken to inform the development of the Ayrshire Structure plan in 2000. That included detailed analysis of Sasines origins and destinations data which identified each of the three Ayrshire Local Authorities as a separate HMA, each demonstrating high levels of self-containment. At this time, East Ayrshire demonstrated the highest level of self-containment at 75% while North Ayrshire was 71% self-contained and South Ayrshire 67%. 2000 and updated in 2006, as reported in the 2012 Housing Need and Demand Assessment. That work was followed by a survey of house purchasers in 2003[1]

The 2012 Housing Need and Demand Assessment concluded that, on the basis on further Sasines data analysis as part of the Structure Planning team review of containment levels in late 2009 that self-containment levels in East Ayrshire remain high. Table 1 shows the movement between local authorities and Tables 2 and 3 show movement into and between the housing market areas.

Table 1: Moving from area to area – 1995-2009 (new build and second hand sales)

	Destination		
Origin	**East Ayrshire**	**North Ayrshire**	**South Ayrshire**
East Ayrshire	66.9%	2.9%	7.5%
North Ayrshire	4.2%	65.4%	3.5%
South Ayrshire	8.4%	2.9%	69.8%
Glasgow conurbation	12.3%	18.7%	9.0%
Rest of Scotland	2.6%	3.1%	3.6%
Rest of the UK	4.9%	6.0%	5.4%
Rest of the world	0.5%	0.7%	0.9%
Unknown	0.4%	0.4%	0.4%
Total %	100%	100%	100%

*Source: 2012 HNDA Appendix 1; Ayrshire Structure Plan Joint Steering Group data analysis of Sasines 1995-2009

This suggested that, based on house sales, self-containment in East Ayrshire stood at 67% during 1995 to 2009, compared with 65% in North Ayrshire and 70% in South Ayrshire. The largest two external sources of new movers to East Ayrshire during that period were from the Glasgow conurbation (12.3%) and South Ayrshire (8.4%).

More recent analysis across all Scottish local authorities was undertaken by a team of researchers as part the pan-Scotland housing needs assessment. The team developed a typology based on analysis of house price data and 2011 Census data to segment all 32 local authorities. The typology was then used to develop their estimates of need and to present the findings.

That analysis concluded that East Ayrshire had a self-containment rate of 70%, compared with 74% in North Ayrshire and 71% in South Ayrshire[2]. This is just above the median found across all local authorities (by 0.4%). That self-containment measure is based on moves in the year prior to the 2011 census, across all tenures.

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[1]http://www.ayrshire-jsu.gov.uk/download/Technical%20Report%201%20-%20Strategic%20Assessment%20of%20Housing%20Land.pdf

[2] *Affordable Housing Need in Scotland, Final Report* – September 2015, Ryan Powell, Richard Dunning, Ed Ferrari, Kim McKee:

http://scotland.shelter.org.uk/__data/assets/pdf_file/0009/1190871/7909_Final_Housing_Needs_Research.pdf

The three housing market areas identified in the original 2000 Sasines data analysis are built up from the nine wards across East Ayrshire, as shown in the map below. The map shows the location of the eight wards in East Ayrshire, with the Kilmarnock HMA in the North, Cumnock in the centre and Doon Valley in the South.

Kilmarnock and Loudon (later referred to as Kilmarnock) is made up of five wards - Annick, Kilmarnock North, Kilmarnock West and Crosshouse, Kilmarnock South and Irvine Valley

Cumnock – is made up of Cumnock and New Cumnock and Ballochmyle wards

Doon Valley – is based on the Doon Valley ward.

Table 2: Origin of movers to the 3 HMAs – 2002-2008 (all areas)

	Destination		
Origin	**Cumnock**	**Doon Valley**	**Kilmarnock & Loudon**
East Ayrshire	65.4%	40.7%	65.0%
South Ayrshire	12.7%	35.3%	6.5%
Rest of the UK	9.3%	9.1%	6.7%
Glasgow & Clyde Valley	6.3%	7.9%	14.2%
North Ayrshire	3.1%	2.7%	4.9%
Rest of Scotland	2.8%	3.3%	2.1%
Rest of the world	0.5%	0.9%	0.6%
Total %	100%	100%	100%

*Source: 2012 HNDA Appendix 1; analysis of Sasines data 2002-2008

Table 2, from the 2012 HNDA, shows considerable movement into the Doon Valley HMA from South Ayrshire during the period between 2002 and 2008, with 35% of Doon Valley purchasers moving from South Ayrshire. 13% of movers to Cumnock are from South Ayrshire while 14% of movers to Kilmarnock and Loudon are from Glasgow and Clyde Valley. Table 3 shows that, among those moving within East Ayrshire, moves are predominantly within each HMA, with moves into Cumnock and Doon Valley from Kilmarnock and Loudon more common that moves into Kilmarnock and Loudon from the other two HMAs.

Map 1: East Ayrshire Wards

Table 3: Origin of movers from within East Ayrshire between the 3 HMAs – 2002-2008 (all areas)

	Destination		
Origin	**Cumnock**	**Doon Valley**	**Kilmarnock & Loudon**
Cumnock	90.2%	6.6%	2.4%
Doon Valley	1.1%	82.6%	0.2%
Kilmarnock & Loudon	8.7%	10.9%	97.4%
Total %	100%	100%	100%

*Source: 2012 HNDA Appendix 1; analysis of Sasines data 2002-2008

The house sales analysis taken alongside the more recent Census analysis undertaken for the Shelter Pan Scotland Assessment of Housing Need suggests that these house sales data may not capture the full level of self-containment within East Ayrshire, or may capture a 'pre-crash' level of mobility.

Looking at more recent house sales data, for property sales in 2014 and 2015, we find the following origins for sales in East Ayrshire (where the sale has been allocated to an origin local authority).

Table 4: Local authority of origin of movers to East Ayrshire – 2014 and 2015

Origin local authority	% of sales
East Ayrshire	71%
South Ayrshire	9%
Glasgow City	5%
North Ayrshire	4%
South Lanarkshire	2%
East Renfrewshire	2%
Renfrewshire	2%
North Lanarkshire	1%
Edinburgh	1%
Other areas	4%

Source: Scottish Government HNDA Datapack for 2014 and 2015
Note: 2,357 company new-build and person to person sales in East Ayrshire, where local authority of purchaser origin available

The most recent house price data suggests that self-containment within East Ayrshire is more similar to that found at the 2011 Census. Within the East Ayrshire Housing Market areas, we see most self-containment in Kilmarnock and Cumnock, with Doon Valley least self-contained. Almost half of the sales in Doon Valley originated outside of East Ayrshire.

There are many cases where the location of the origin of movers to East Ayrshire is not possible to determine as the datazone or local authority information is missing from the CHMA Datapack house price data. To consider whether these missing cases affected the analysis of origins and destinations, we undertook a manual coding exercise to assign cases missing a datazone or local authority to an East Ayrshire HMA, or as originating outwith East Ayrshire.

We assigned the cases with a missing datazone of origin to a housing market area on the basis of the post town, where these were within East Ayrshire. Other cases where the settlement was outside of East Ayrshire were coded as such.

Including **all** the origins, for all the sales that any geographical information is available, we find that 68% of those moving to Kilmarnock and Cumnock come from within East Ayrshire, while just 41% of sales in Doon Valley are to people moving from within East Ayrshire. This is a higher rate of self-containment than found in the 2002-2008 analysis, but a lower rate than found in the 2011 Census, across all tenures.

Table 5: Housing market moves within and into East Ayrshire – 2014 and 2015

Origin to destination	Number of sales	%
Kilmarnock to Kilmarnock	**1,441**	**66%**
Cumnock to Kilmarnock	40	2%
Doon Valley to Kilmarnock	1	0%
Outside EAC to Kilmarnock	700	32%
Within EAC to Kilmarnock	1,482	68%
All Kilmarnock	**2,194**	**100%**
Kilmarnock to Cumnock	31	5%
Cumnock to Cumnock	366	62%
Doon Valley to Cumnock	7	1%
Outside EAC to Cumnock	183	31%
Within EAC to Cumnock	404	68%
To Cumnock	**593**	**100%**
Kilmarnock to Doon Valley	3	1%
From Cumnock	21	9%
From Doon Valley	77	31%
Outside EAC to Doon Valley	145	59%
To Doon Valley	**246**	**100%**
Within EAC	1,987	66%
All moves	3,033	100%

Source: Scottish Government HNDA Datapack for 2014 and 2015
Note: 3,033 company new-build and person to person sales in East Ayrshire, where origin is available or coded from the settlement information about new buyers.

It is notable, however, that although a generally self-contained market, just 48% of new-build sales in East Ayrshire are to people from within East Ayrshire.

Summary

The level of self-containment within the housing market areas remains consistent with previous years' analyses. The interaction between South Ayrshire and the Doon Valley HMA remains the most common area where cross-local authority moves occur, though moves from Glasgow to Kilmarnock are also important.

The table below shows a comparison of the overall self-containment in the East Ayrshire housing market areas remains broadly consistent.

Table 6: Housing market moves within and into East Ayrshire – 2014 and 2015

	2002-2008		
Origin	**Cumnock**	**Doon Valley**	**Kilmarnock & Loudon**
East Ayrshire	65%	41%	65%
Outside EAC	35%	59%	35%
	2014-2015		
Origin	**Cumnock**	**Doon Valley**	**Kilmarnock & Loudon**
East Ayrshire	68%	41%	66%
Outside EAC	31%	59%	34%

Source: Scottish Government HNDA Datapack for 2014 and 2015
Source: 2012 HNDA Appendix 1; analysis of Sasines data 2002-2008

It is concluded, and has been agreed by the HNDA Steering Group that the current HMAs are maintained, using ward geography as follows:

- **Kilmarnock** - made up of five wards - Annick, Kilmarnock North, Kilmarnock West and Crosshouse, Kilmarnock South and Irvine Valley
- **Cumnock –** made up of Cumnock and New Cumnock and Ballochmyle wards
- **Doon Valley** – based on the Doon Valley ward.

4. Key Housing Market Drivers

4.1 Introduction

This section of the HNDA identifies the key factors driving the East Ayrshire housing market. It examines recent trends that allow us to estimate future housing demand and need – to identify the additional housing units required and whether these need to be social housing, below market rent housing, privately rented housing or owner occupied housing. The main areas of interest are:

- Household formation, population change and migration
- Housing market trends – house prices and house sales, rent level in the private rented and social rented sectors
- Affordability issues – how do local incomes compare with housing costs, how accessible is mortgage finance and how dependent are local people on Housing Benefit and Local Housing Allowance to pay for housing costs?
- Economic trends – what do recent trends in investment, productivity and employment and unemployment tell us about the likely economic outlook?

Recent trends are the best indicator of what we might expect to happen in future and this analysis will help us to determine what assumptions to base our estimates on when running the HNDA tool. The tool makes projections about future house prices, rents and incomes in order to make an assessment of the future affordability of different housing tenures. The tool also uses assumptions about migration to determine household projections.

4.2 Demographic trends

In 2015 there were an estimated 54,570 households in East Ayrshire, a 1.4% increase since 2010. This is about half the proportionate increase in households seen in Scotland as whole (2.9%) over the same period.

Table 7: Household estimates for East Ayrshire and Scotland, 2010-2015

	2010	2011	2012	2013	2014	2015	% change 2014-2015	% change 2010-2015
East Ayrshire	53,793	53,927	54,143	54,453	54,401	54,570	0.3%	1.4%
Scotland	2,364,850	2,376,424	2,387,211	2,401,788	2,418,335	2,433,956	0.6%	2.9%

Source: NRS East Ayrshire Council Demographic Factsheet, East Ayrshire Council Area - 27/09/2016
http://www.nrscotland.gov.uk/statistics-and-data/statistics/stats-at-a-glance/council-area-profiles

Table 8: Number of dwellings in East Ayrshire and Scotland, 2010-2015

	2010	2011	2012	2013	2014	2015	% change 2014-2015	% change 2010-2015
East Ayrshire	56,398	56,614	56,919	57,172	57,324	57,654	0.6%	2.2%
Scotland	2,488,496	2,500,849	2,515,042	2,526,870	2,540,561	2,557,582	0.7%	2.8%

Source: NRS East Ayrshire Council Demographic Factsheet, East Ayrshire Council Area - 27/09/2016
http://www.nrscotland.gov.uk/statistics-and-data/statistics/stats-at-a-glance/council-area-profiles

Comparing households and dwellings in Tables 7 and 8, we see a proportionate increase in household (up 2.9%) and dwelling numbers (up 2.8%) across Scotland while there was a 2.2% increase in dwellings in East Ayrshire compared with a 1.4% increase in the number of households.

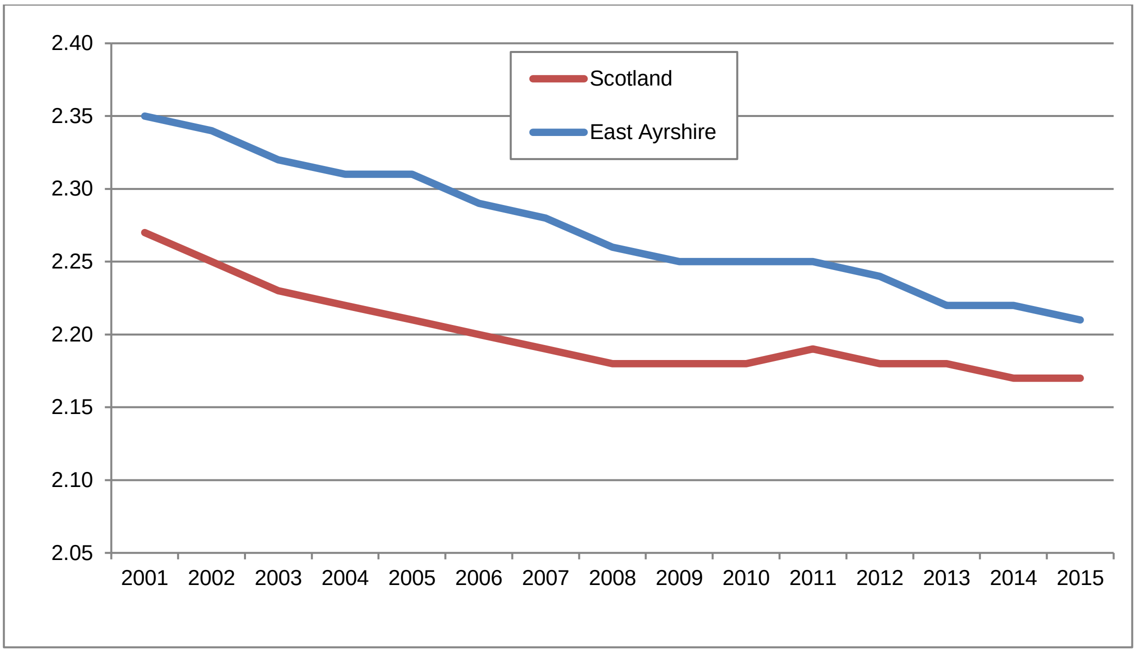
However, the NRS estimates of vacant dwellings suggest a similar vacancy rate in East Ayrshire as found in Scotland overall, with 3% of dwellings vacant in East Ayrshire in 2015, compared with 3.1% over Scotland as a whole.

Section 3 will explore the balance of dwellings and households in more detail, to establish the extent to which there may be excess supply.

4.3 Household size

Households in East Ayrshire are now much smaller than previously, at 2.21 people on average in 2015 compared with 2.35 in 2001. This is a similar trend to in Scotland overall, but East Ayrshire households are slightly larger, on average (2.21 compared with 2.17 across Scotland).

Figure 1: Average household size, 2001-2015, East Ayrshire and Scotland



Source: NRS Estimates of Households and Dwellings in Scotland, 2015 - Household estimates for Scotland by council area, June 1991 to 2015
https://www.nrscotland.gov.uk/files//statistics/household-estimates/house-est-15/15house-est-tab1.pdf

4.4 Expected trends in household type and age

Table 9 below shows the projected change in the number of households of different types in East Ayrshire compared with Scotland. This shows the current household profile and **expected** household profile in 2037 for the detailed household types estimated by the NRS as part of their experimental statistics. Household projections are produced by the National Records of Scotland (NRS) every two years. The 2012-based projections use the 1991, 2001 and 2011 Censuses and the 2012 Scottish Household Survey to project trends in the types of household that people are living in. The tables shown below are based on the principal household projections, judged to be the most likely scenario, according to recent population trends.

Table 9: Projected number of households by household type, 2012-2037, East Ayrshire and Scotland (principal projection)

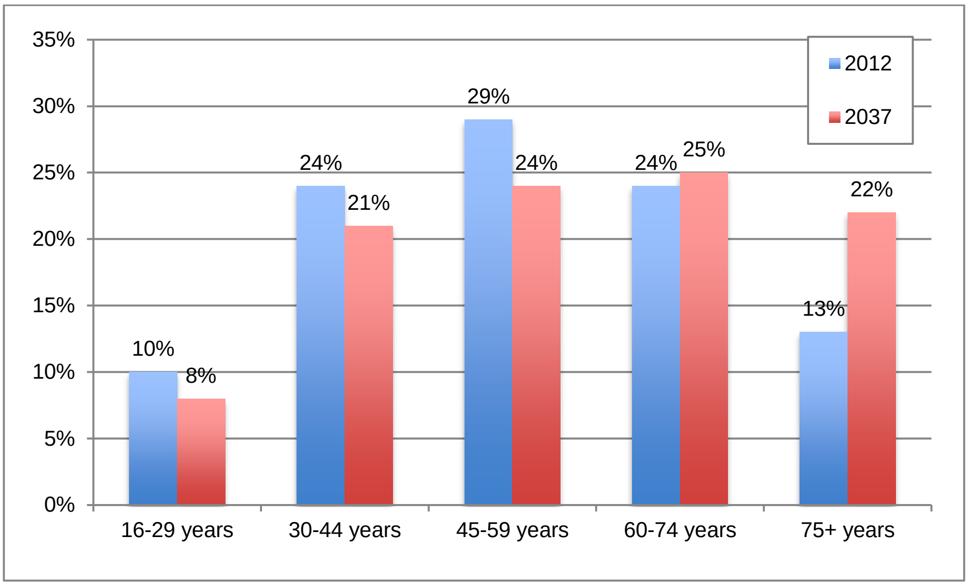
Household type	Base-year	Projected number of households					% change in East Ayrshire 2012-2037	% change in Scotland 2012-2037
	2012	2017	2022	2027	2032	2037		
1 adult	17,501	18,878	20,155	21,200	22,100	22,900	**31%**	35%
1 adult with 1 or more children	3,723	3,907	4,071	4,223	4,392	4,559	22%	27%
3 or more adults	4,961	4,871	4,658	4,345	4,019	3,808	-23%	-17%
2 or more adults with 1 or more children	11,015	10,168	9,421	8,824	8,334	7,896	-28%	-11%
Total households - East Ayrshire	54,143	55,625	56,814	57,577	58,076	58,364	8%	
- Scotland	2,387,207	2,477,212	2,565,377	2,644,418	2,716,698	2,782,774		17%

Source: NRS East Ayrshire Council Demographic Factsheet, East Ayrshire Council Area - 27/09/2016
http://www.nrscotland.gov.uk/statistics-and-data/statistics/stats-at-a-glance/council-area-profiles
Note: NB 31% figure calculated as 10% figure in original data source is incorrect

The most prevalent household types in 2012 were single people (32%) two adults without children (31%) and two adults with children (20%). Single person households are expected to increase from 32% of households to 39% of households by 2037, with a greater predicted number of male single people. There is predicted to be a slight increase in the proportion of single adults with children but a significant reduction in the number and proportion of two-adult households with children. Overall, the projected increase in households in East Ayrshire is far lower than in Scotland overall – an 8% increase, compared with 17% across Scotland.

Figure 2 and Table 10 show the age profile of households, based on the age of the head of household, comparing 2012 estimates with those for 2037.

Figure 2: Profiles of households by age of head of household, 2012 and 2037, East Ayrshire (Principal projection)



Source: NRS 2012-based principal household projections by household type and age of head of household, 2012 to 2037 (East Ayrshire)

This shows a shift in the overall household profile from middle-aged households to older households. This is more marked in the 45-59 year-old age group (down from 29% to 24%) than the 30-44 year olds (down from 24% to 21%). By 2037 it is estimated that 47% of households will be headed by someone aged 60 years old or older, compared with 37% in 2012 – an estimated increase of around 7,656 households - from 19,808 to 27,464 older households. This is an increase of 13% for the 60-74 year-old group and 84% for the 75 and above age group.

Table 10: Projected number of households by age of head of household, 2012-2037, East Ayrshire and Scotland

Household by age of head of household	Base-year	Projected number of households					% change in East Ayrshire 2012-2037	% change in Scotland 2012-2037
	2012	2017	2022	2027	2032	2037		
16-29 years	5,265	5,312	5,011	4,593	4,655	4,861	-8%	5%
30-44 years	13,186	12,208	12,543	12,890	12,688	12,167	-8%	7%
45-59 years	15,884	16,804	16,060	14,610	13,572	13,872	-13%	1%
60-74 years	12,738	13,473	13,988	14,920	15,446	14,431	13%	16%
75+ years	7,070	7,827	9,211	10,563	11,716	13,033	84%	82%
Total households - East Ayrshire	54,143	55,625	56,814	57,577	58,076	58,364	8%	
Total households - Scotland	2,387,207	2,477,212	2,565,377	2,644,418	2,716,698	2,782,774		17%

Source: NRS East Ayrshire Council Demographic Factsheet, East Ayrshire Council Area - 27/09/2017
http://www.nrscotland.gov.uk/statistics-and-data/statistics/stats-at-a-glance/council-area-profiles

The East Ayrshire estimates differ from Scotland in that there is predicted to be an overall reduction in the number of households in **all** the younger age groups, ranging from an 8% drop in households among those aged 16-19 and 30-44 to a 13% drop among the 45-59 year-olds. Across Scotland, these younger households are still predicted to show a modest increase in household numbers of between 1-7%.

The population and household projections show lower growth than found nationally, with smaller households than historically, increases in retirement aged households and decreases in the working age population.

4.5 Housing Market Area level household projections

The housing market area (HMA) level tables below have been built up from ward-level estimates provided by NRS in their local authority experimental statistics datasets[3]. Table 11 shows that the increase in households is in Kilmarnock, driven by the growth of smaller households – single people, single parents and two-person adult households are all increasing in number while couples with children and large adult households are projected to decrease.

As we saw in Table 10 above, this projected 15% increase in households in the Kilmarnock HMA drives the overall projected increase in household numbers of 8% across East Ayrshire between 2012-2037. Below, we can see that the projected increase in single adult and smaller single parent households in Cumnock and Doon is more than offset by the significant drop in families and large adult households. These areas are projected to see an overall **decrease** in the number of households – of 8% or 951 households in Cumnock and 7% or 354 households in Doon.

Table 11: HMA level household estimates by household type, East Ayrshire (Principal projection)

HMA	Household type	2012	2017	2022	2027	2032	2037	% change
Kilmarnock	1-person male	5,373	6,002	6,592	7,106	7,624	8,117	51%
Kilmarnock	1-person female	6,625	7,026	7,403	7,726	8,006	8,297	25%
Kilmarnock	1 adult, 1 child	1,432	1,556	1,657	1,754	1,881	2,029	42%
Kilmarnock	1 adult 2+ children	1,059	1,110	1,168	1,227	1,284	1,337	26%
Kilmarnock	2 person all adult	11,268	11,927	12,515	13,003	13,356	13,537	20%
Kilmarnock	2+ adult 1+ children	7,469	7,047	6,671	6,362	6,128	5,927	-21%
Kilmarnock	3+ person all adult	3,215	3,195	3,112	2,971	2,812	2,724	-15%
Kilmarnock	**All households**	**36,441**	**37,862**	**39,119**	**40,148**	**41,093**	**41,967**	**15%**
Cumnock	1-person male	1,763	1,932	2,090	2,209	2,279	2,313	31%
Cumnock	1-person female	2,199	2,296	2,373	2,401	2,404	2,394	9%
Cumnock	1 adult, 1 child	504	517	513	515	520	517	2%
Cumnock	1 adult 2+ children	310	302	305	300	277	245	-21%
Cumnock	2 person all adult	3,978	4,103	4,172	4,142	4,053	3,919	-1%
Cumnock	2+ adult 1+ children	2,474	2,192	1,941	1,739	1,564	1,399	-43%
Cumnock	3+ person all adult	1,227	1,166	1,063	936	812	717	-42%
Cumnock	**All households**	**12,456**	**12,509**	**12,457**	**12,242**	**11,909**	**11,505**	**-8%**

[3] Caution must be exercised where using NRS estimates at sub-local authority level. NRS notes within the experimental statistics datasets provided that projections for small groups are likely to be less reliable than for large groups and that the reliability decreases as you go into the future, so estimates made for the period beyond 2016 should be interpreted with caution.

Table 11 ctnd: HMA level household estimates by household type, East Ayrshire (Principal projection)

HMA	Household type	2012	2017	2022	2027	2032	2037	% change
Doon	1-person male	699	750	791	833	856	865	24%
Doon	1-person female	842	873	906	925	930	914	9%
Doon	1 adult, 1 child	238	242	246	247	252	256	8%
Doon	1 adult 2+ children	179	179	181	181	178	175	-2%
Doon	2 person all adult	1,697	1,771	1,822	1,841	1,822	1,745	3%
Doon	2+ adult 1+ children	1,072	928	809	723	642	570	-47%
Doon	3+ person all adult	519	511	483	437	395	367	-29%
Doon	**All households**	**5,247**	**5,254**	**5,239**	**5,188**	**5,075**	**4,893**	**-7%**

Source: NRS - Population and Household Projections for Scottish Sub-Council Areas (2012-based)
https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-projections/population-and-household-sub-council-area-projections

Looking at household age, in Table 12, we see that much of the growth in households is predicted to be among the older households, although in Kilmarnock we also see modest growth/stability in younger households.

Table 12: HMA level household estimates by age of head of household, East Ayrshire (Principal projection)

HMA	Age of Head of HH	2012	2017	2022	2027	2032	2037	% change
Kilmarnock	16-29 years	3,639	3,722	3,603	3,460	3,607	3,820	5%
Kilmarnock	30-44 years	9,169	8,694	9,008	9,300	9,318	9,202	0%
Kilmarnock	45-59 years	10,636	11,369	11,084	10,355	9,845	10,143	-5%
Kilmarnock	60-74 years	8,313	8,900	9,274	9,940	10,392	9,928	19%
Kilmarnock	75+ years	4,684	5,178	6,149	7,093	7,930	8,873	89%
Kilmarnock	**All households**	**36,441**	**37,862**	**39,119**	**40,148**	**41,093**	**41,967**	**15%**
Cumnock	16-29 years	1,139	1,118	963	738	685	692	-39%
Cumnock	30-44 years	2,753	2,420	2,448	2,521	2,337	1,999	-27%
Cumnock	45-59 years	3,668	3,755	3,417	2,914	2,555	2,577	-30%
Cumnock	60-74 years	3,133	3,262	3,401	3,534	3,556	3,174	1%
Cumnock	75+ years	1,763	1,953	2,227	2,535	2,776	3,063	74%
Cumnock	**All households**	**12,456**	**12,509**	**12,457**	**12,242**	**11,909**	**11,505**	**-8%**
	Age of Head of HH	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**% change**
Doon Valley	16-29 years	487	472	445	396	364	349	-28%
Doon Valley	30-44 years	1,264	1,094	1,086	1,069	1,032	966	-24%
Doon Valley	45-59 years	1,579	1,681	1,559	1,342	1,172	1,152	-27%
Doon Valley	60-74 years	1,292	1,311	1,313	1,447	1,497	1,330	3%
Doon Valley	75+ years	623	696	835	935	1,010	1,096	76%
Doon Valley	**All households**	**5,247**	**5,254**	**5,239**	**5,188**	**5,075**	**4,893**	**-7%**

Source: NRS - Population and Household Projections for Scottish Sub-Council Areas (2012-based)

In Cumnock and Doon, the projections show a significant reduction in the numbers of younger households alongside a significant increase in the projected numbers of older households, particularly those aged 75+.

The HMA level projections point to considerable challenges for East Ayrshire Council and its partners in terms of community sustainability in lower demand markets of Cumnock and Doon Valley, and the likely need for smaller, possibly adapted or supported accommodation in future, for older households. The analysis of household projections by housing market areas suggests that testing a variable scenario may be useful – with higher migration in Kilmarnock than in the other two housing market areas.

4.6 Principal and variant household projections

The profiles shown above are based on the principal household projection, based on the assumptions that National Records of Scotland (NRS) think are most likely to happen, according to past population and migration trends. NRS also produces household projections using alternative assumptions. These variant projections reflect the possible effects of uncertainty in the assumptions underlying the population projections. Alternatives to the principal projection are the low and high migration variant household projections, based on the low and high migration variant population projections.

Table 13: Comparison of principal, low and high migration variant household projections – East Ayrshire and Scotland

		2037 – migration variant			Change (%) 2012 - 2037			Difference - principal and variant (2037)	
	2012	Low	Principal	High	Low	Principal	High	Low migration	High migration
Scotland (mn)	**2.387**	**2.686**	**2.783**	**2.879**	**13%**	**17%**	**21%**	**-3%**	**3%**
East Ayrshire	54,143	57,340	58,364	59,436	6%	8%	10%	-2%	2%
		(+3197)	(+4221)	(+5293)					

Source: NRS, Household Projections for Scotland (2012 based) Table 20
https://www.nrscotland.gov.uk/files/statistics/household-projections/2012-based/2012-house-proj-publication.pdf

The principal projection predicts an 8% increase in the total number of households (+4,221) by 2037 while the low migration estimate suggests an increase of 6% (+3,197) and the high migration estimate suggests an increase in the number of households of 10% (+5,293). This is a 'variation window' of around 2,100 households across the 25-year period (around 80-85 households a year).

The differences between the principal, low and high migration projections are shown in Annex 1. In the high migration scenario, we see a slightly greater increase in the smaller households and a marginally lower decrease in the predicted numbers of larger households. Under this scenario, there is still a predicted increase in older households, alongside a smaller predicted decrease in the number of younger households.

It follows that in the low migration scenario we see less predicted growth in the numbers of smaller households and a larger predicted decrease in the numbers of larger households, with more of a decrease predicted among younger households.

4.7 Migration

Over recent years, net migration figures have averaged out to indicate a slight net loss of population from East Ayrshire. However, within age groups there is an increase in children and the older working age population and a decrease in those aged 16-29 years.

Table 14: Average migration in and out of East Ayrshire, 2013-2015, by age group

Age Group	In	Out	Net
0-15	646	618	28
16-29	898	1,060	-162
30-44	848	784	64
45-64	626	594	32
65+	218	228	-10
All ages	3,236	3,284	-48

Source: NRS East Ayrshire Council Demographic Factsheet, East Ayrshire Council Area - 27/09/2016
Note: *Migration figures are based on a 3-year average and include migration within Scotland, between Scotland and the rest of the UK, and between Scotland and overseas. They do not include asylum seekers and armed forces movements.

Based on recent data, as reflected in the principal household projection, higher migration seems less likely in the short to medium term. However, the high migration scenario is a useful one to test, to explore how this might influence need and demand, particularly for the Kilmarnock area.

4.8 The housing market

The house price analysis here is based on the data provided in the Centre for Housing Market Analysis (CHMA) Data Pack – based on house price data from 2008 to 2015, the most recent data available at the time of writing.

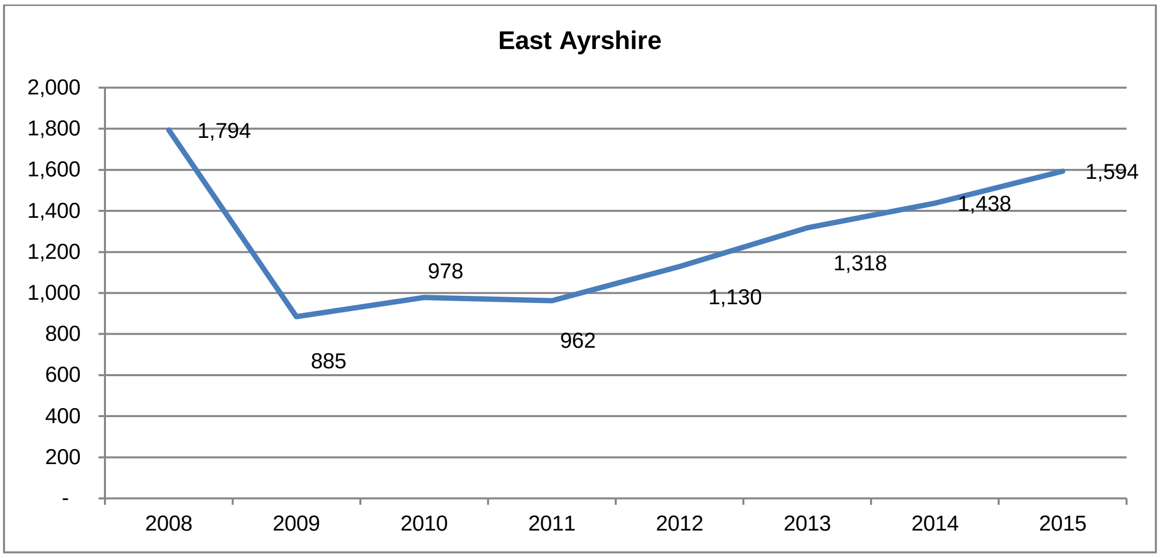
House sales

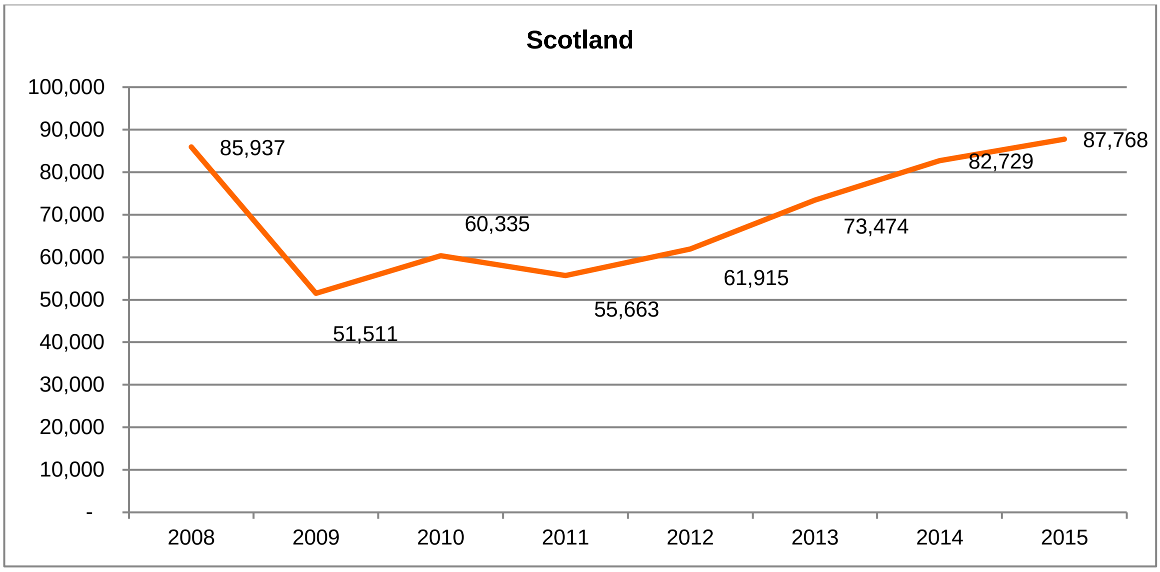
The figure below shows the volume of all house sales in East Ayrshire, compared to Scotland, between 2008-2015. This includes all sales, second hand and company sales new build house sales, including those under £20,000 or over £1mn. We see a similar trend in house sales in East Ayrshire to Scotland, with a sharp drop in sales in 2009 after the global financial crisis of 2008. By 2015, sales in East Ayrshire stood at 1,594 – 89% of the level in 2008 – while across Scotland the 2015 sales figures represented 102% of the 2008 figure.

The most recently published sales data for Q1 of 2016 suggests a sales figure of 522 sales in East Ayrshire between April and June 2016, up from 428 sales in April to June 2015 and 412 on January to March 2016[4]. This points to a continuing recovery in sales figures, albeit at a slower rate than across Scotland overall[5].

[4] Registers of Scotland Quarterly House Price Report, April to June 2016 (Oct 2016)
[5] N.B. Published RoS data is not directly comparable to the Scottish Government Data-pack data due to SG assumptions applied to the data/data cleaning procedures.

Figure 3: Sales volume, 2008-2015, East Ayrshire and Scotland - all company new-build and second-hand sales





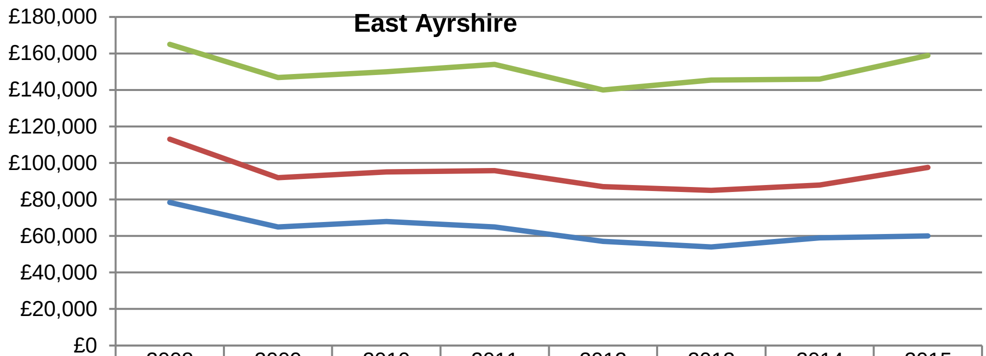
Source: Scottish Government HNDA Data-pack 2015

House prices

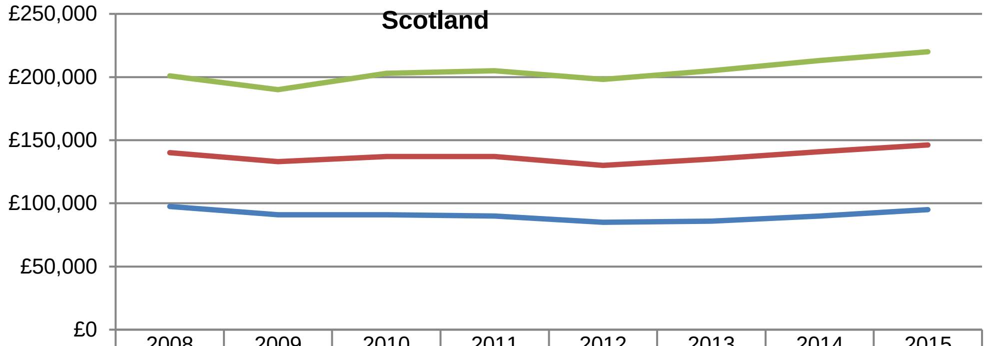
The figures below show the lower quartile, median and upper quartile house price between 2008 and 2015. This includes all second hand and company sales new build house sales, including those under £20,000 or over £1mn. We see that East Ayrshire property prices are considerably lower than in Scotland overall, with a median[6] of £97,500 in Ayrshire compared with £159,000 across Scotland.

The lower quartile house price is typically taken as an indicator of the 'entry level' property price that first time buyers might expect to pay. In East Ayrshire, this was £60,100 in 2015 compared with a lower quartile property price across Scotland of £95,000.

Figure 4: Sales volume, 2008-2015, East Ayrshire and Scotland - all sales (including <£20K and £1mn+)



	2008	2009	2010	2011	2012	2013	2014	2015
Lower Quartile	£78,400	£65,000	£68,000	£65,000	£57,000	£54,000	£59,000	£60,100
Median	£113,048	£92,000	£95,100	£95,750	£86,995	£85,000	£88,000	£97,500
Upper Quartile	£165,000	£146,750	£150,000	£153,995	£140,000	£145,500	£146,000	£159,000



	2008	2009	2010	2011	2012	2013	2014	2015
Lower Quartile	£97,500	£91,000	£91,000	£90,000	£85,000	£86,000	£90,000	£95,000
Median	£140,000	£133,000	£137,000	£137,000	£130,050	£135,000	£140,950	£146,200
Upper Quartile	£201,000	£190,000	£203,000	£204,995	£198,000	£205,000	£213,000	£220,000

Source: Scottish Government HNDA Data-pack 2015
Note: All second hand and company new-build sales, including those less than £20K and over £1mn

There has been a recovery in property prices in East Ayrshire, though prices in 2015 had still not yet recovered to 2008 prices, while they had in Scotland overall (with the exception of lower

[6] At the median, 50% of property prices are below this level and 50% above.

quartile prices). The median price of £97,500 in 2015 was 86% of the 2008 price in East Ayrshire, while in Scotland overall the median price in 2015 of £146,200 was above the 2008 median.

In the CHMA data-pack, property data is also provided for the period from 2011 excluding those sales that are below £20K or above £1mn. This effectively removes 'outliers' from the property data. For the most recent data year, the property price would be slightly higher if these are removed (as there are more very low value than very high value properties). The figures for the most recent data year, 2015, excluding outliers would be as follows.

Table 15: Property prices, 2015, excluding sales at less than £20K or more than £1mn.

	Lower Quartile	Median	Upper Quartile
East Ayrshire	**£62,000**	**£100,000**	**£159,995**
Kilmarnock	£65,625	£105,000	£169,995
Cumnock	£51,250	£78,500	£139,125
Doon Valley	£59,000	£102,500	£132,995
Scotland	**£95,000**	**£147,000**	**£220,000**

Source: Scottish Government HNDA Data-pack 2015
Note: Based on 1,577 sales (1,140 Kilmarnock, 304 Cumnock and 133 Doon Valley)

To ensure that the affordability analysis does not underestimate the cost of purchase (by including very low value properties that FTB are unlikely to have access to), we will use these figures in the affordability analysis. As Table 15 shows, lower quartile house prices are considerably cheaper in Cumnock, at £51,250, but Cumnock accounts for just 19% of sales. The overall lower quartile house price of £62,000 is more representative of the East Ayrshire market, with over 70% of sales in Kilmarnock (where lower quartile house prices are £65,625).

Comparing median house prices, Kilmarnock and Doon Valley have similar median house prices, of £105,000 and £102,500, while in Cumnock the median price is around 25% cheaper, at just £78,500

There is evidence of recovery in terms of the number of sales but East Ayrshire has relatively low property prices, which have not yet recovered to pre-crash levels. House prices in Cumnock are typically lower than in Kilmarnock and Doon Valley.

4.9 Rents in the private sector

The figures below show that private rents in the 'Ayrshires' Broad Rental Market Area are among the lowest rents in Scotland, at an average of £366 for a 1-bedroom property (Scottish average £482) and £463 for a 2-bedroom property (Scottish average £616).

Figure 5: Average (mean) Monthly Rents 2016 (year to end-Sept), by Broad Rental Market Area - 1-Bedroom Properties

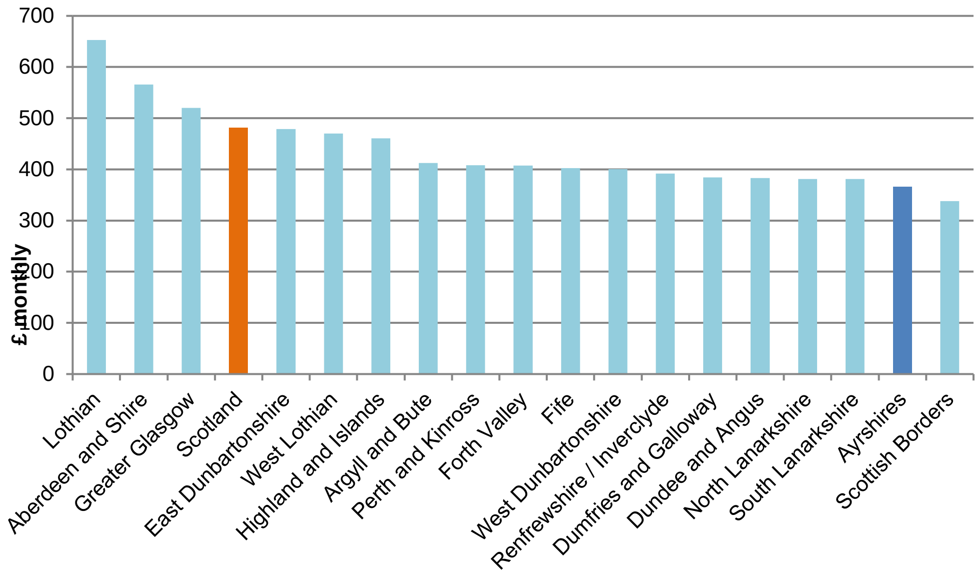
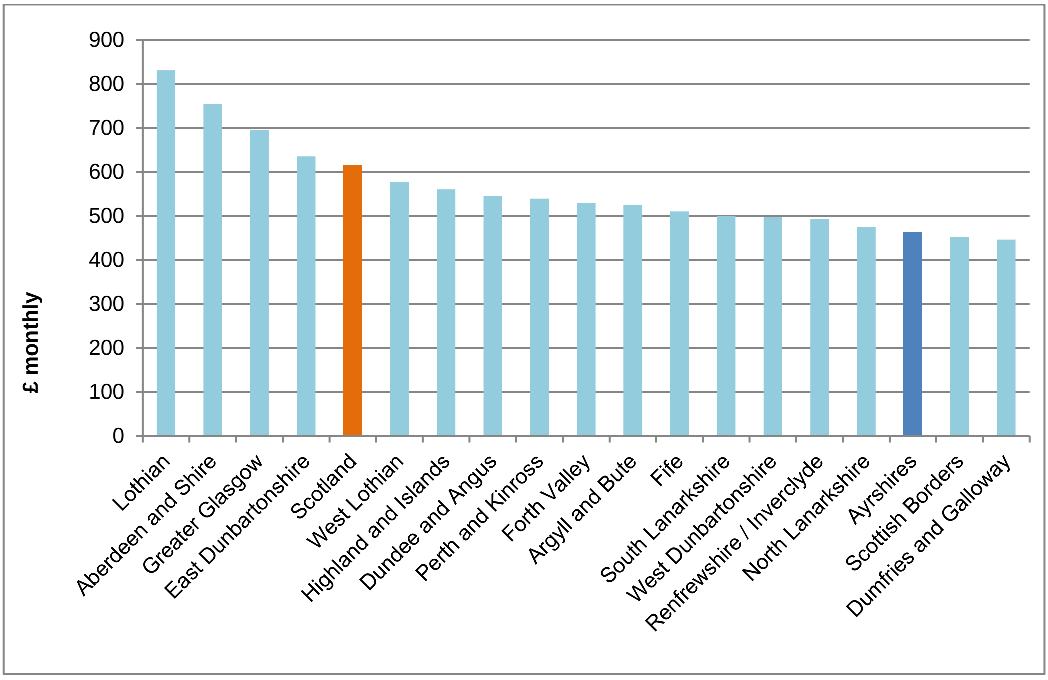


Figure 6: Average (mean) Monthly Rents 2016 (year to end-Sept), by Broad Rental Market Area - 2-Bedroom Properties



Source: Scottish Government Private Sector Rent Statistics, Scotland, 2010 to 2016 (Broad Rental Market Areas)

The table below shows little increase in rents within the 2-bed Ayrshire PRS market in recent years, and little variation in rents between the lowest and highest quartile, ranging from £425 at the lower quartile and £500 at the upper quartile.

Table 16: Trends in 2-bedroom property rents, PRS, Ayrshires BRMA

	2010	2011	2012	2013	2014	2015	2016	LHA rate 2016
Lower Quartile	£425	£425	£425	£425	£425	£420	£425	£425
Median	£450	£450	£450	£450	£450	£450	£450	
Mean	£464	£469	£459	£470	£461	£461	£463	
Upper Quartile	£495	£500	£495	£500	£498	£500	£500	

Source: Scottish Government Private Sector Rent Statistics, Scotland, 2010 to 2016 (Broad Rental Market Areas)

The lower quartile rent in 2016 of £425 was at the Ayrshire LHA rate for a 2-bedroom property of £425 a month. This means that the average rent of £463 is just 9% higher than the LHA rate.

4.10 East Ayrshire PRS rents

The study team compiled an analysis of the private rented sector in East Ayrshire based on advertised rents (not achieved rents) by bedroom size, type and location of properties. Web-based searches offer snapshot data of 239 individual properties listed on Rightmove, Zoopla, Nestoria, Gumtree and local on-line press in late October 2016.[7] Data for years 2010 through 2014 was available through Optilets and included every property listed on Citylets, which includes some properties listed multiple times in one year. Optilets data for 2015 was not available and was extrapolated using 2014 and 2016 data.

This local analysis suggested that the average rent for all properties[8] advertised in East Ayrshire in 2016 was £421 per month. Rent levels have not kept pace with the rate of inflation, falling from an average of £454 per month in 2010. The lower average rents in East Ayrshire are explained by decreasing rent levels in Doon Valley and Cumnock over the last five years. In Kilmarnock rent levels have remained stable at around £470 per month and have increased slightly in 2016. Compared to other areas, rents in Kilmarnock are around 25% higher, a gap that has been growing since 2012.

Figure 7 also shows considerable volatility in the average rent figure in Cumnock, with an upwards spike in 2013. With just around 200-300 lets advertised in a year, the letting of some larger (5+ bedroom) more expensive units has impacted on the overall average. Certainly, the overall trend in rents appears to be generally downwards in both Doon Valley and Cumnock.

Although the data shows some volatility, it is useful to see the differences between the three housing market areas, with Cumnock and Doon Valley having considerably lower rents than the overall BMRA data shows, while Kilmarnock is closer to the BMRA average of £463 for a 2-bedroom property.

[7] Excluding multiple listings

[8] The convention is to use 2 bedroom properties as a benchmark for trends in rent levels. However, due to relatively small sample sizes in BRMAs properties of all sizes were included in this analysis.

Figure 7: Average rents (all properties)

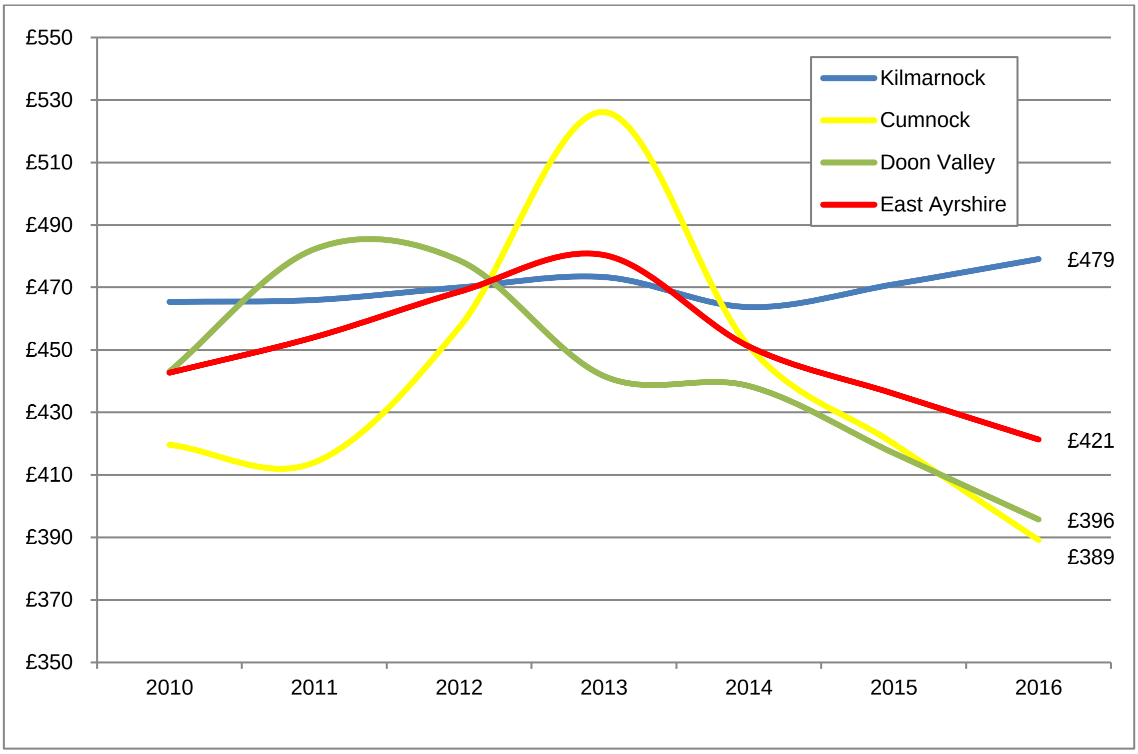
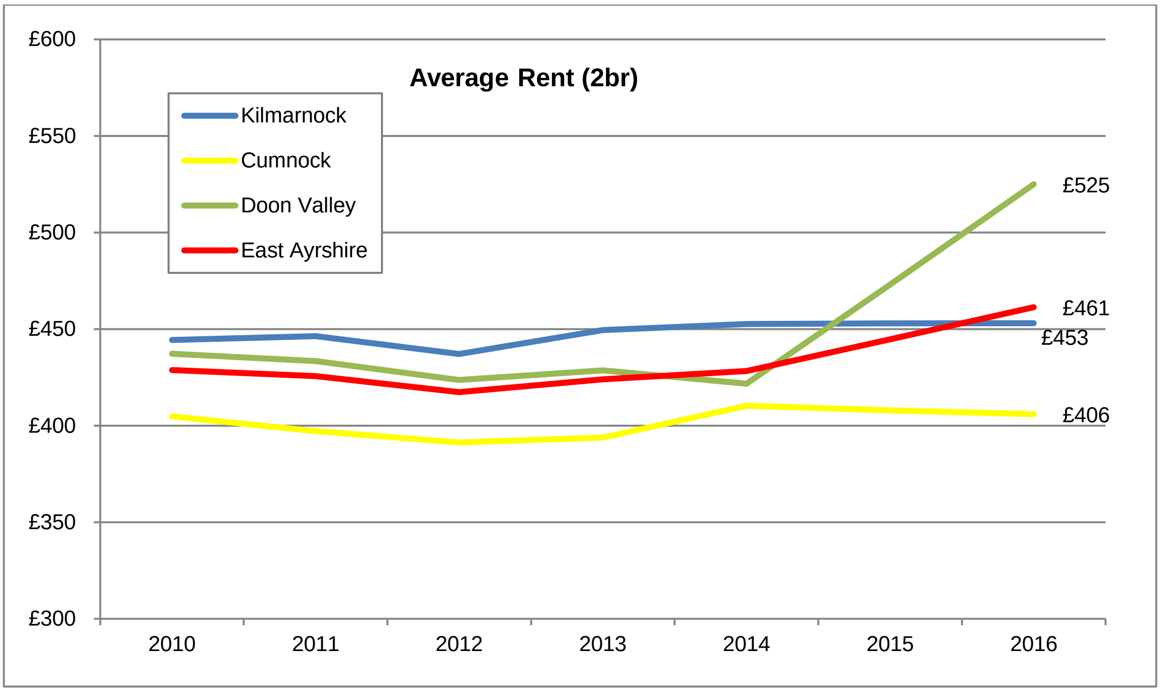


Figure 8: Average rents (2-bedroom properties)



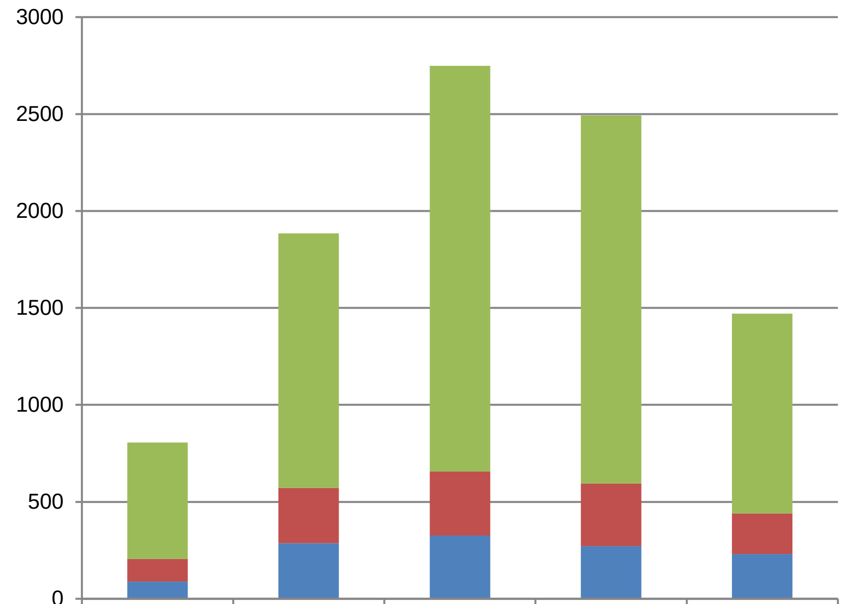
Source: PRS analysis, 2016 and Optilets data 2010-2015

Figure 8 shows less variability in 2-bedroom rents over the period, with an average 2-bed rent of £461 across East Ayrshire in 2016. Kilmarnock, the area with the most private rented properties advertised, has had average 2-bed rents of around £450 throughout the period from 2010 to 2016. Doon Valley has shown recent increases in rents but, again, this is due to a small number of higher-value 2-bedroom properties in that area in 2015 and 2016.

The local analysis suggests that, broadly speaking, Kilmarnock rents overall tend to be above the LHA rate of £425 while rents are below the LHA rate in Cumnock and Doon Valley, with the exception of some higher value outliers, as shown above.

The average fall in rents correspond with a 47% fall in the number of properties advertised in East Ayrshire, since 2012. The figure below shows that the numbers of advertised properties have varied most on Kilmarnock in recent years, though Cumnock and Doon Valley have also seen some variability.

Figure 9: Volume of advertised properties, 2010-2014



	2010	2011	2012	2013	2014
Kilmarnock	600	1313	2093	1898	1030
Doon Valley	117	286	330	323	209
Cumnock	89	286	326	272	231

Source: Optilets data 2010-2014

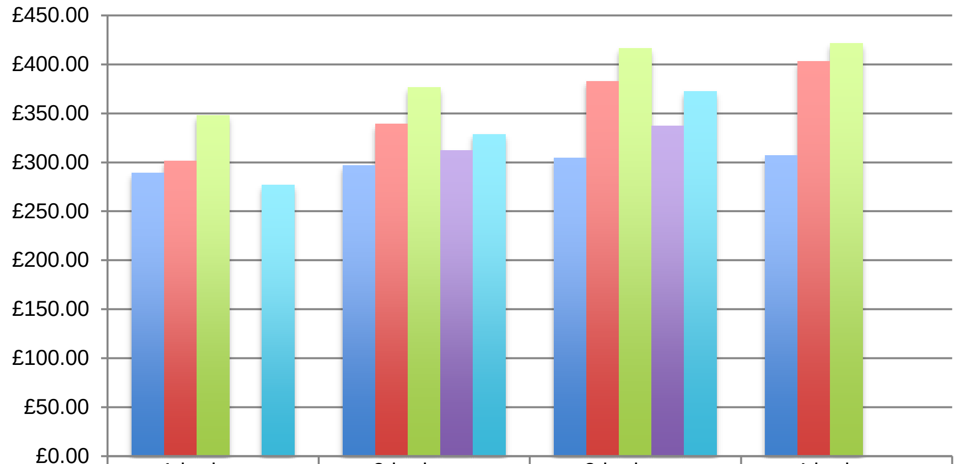
Of course, the fall in the numbers of advertised properties might reflect a tendency in more recent years for landlords to advertise through more informal, emerging web sites. The overall volume of the PRS stock is explored in more depth in Chapter 3.

Local evidence from the private rented sector suggests that rents are generally static, with evidence of lower turnover in recent years. This indicates that a flatter rate of rent increases is likely to be the most realistic assumption for the HNDA tool.

4.11 Social rents

The social rents data here is presented by landlord and property size (number of bedrooms) and location. Rents below include service charges, though specialist providers are shown separately in Section 5 under Specialist Provision.

Figure 10: Average (mean) monthly social rents (including service charges), mainstream landlords by number of bedrooms



	1-bedroom	2-bedroom	3-bedroom	4-bedroom
East Ayrshire Council	£288.99	£296.81	£304.40	£306.94
Atrium HA	£301.55	£339.00	£382.84	£402.96
Cunninghame	£347.70	£376.41	£416.34	£421.53
Irvine HA		£311.99	£337.23	
Shire HA	£277.07	£328.72	£372.39	

Source: Landlord stock databases, Sept-Nov 2016
Note: Rents shown where there are 10+ properties of a given size, EAC and Irvine HA rents calculated from weekly rent over 48 weeks to a monthly figure, other RSLs provided monthly rents.

Rents for 1 and 2 bedroom properties vary across landlords, ranging from £277 a month to £348 a month for a 1-bedroom property and £297 to £377 for a 2-bedroom property, with the higher rents being about 1.25 times that of the lowest. Differences between the 3-bedroom and 4-bedroom stock is more marked – between £304 and £383 for a 3-bedroom property and £307-£403 for a 4-bedroom property (the highest at around 1.37 times that of the lowest). It is worth noting that the higher rent properties tend to be houses and cottage-style (often newer) properties, which make up a larger proportion of the stock of the landlords with the higher rents. The balance of the age, type and size of stock is examined further in Section 3.

This means that comparing average social rents to PRS rents, 2-bedroom rents are between 71% and 89% of private rents (mean £421) and between 70% and 89% of the LHA rate (£425). This is a very low differential between the PRS and social rents. By comparison, the average 2-bed social rent across Scotland (£310[9]) is almost as little as half the average PRS rent of £610 a month (51%).

The table below shows less variation by area in social rents, although for Shire rent charges are, on average, lower in the Doon Valley area, although this may relate to stock characteristics, explored in more detail in Section 3.

[9] 2015-2016 ARC statistics – Scotland wide 3-apartment average weekly rent is £71.55 or £310.05 per calendar month

Table 17: Average (mean) monthly rents (including service charges) by size and Housing Market Area, by mainstream landlord

1-bed	**Kilmarnock**	**Cumnock**	**Doon Valley**
EAC	£286.84	£293.47	£295.69
Atrium HA	£301.55	-	-
Cunninghame HA	£347.70	-	-
Irvine HA	-	-	-
Shire HA	£256.82	£323.63	-
2-bed	**Kilmarnock**	**Cumnock**	**Doon Valley**
EAC	£297.54	£295.61	£295.82
Atrium HA	£338.43	£346.75	-
Cunninghame HA	£376.41	-	-
Irvine HA	-	-	£311.99
Shire HA	£338.72	£328.07	£292.54
3-bed	**Kilmarnock**	**Cumnock**	**Doon Valley**
EAC	£304.91	£303.54	£303.87
Atrium HA	£383.08	*	-
Cunninghame HA	£416.34	-	-
Irvine HA	-	-	£337.23
Shire HA	£373.40	£384.99	£344.91
4-bed	**Kilmarnock**	**Cumnock**	**Doon Valley**
EAC	£305.78	£308.01	£308.07
Atrium HA	£402.85	*	-
Cunninghame HA	£421.53	-	-
Irvine HA	-	-	*
Shire HA	*	*	-

* Only where there are 10 or more properties is rent shown.

The low differential between social rents and private rents may limit the scope for intermediate renting in some areas.

4.12 Incomes

Analysis of the latest public dataset of the Scottish Household Survey (SHS 2015) shows an average (mean) net annual income in East Ayrshire of £23,653 compared with a Scottish average of £25,730. Lower quartile incomes are the same in East Ayrshire as in Scotland as a whole, at £14,000 a year.

The published SHS local authority data (for 2015) shows that 29% of households in East Ayrshire have a net household income of less than £15,000 a year, similar to the Scotland wide figure (30%). East Ayrshire has proportionately fewer higher income households, with just 25% of households having an income of more than £30,000, compared with 33% of households in Scotland overall, but this is not a statistically significant difference.

Table 18: Income profile, all households, 2015 (East Ayrshire and Scotland)

	2015
East Ayrshire 2014	
£0 - £6000	1
£6001 - £10000	12
£10001 -£15000	16
£15001 - £20000	18
£20001 - £25000	15
£25001 - £30000	12
£30001 - £40000	14
£40001+	11
Total	100
Base	*230*
Scotland 2014	
£0 - £6000	3
£6001 - £10000	9
£10001 -£15000	18
£15001 - £20000	16
£20001 - £25000	12
£25001 - £30000	9
£30001 - £40000	15
£40001+	18
Total	100
Base	*9,980*

Source: 2015 Scottish Household Survey data, LA data tables

Between 2009-2010 and 2015, average incomes in East Ayrshire increased by just 5.1% (from £22,489 to £23,653), compared with an increase of 8.8% in average incomes across Scotland (from £23,650 to £25,730.

Incomes in East Ayrshire are growing at a modest rate, and so lower rates of income growth are assumed in the HNDA tool.

To arrive at a 'modest income' to use in the affordability analysis, we also looked at lower quartile earning , the approach used in the Scottish Federation of Housing Associations Rent Setting Guidance[10]. The ONS Annual Survey of Hours and Earnings[11] provides local-authority level earnings data each year. In 2015, lower quartile earnings would be £16,000 a year (after tax). The comparable figures for Scotland are similar – median full-time earnings of £21,700 and lower quartile incomes of £16,600 a year (after tax). At this level of income, most households At this level or above we would expect people not to generally be in receipt of Housing Benefit.

An income of around £16,000 a year (after tax) represents a moderate East Ayrshire income against which to test mortgage costs and rents. This is the equivalent of around £300 a week or £1,300 a month in net income. This is a simplified threshold that does not take into account household size, as it is intended to show broadly how affordable the market is.

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10 SFHA Rent Setting Guide, 2017 (forthcoming) https://www.sfha.co.uk/news/news-category/sfha-news/news-article/sfha-rent-setting--affordability-guidance

11 http://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2015provisionalresults

4.13 Dependence on Housing Benefit

The affordability analysis below assumes that people entering the housing market have a moderate annual net income of £16,000 a year that takes them above the Housing Benefit eligibility threshold. Of course, many people out of work (and in-work) do not have incomes that are sufficient without Housing Benefit. Across East Ayrshire, just under 12,000 households (an estimated 22% of households[12]) received Housing Benefit in August 2016, with 59% of recipients of working age. 26% of working age recipients (1,833 households) receive partial Housing Benefit, varying from 37% of PRS claimants to 25% of local authority tenants and 27% of RSL claimants. DWP claimant data for Scotland in May 2016 shows 448,185 claims (an estimated 18% of the household population[13]) compared with 12,326 for East Ayrshire (23% of the household population). So East Ayrshire residents are more likely to be on Housing Benefit that households across Scotland.

Table 19: Housing Benefit/LHA recipients (as at 31st August 2016)

	LA claimants	RSL claimants	PRS claimants	Total
Working age – full HB	3,223	940	1,060	5,223
Working age – partial HB	1,101	344	388	1,833
Total Working age	**4,324**	**1,284**	**1,448**	**7,056**
Pension age – full HB	2,240	654	737	3,631
Pension age – partial HB	765	239	269	1,273
Total Pension age	**3,005**	**893**	**1,006**	**4,904**
All recipients	**7,329**	**2,177**	**2,454**	**11,960**

Source: EAC Revenues and Benefits data

4.14 Mortgage and rent affordability

Loan-to-value rates and mortgage access

The Scottish Housing Market Review in Q3 of 2016 reported that in the previous quarter, the average LTV ratio for FTBs remained at 85% and the average LTV ratio for home movers rose slightly to 77%. This means that the average FTB deposit is around £18,000 – equivalent to average First Time Buyers (FTB) income (though down from the peak of over 90% during the credit crunch.

There is some evidence of an easing in the mortgage market, with FCA data for the UK showing an increase in the proportion of residential loans above a 90% LTV ratio from 2.72% in Q1 to 4.05% in Q2 2016.

In this respect, the deposit that an East Ayrshire FTB would need to raise would be lower - £6,200 for a lower quartile property at £62,000 or £10,000 for a median value property at £100,000.

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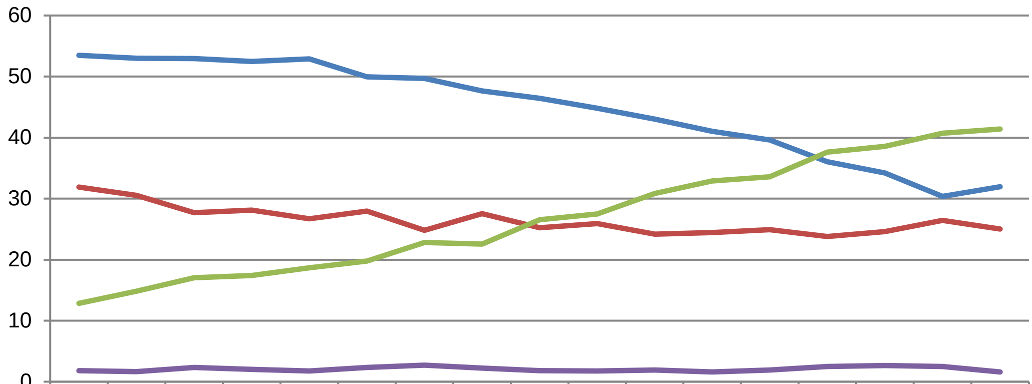
[12] Based on the 2015 household estimate of 54,570 households.

[13] DWP StatXplore – Housing Benefit Claimants by Region and Local Authority, May 2016

Number of FTBs

The CHMA quarterly review also reports an increase in the total number of loans to FTB of 1% in Q2 2016, while the 2015 Scottish Household Survey data shows an increase in the proportion of younger households owning for the first time.

Figure 11: Tenure among householders aged 16-30 years, by year (Scotland)



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Owner Occupier	53	53	53	52	53	50	50	48	46	45	43	41	40	36	34	30	32
Social Rent	32	31	28	28	27	28	25	28	25	26	24	24	25	24	25	26	25
Private Rent	13	15	17	17	19	20	23	23	27	28	31	33	34	38	39	41	41
Other	2	2	2	2	2	2	3	2	2	2	2	2	2	3	3	2	2

Source: Scottish Housing Market Review, Q3 2016

Local data on FTB numbers in East Ayrshire is not readily accessible, so we need to assume a similar pattern as in Scotland overall, with some likelihood that mortgage financing is becoming easier and FTB numbers potentially increasing.

Comparing mortgage and rent costs

The table below compares the costs of mortgages and rents, alongside moderate incomes. This is based on the lower quartile full-time income from earnings of East Ayrshire residents – a moderate but low income of around £300 a week, £1,300 a month or £16,000 a year (net of tax and National Insurance).

Table 20: Comparison on monthly housing costs and monthly income (after tax)

	Monthly cost	**% of a moderate income (£16k or £1,300 a month)**
Lower quartile house price - £62,000, after £6,200 deposit paid (£55,800)	£295	23%
Median house price - £100,000, after £10,000 deposit paid (£90,000)	£475	37%
2-bed lower quartile PRS rent	£389	30%
2-bed average PRS rent	£421	32%
2-bed SRS rent (mid-point)	£337	26%
2-bed LHA rate	£420	32%

Sources: CHMA datapack house price analysis, LA/RSL rents data (mid-point),
Note: Incomes based on analysis of Scottish Household Survey 2015.

Note: Mortgage cost based on current average across the top mortgages available – 4% across the life of the mortgage. PRS based on local analysis of adverts – lowest Q based on Cumnock average of £389.

The most affordable housing options are social renting or buying at the lower quartile house price, while private renting requires households with modest incomes in East Ayrshire to contribute around 30% of their net income towards their rent. Recent Scottish Government statistics suggest that across the period 2012/13 to 2014/15[14], social rented households in Scotland spent an average of 24% of their net income on housing costs compared with 25% for private rented households, 9% for households owning their property with a mortgage and 3% for households owning their property outright. These figures include rent **gross** of housing benefit, as well as water rates and service charges where applicable. Net income relates to all household income after personal taxes and council tax have been netted off. Among those not eligible for Housing Benefit, assumed in Table 18, private rents are proportionately higher as a share of income.

It is also important to note that, while a mortgage of £295 a month looks very affordable, based on national SHS data 28% of households with incomes of between £14,000-£18,000 say they have no savings, a further 21% had less than £1,000 saved and 43% had more than this saved (8% did not know or refused). Across all income groups, 26% of households had no savings while 15% had less than £1,000 and 50% had more than £1,000 saved (again, 9% did not know or refused). Assuming similar savings rates in East Ayrshire, we would expect almost half those on modest earnings not to have enough savings for a deposit.

4.15 Affordability pressures

Above, we saw that East Ayrshire rents and house prices are lower than average, with house prices showing limited growth and private rents stagnating. However, East Ayrshire residents also have lower than average incomes, so that even low rents and house prices may pose affordability issues for some households.

The Scottish Household Survey asks householders whether they have had any trouble paying their rent or mortgage payments in the previous 12 months. Overall, 5% of Scottish householders reported having some difficulties paying their rent or mortgage in the period from 2012-2015[15]. The estimate for East Ayrshire is that around 3,780 households have had difficulties paying their rent or mortgage (around 7% of all households). Almost half are social renters, 29% are private renters and 23% are owners.

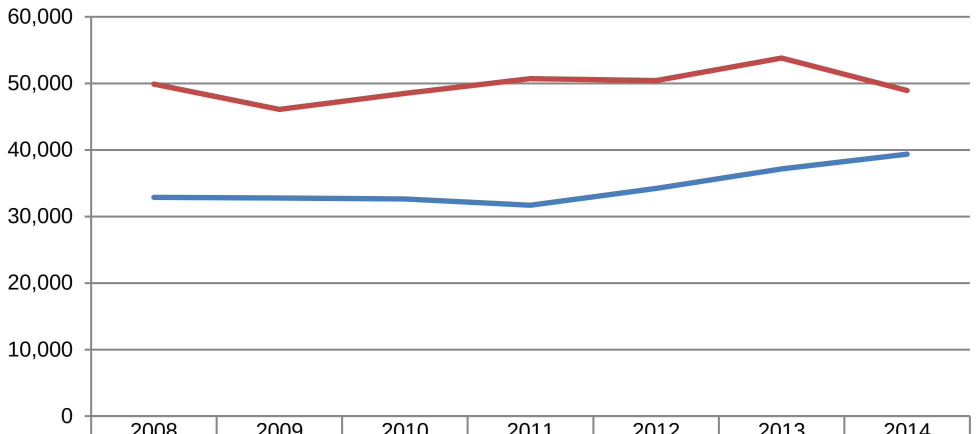
4.16 Economic growth

The figure below shows Gross Value Added (GVA) for East Ayrshire businesses, compared with Scotland overall. Approximate Gross Value Added represents the amount that individual businesses, industries or sectors contribute to the economy.

[14] Social Tenants in Scotland, Scottish Government, 2015 http://www.gov.scot/Resource/0051/00514007.pdf

[15] Based on combined data from 2012-2015 Scottish Household Survey

Figure 12: Gross Value Added per head (East Ayrshire and Scotland) 2014



	2008	2009	2010	2011	2012	2013	2014
East Ayrshire	32,878	32,770	32,623	31,686	34,202	37,145	39,360
Scotland	49,874	46,085	48,502	50,690	50,403	53,803	48,928

Source: ONS Annual Business Survey, data compiled by Scottish Government
http://www.gov.scot/Topics/Statistics/Browse/Business/SABS/LATables

The GVA for East Ayrshire businesses has risen from £32,878 per head to £39,360 per head – an increase of almost 20% over the period from 2008 to 2014. These GVA levels are considerably lower than the Scottish average. However, the graph below shows that while East Ayrshire saw a decline in GVA towards 2011 it has made a good recovery in the three years since then, while during the same period, the GVA for Scotland as a whole has shown more variability, with a slight dip in GVA across the period from 2008-2014 overall.

4.17 Economic outlook

Recent data suggests that the Scottish economy remains fragile, with growth lagging behind the UK as a whole. With annualised growth of 1.9 per cent recorded for 2015, the pace of expansion in the Scottish economy was significantly below the growth rate of 2014. At 2015 Q4 annual GDP growth in Scotland was 0.1% lower than in the UK and at 2016 Q1, it was 0.5% lower[16].

Despite this, the Chief Economist notes that the Scottish economy achieved record levels of employment during 2015 with the labour market remaining resilient, although the most recent data indicate a slight fall back in employment levels and unemployment stabilising at around 6 per cent. Looking ahead, the forecast is for continued growth in 2016 and 2017[17]. The EU Referendum result also poses additional challenges for the UK and Scottish economies in future, with some commentators outside of government revising economic forecasts downwards[18].

The East Ayrshire Economic Development Strategy 2014-25 points to the context of UK, EU and global challenges, and also to local weaknesses in terms of the decline of traditional industries

[16] http://www.gov.scot/About/Performance/scotPerforms/purposetargets/economicgrowth

[17] http://www.gov.scot/Topics/Economy/state-economy/latestSofE

[18]http://www.scottisheconomywatch.com/brian-ashcrofts-scottish/2016/06/brexit-and-the-scottish-economy-dont-panic-but-do-worry.html

and relatively poor economic performance. The public sector – the Council and The Health Board are major employers and the strategy points to the desire to move reliance from the public sector to the private sector. It looks to its key growth sectors in engineering, food, drink and tourism, and economic progress in terms of national training programmes, creation of a new regional college, and support from Scottish Enterprise for East Ayrshire's larger companies. In addition, the economic strategy is supported by the Council's Transformation Programme and its award winning approach to community planning through its Community Action Plans where residents identify priorities for change and development.

The most significant prospect for economic growth in East Ayrshire will be through the Ayrshire Growth Deal (AGD). This gives the prospect of £140m economic development investment into the area over the next 20 years. The AGD covers all of Ayrshire – East, North and South, but the majority of the economic development plans for East Ayrshire will be invested in the first 10 year of the planning period.

The AGD strategic business case builds on the prospectus approved by the three local authorities and submitted to the Scottish and UK Governments in March 2016. Individual business cases for the various investment projects are now being developed. For East Ayrshire these are in the fields of aerospace, manufacturing and engineering around the areas of Bellfield, Cumnock and Prestwick (while Prestwick is in South Ayrshire it is expected that workforce will be drawn from across the area). It is expected that 5,000 jobs will be created in the East Ayrshire area.

4.18 Employment, unemployment and economic inactivity

The table below shows the latest available data from the ONS Annual Population Survey, on employment, unemployment and economic inactivity. Overall, an estimated 73.1% of adults aged 16-64 in East Ayrshire in 2015-2016 were economically active, compared with 77.2% in Scotland and 77.9% in Great Britain. An estimated 7% of working-age adults were unemployed in East Ayrshire, compared with 5.4% in Scotland and 5.1% across Great Britain.

Table 21: Employment and unemployment summary – East Ayrshire, compared with Scotland and Great Britain

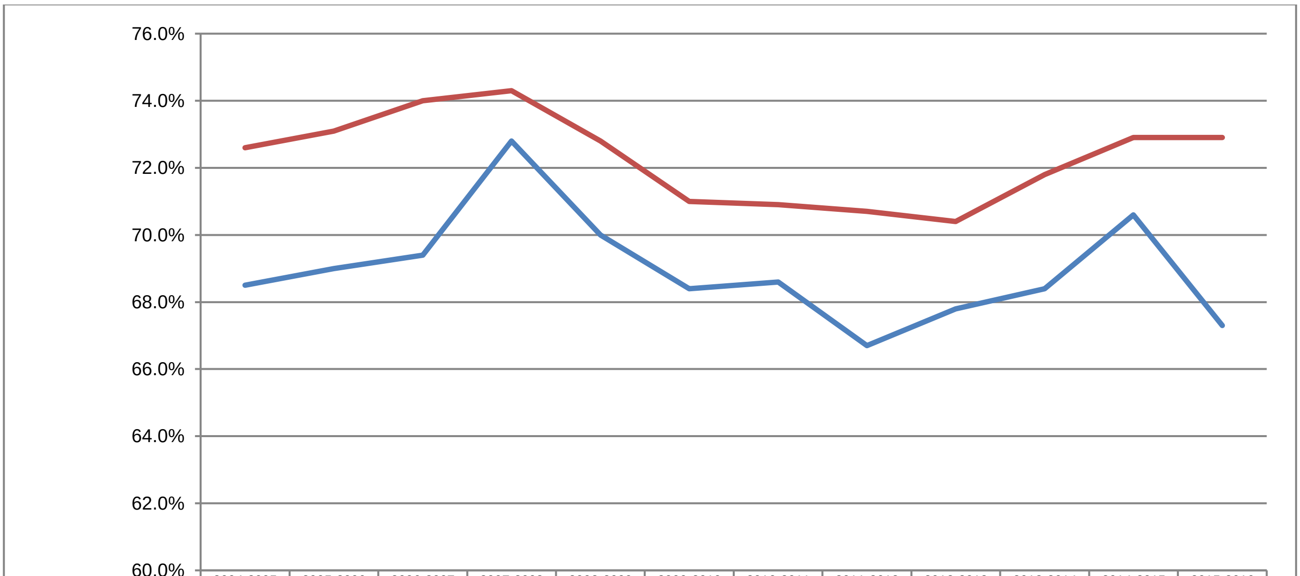
Employment and unemployment (Jul 2015-Jun 2016)				
	East Ayrshire (Numbers)	East Ayrshire (%)	Scotland (%)	Great Britain (%)
All People				
Economically Active	56,800	73.1	77.2	77.9
In Employment	52,300	67.3	72.9	73.8
Employees	45,000	58.2	64.4	63.1
Self Employed	6,800	8.3	8	10.3
Unemployed (Model-Based)	3,900	7.0	5.4	5.1
Males				
Economically Active	30,400	80.2	81.3	83.1
In Employment	27,800	73.3	76.3	78.7
Employees	22,400	59.9	65.3	64.4
Self Employed	4,900	12.2	10.7	13.9
Unemployed	2,600	8.4	5.9	5.1
Females				

Economically Active	26,400	66.4	73.2	72.7
In Employment	24,500	61.6	69.6	69
Employees	22,500	56.7	63.6	61.8
Self Employed	1,900	4.7	5.5	6.8
Unemployed	1,900	7.2	4.8	5

Source: Annual Population Survey, 2004-2016 (July to June)
https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx

The figure below shows the annual employment rate, also based on the Annual Population Survey Data. It shows a good recovery in employment rates in recent years, between 2011 and 2015, but a significantly more variable employment rate in East Ayrshire than in Scotland overall and a recent marked down-turn in 2015-2016. However, it is worth noting that the margin for error in the local authority estimates is larger – +/- 3.4% for Easy Ayrshire, compared with +/-0.6% for the Scotland data overall so some of the variability may reflect measurement error.

Figure 13: Employment rate, (as a % of those aged 16-64) by year (East Ayrshire and Scotland)

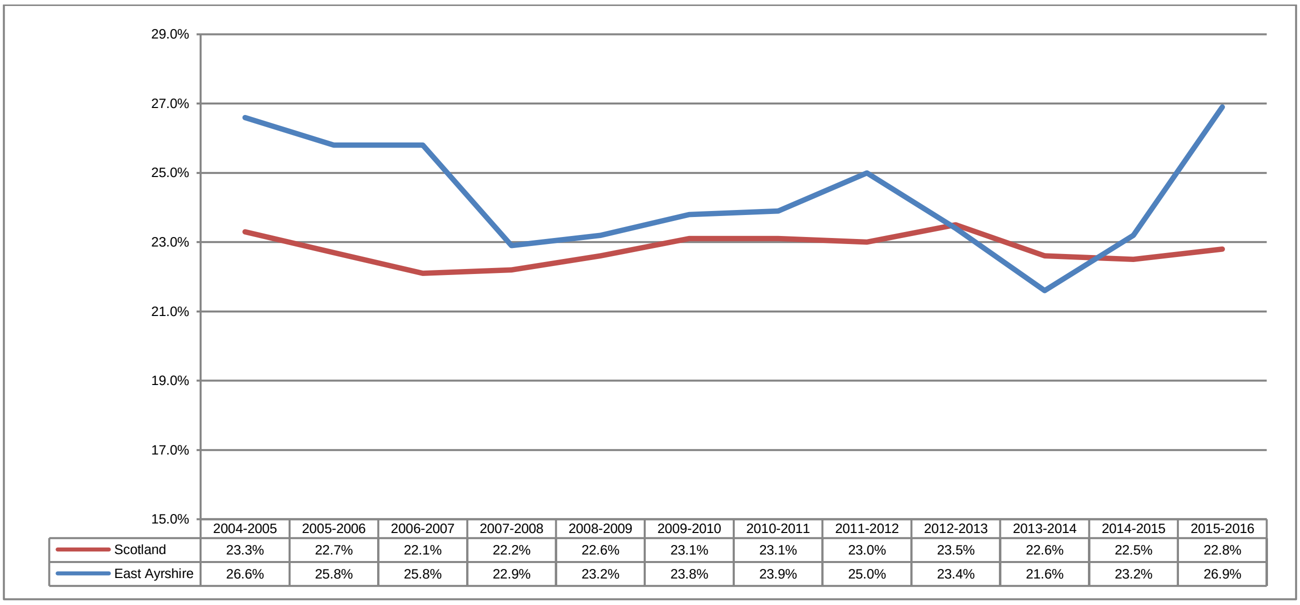


	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Scotland	72.6%	73.1%	74.0%	74.3%	72.8%	71.0%	70.9%	70.7%	70.4%	71.8%	72.9%	72.9%
East Ayrshire	68.5%	69.0%	69.4%	72.8%	70.0%	68.4%	68.6%	66.7%	67.8%	68.4%	70.6%	67.3%

Source: Annual Population Survey, 2004-2016 (July to June)
http://www.gov.scot/Topics/Statistics/Browse/Labour-Market/Publications/APSJJTables

It follows that we also see typically higher levels of economic inactivity among 16-64 years olds in East Ayrshire, compared with Scotland overall, and more variability over the measurement period.

Figure 14: Economic inactivity rate, (as a % of those aged 16-64), by year (East Ayrshire and Scotland)



Source: Annual Population Survey, 2004-2016 (July to June)

In 2015-16, an estimated 26.9% of adults aged 16-64 in East Ayrshire were economically inactive, compared with an estimated 22.8% across Scotland. East Ayrshire has seen estimated inactivity rates increase in the last two years, after a period where inactivity rates were estimated at below the Scottish average. However, as in the case of the economic activity rates, there is a greater error margin in local authority estimates (+/- 3.2% for East Ayrshire, compared with +/- 0.6% for Scotland-wide estimates).

Ward profiles on employment and unemployment are not available from NOMIS for Scotland, but East Ayrshire Council has compiled Ward level analysis of unemployment claimant count rates, from DWP data for January 2015. Overall, the unemployment rate, by claimant count was 3.7% in East Ayrshire compared with 2.4% in Scotland overall.

Table 22: Unemployment rate (claimant count) by Ward

Unemployment rate (claimant count)	**Male%**	**Female %**	**Total %**
Kilmarnock			
Annick	4.5%	1.5%	3.0%
Kilmarnock North	8.6%	3.2%	5.7%
Kilmarnock West & Crosshouse	4.5%	1.6%	3.0%
Kilmarnock East & Hurlford	5.9%	2.4%	4.1%
Kilmarnock South	7.1%	3.2%	5.0%
Irvine Valley	3.9%	1.6%	2.8%
Cumnock			
Ballochmyle	4.4%	1.9%	3.1%
Cumnock & New Cumnock	4.8%	2.5%	3.6%
Doon Valley	5.8%	2.2%	3.9%
East Ayrshire	5.3%	2.2%	3.7%

Source: EAC Ward Profiles, January 2015 (Unemployment rate, claimant count)

The table above shows particularly high claimant count unemployment among men in Kilmarnock North, of 8.6%, compared with 5.3% across East Ayrshire as a whole. Male claimant count was also significantly higher than average in Kilmarnock South (7.1%). Unemployment is lowest in Irvine Valley, Annick and Kilmarnock West and Crosshouse.

4.19 Deprivation

The Scottish Index of Multiple Deprivation (SIMD) uses data from various administrative and survey-based data sources on income, employment, health, education, access, crime and housing to categorise areas into the most and least deprived areas. The table below shows the datazones in East Ayrshire that fall within the poorest 15% of areas, according to the SIMD 2016.

Only the Annick ward in Kilmarnock has no datazones in the poorest 15%, with deprivation spread throughout East Aryshire. The most deprived areas in East Ayrshire are in Kilmarnock North, with five datazones in the poorest 15% of datazones (four in the poorest 5%). Kilmarnock West and Crosshouse and Doon Valley both have two datazones in the poorest 5% of Scottish datazones. Although Cumnock only has one datazone in the most deprived 5%, it has eight datazones in the most deprived 15%. Kilmarnock South also has just one datazone in the most deprived 5% but seven datazones in the most deprived 15% - with five of these all in Shortlees.

Table 23: Deprived datazones by Ward (those in the most deprived 0-15%, ranked by most deprived)

Intermediate_Zone	Ward	SIMD 2016 Vigintile
Shortlees	Kilmarnock South	Most deprived 0-5%
Altonhill South, Longpark and Hillhead	Kilmarnock North	Most deprived 0-5%
Altonhill South, Longpark and Hillhead	Kilmarnock North	Most deprived 0-5%
Doon Valley South	Doon Valley	Most deprived 0-5%
Altonhill North and Onthank	Kilmarnock North	Most deprived 0-5%
Altonhill South, Longpark and Hillhead	Kilmarnock West & Crosshouse	Most deprived 0-5%
Doon Valley South	Doon Valley	Most deprived 0-5%
Altonhill North and Onthank	Kilmarnock North	Most deprived 0-5%
Altonhill South, Longpark and Hillhead	Kilmarnock West & Crosshouse	Most deprived 0-5%
Cumnock Rural	Cumnock & New Cumnock	Most deprived 0-5%
Mauchline Rural	Cumnock & New Cumnock	Most deprived 5-10%
Galston	Irvine Valley	Most deprived 5-10%
Auchinleck	Ballochmyle	Most deprived 5-10%
Cumnock South and Craigens	Cumnock & New Cumnock	Most deprived 5-10%
Galston	Irvine Valley	Most deprived 5-10%
Shortlees	Kilmarnock South	Most deprived 5-10%
Shortlees	Kilmarnock South	Most deprived 5-10%
Newmilns	Irvine Valley	Most deprived 5-10%
New Cumnock	Cumnock & New Cumnock	Most deprived 10-15%
New Cumnock	Cumnock & New Cumnock	Most deprived 10-15%
Auchinleck	Ballochmyle	Most deprived 10-15%
Altonhill North and Onthank	Kilmarnock North	Most deprived 10-15%
Bonnyton and Town Centre	Kilmarnock West & Crosshouse	Most deprived 10-15%
Cumnock Rural	Cumnock & New Cumnock	Most deprived 10-15%
Shortlees	Kilmarnock South	Most deprived 10-15%
Shortlees	Kilmarnock South	Most deprived 10-15%
Mauchline Rural	Cumnock & New Cumnock	Most deprived 10-15%
Earlston and Hurlford Rural	Kilmarnock East and Hurlford	Most deprived 10-15%
Kilmarnock South Central and Caprington	Kilmarnock South	Most deprived 10-15%

Altonhill South, Longpark and Hillhead	Kilmarnock West & Crosshouse	Most deprived 10-15%
Doon Valley North	Doon Valley	Most deprived 10-15%
Altonhill South, Longpark and Hillhead	Kilmarnock West & Crosshouse	Most deprived 10-15%
Doon Valley North	Doon Valley	Most deprived 10-15%
Drongan	Doon Valley	Most deprived 10-15%
Cumnock Rural	Cumnock & New Cumnock	Most deprived 10-15%
Kilmarnock South Central and Caprington	Kilmarnock South	Most deprived 10-15%

Source: SIMD 2016, Datazones in the poorest 15% of areas
http://www.gov.scot/Topics/Statistics/SIMD

The map in Annex 2 shows the distribution of the poorest datazones from the Scottish Index of Multiple Deprivation.

There is clear evidence of a disparity in economic experiences across the local authority, with very high levels of deprivation in some areas. A number of intermediate datazones in East Ayrshire - Altonhill North & Onthank, Altonhill South, Longpark & Hillhead, Doon Valley South and Shortlees are classed as experiencing ‘deep-rooted deprivation’[19]. These are intermediate zones containing one or more data zones that have been consistently among the most deprived 5% in Scotland since SIMD 2004.

[19] http://www.gov.scot/Resource/0051/00510864.pdf

4.20 **Housing market drivers – key issues**

LHS and Development Plan	Housing Market Drivers - key issues identified in the HNDA
Demographic issues for the local housing market	5. There is relatively low household growth projected, with variability by HMA – with projected falls in household population in Cumnock, and Doon Valley. 6. Households are getting smaller, and there is a projected decrease in family and larger households. The proportion of older households is increasing and working households decreasing. These trends are particularly acute in Cumnock and Doon Valley where the only type of households increasing are aged over 60, but particularly aged over 75 years. Kilmarnock HMA is the only area where there is a small increase in working age households. 7. Over recent years there has been net loss of population from East Ayrshire. Although there has been an increase in children and the older working age population, there has been a decrease in those aged 16-29 years. 8. These trends suggest considerable challenges for the East Ayrshire Community Planning partners in how to address community sustainability to the south of the area, and how to ensure there is the right type, size and price of housing in the north to retain and attract working households to the area.
Affordability issues for the local housing market	5. Private rent levels are relatively low and aligned to the Local Housing Allowance (LHA), and there is little differential between private rents, social rents and the LHA. This means any exploration of intermediate tenures will have to be carefully tested for feasibility, and success will likely be location specific, and quality driven. 6. East Ayrshire house prices are low compared to the national average, and although sales volumes are increasing, have not yet recovered to 2008 prices suggesting a continuing dampened market. 7. While market prices (sale and rent) may be low, so too are local incomes, with more people likely to earn under £25k than elsewhere in Scotland, and proportionally more people are claiming housing benefit. 8. Comparing all local prices across tenure (sale and rent) to local income, there are affordability issues in East Ayrshire driven by low incomes. This is exacerbated by lack of access to mortgages due to low levels of savings. Any pressure in prices is to the north of East Ayrshire, driven by the Glasgow market area.

Economic issues for the local housing market	5. There has been some limited economic growth in East Ayrshire since the recession, although in recent years there is evidence of increased unemployment and inactivity. 6. Deprivation is spread throughout East Ayrshire, with deep rooted deprivation concentrated in parts of Kilmarnock and Doon Valley. 7. There are prospects for economic development driven through the Ayrshire Growth Deal, with the aim for 5,000 jobs to be created over the next 10 years. Regeneration is supported by through the Community Action Plans. 8. A key challenge for the community planning partners is how to regenerate much of the low value housing markets while there is underlying low income and deprivation issues. If economic development is to be successful there is a requirement to retain and attract working age households, while at the same time supporting existing older households live independently in their own communities. This requires restructuring of some of the housing markets, strong placemaking strategies with the right mix in type and price of housing and aligned to the Council's economic development strategy in order to help many of East Ayrshire's communities regenerate.

5. Housing Stock Profile, Pressures and Management Issues

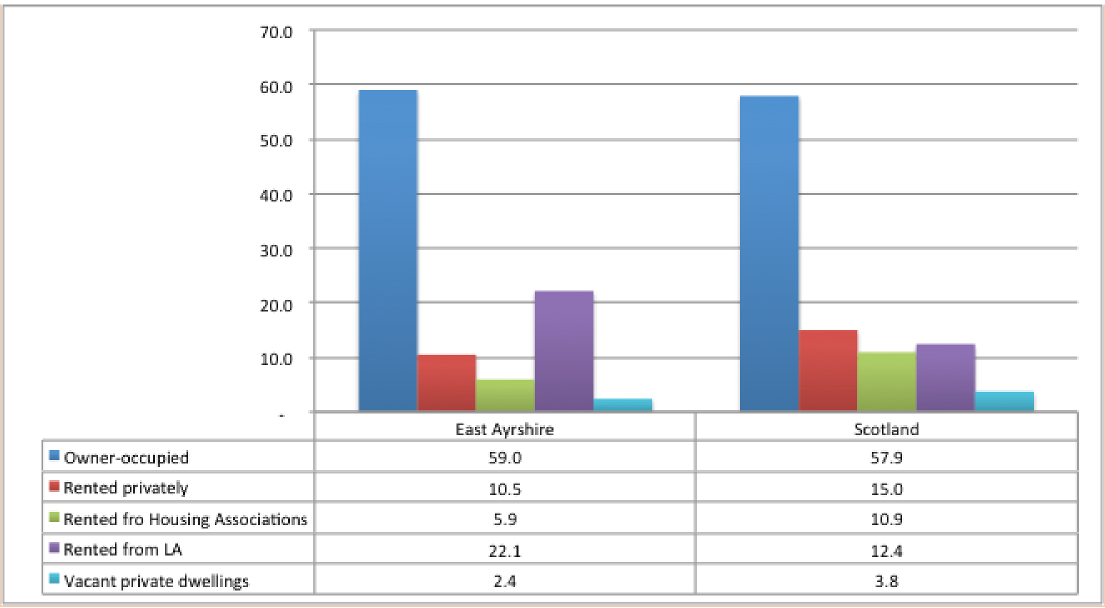
5.1 Introduction

The aim of this section is to provide information about the profile of the housing stock in East Ayrshire, identifying the pressures on the existing housing stock across housing tenures. The section examines the type and location of properties and issues of mismatch between dwellings and occupants, as well as examining the condition of the stock.

5.2 Tenure

The majority of dwellings are owner-occupied in East Ayrshire Council, as in Scotland overall. However, proportionately fewer dwellings in East Ayrshire are in the private rented sector (just 10.5%, compared with 15% across Scotland) while 28% are rented from social landlords, compared with 23% of dwellings across Scotland.

Figure 15: Housing tenure - East Ayrshire Council and Scotland, 2015 estimates



Source: Scottish Government Housing Statistics (2015)
Note: All dwellings, vacant private dwellings are not allocated to a tenure

Table 24: Estimated stock numbers (2015)

Stock numbers	East Ayrshire
Owner-occupied	33,932
Rented privately	6,027
Rented from Housing Association	3,416
Rented from LA	12,724
Vacant private dwellings	1,390
Total dwellings	57,489

Source (Table 1 and Figure 1): Scottish Government Housing Statistics (2015)
Note: All dwellings, vacant private dwellings are not allocated to a tenure

http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/KeyInfoTables

The table above shows the 2015 Scottish Government dwelling estimates, based on an overall dwelling stock in East Ayrshire of around 57,500 properties.

Table 25: Tenure profile trends by year, East Ayrshire and Scotland (%)

East Ayrshire							
Tenure (households)	**2005-2006**	**2007-2008**	**2009-2010**	**2012**	**2013**	**2014**	**2015**
Owner Occupier	**67%**	**65%**	**65%**	**55%**	**62%**	**59%**	**59%**
Owned outright	24%	28%	28%	25%	24%	31%	28%
Buying with help of loan/mortgage	43%	38%	37%	30%	38%	28%	31%
Social Rent	**30%**	**29%**	**25%**	**30%**	**28%**	**31%**	**31%**
Social Rent – Local authority	27%	23%	22%	24%	25%	24%	26%
Social Rent - Housing association/Co-op/Charitable trust	3%	6%	3%	6%	3%	6%	4%
Private Rented	**3%**	**4%**	**8%**	**13%**	**9%**	**7%**	**9%**
Private Rented - Private landlord	3%	4%	8%	12%	8%	7%	9%
Private Rented - Family/Friends/Employer	-	-	1%	1%	1%	1%	-
Other	1%	1%	2%	2%	1%	2%	1%
Total	100%	100%	100%	100%	100%	100%	100
Number of responses	*660*	*600*	*610*	*240*	*220*	*250*	*240*
Scotland							
Tenure (households)	**2005-2006**	**2007-2008**	**2009-2010**	**2012**	**2013**	**2014**	**2015**
Owner Occupier	**66%**	**66%**	**65%**	**63%**	**61%**	**60%**	**61%**
Owned outright	28%	30%	30%	30%	30%	30%	31%
Buying with help of loan/mortgage	37%	36%	36%	32%	32%	30%	30%
Social Rent	**25%**	**23%**	**22%**	**23%**	**23%**	**24%**	**23%**
Social Rent – Local authority	17%	15%	14%	13%	14%	14%	13%
Social Rent - Housing association/Co-op/Charitable trust	8%	8%	8%	9%	9%	10%	10%
Private Rented	**8%**	**9%**	**11%**	**13%**	**13%**	**14%**	**14%**
Private Rented - Private landlord	8%	9%	9%	11%	11%	12%	13%
Private Rented - Family/Friends/Employer	-	-	2%	2%	2%	2%	2%
Other	2%	2%	2%	2%	2%	2%	1%
Total	100%	100%	100%	100%	100%	100%	100%
Number of Responses	*31,010*	*27,220*	*28,400*	*10,640*	*10,650*	*10,630*	*10,330*

Source: Scottish Household Survey 2015 Local Authority data tables

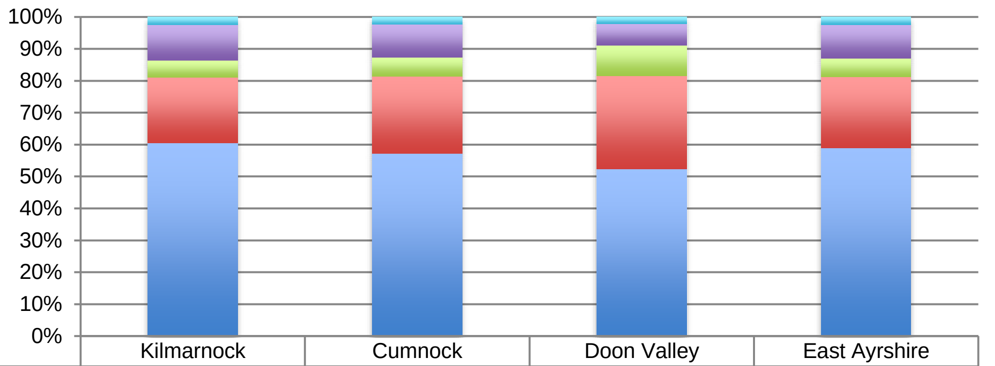
Table 25 shows how the tenure profile of households has changed over the last 10 years in East Ayrshire, compared with in Scotland overall. The proportion of owner occupiers in East Ayrshire has dropped from 67% in 2005-2006 to 59% in 2015 and there has been a drop from 66% to 61% across Scotland.

Proportionately more East Ayrshire residents had owned with a mortgage in 2005-2006 (43%, compared with 37% in Scotland) while in 2015 the proportion of mortgaged owners was 31% in East Ayrshire and Scotland. This has been off-set by a growth in the proportion of private renters, from 3% to 9% of households in East Ayrshire and from 8% to 14% across Scotland over the ten years. Owner-occupation was lowest in East Ayrshire at 55% while private renting was at its highest of 13% in 2012, while the proportion has stabilised towards 59% ownership and 9% private renting more recently.

The proportion of social renters in East Ayrshire has remained steadily higher than in Scotland overall at around 30% of East Ayrshire households, compared with 23% in Scotland overall.

Social renting is a significant tenure in East Ayrshire, with evidence of movement between private renting and owner-occupation depending on the market conditions.

Figure 16: Estimated tenure of dwellings, by HMA



	Kilmarnock	Cumnock	Doon Valley	East Ayrshire
Vacant	2%	2%	2%	2%
PRS	11%	10%	7%	10%
RSL	5%	6%	9%	6%
LA	20%	24%	29%	22%
Owner occupier	61%	57%	52%	59%

Source: Scottish Government Housing Statistics (2015), Census 2011 tenure by ward
Note: Households in occupied dwellings

Applying the Census household tenure profile by housing market area to these dwelling estimates, we find the following tenure profile by HMA.

- Just over 60% of dwellings in Kilmarnock are owned compared with 57% in Cumnock and 52% in Doon Valley
- Private renting is more common in Kilmarnock (11% of dwellings) and Cumnock (10%)
- In Doon Valley, there is less private renting at an estimated 7% of properties.
- Doon Valley has a higher proportion of social renting - 38% compared with 25% of properties in the Kilmarnock HMA and 30% of properties in Cumnock.

There is disparity in household tenure by area. There is less tenure choice in Doon Valley with predominance of social renting. There are lower levels of private renting and lower prices in the private rented and owner occupied sector in Doon Valley (discussed in chapter 2). Later in this chapter we see that there is low demand in the social rented sector in this area; all these indicators suggest a low value, low demand market in Doon Valley which suggests the need for regeneration.

5.3 Private rented sector

Overall, 72% of the 6,306 private rented properties on the East Ayrshire Council landlord register are in Kilmarnock, while 22% are in Cumnock and just 6% are in Doon Valley. It is worth noting that this is a higher number of registered PRS properties than estimated in the Scottish Government housing statistics for 2015.

The private rented stock is particularly concentrated in the Kilmarnock West and Crosshouse area, followed by Kilmarnock East and Hurlford and Irvine Valley. There is proportionately less private renting, relative to the total number of dwellings, in Doon Valley, Kilmarnock South, Kilmarnock North and Cumnock/New Cumnock.

Table 26: Number and % of PRS properties by ward

Ward area	Number	% of PRS dwellings	% of all dwellings
Annick	558	8.8	10.0
Kilmarnock North	509	8.1	10.0
Kilmarnock West & Crosshouse	1,385	22.0	14.0
Kilmarnock East & Hurlford	807	12.8	12.0
Kilmarnock South	461	7.3	9.0
Irvine Valley	805	12.8	12.0
Kilmarnock	**4,524**	**71.7**	**67.0**
Ballochmyle	710	11.3	12.0
Cumnock & New Cumnock	682	10.8	12.0
Cumnock	**1,393**	**22.1**	**24.0**
Doon Valley	389	6.2	9.0
East Ayrshire Council	6,306	100.0	100.0

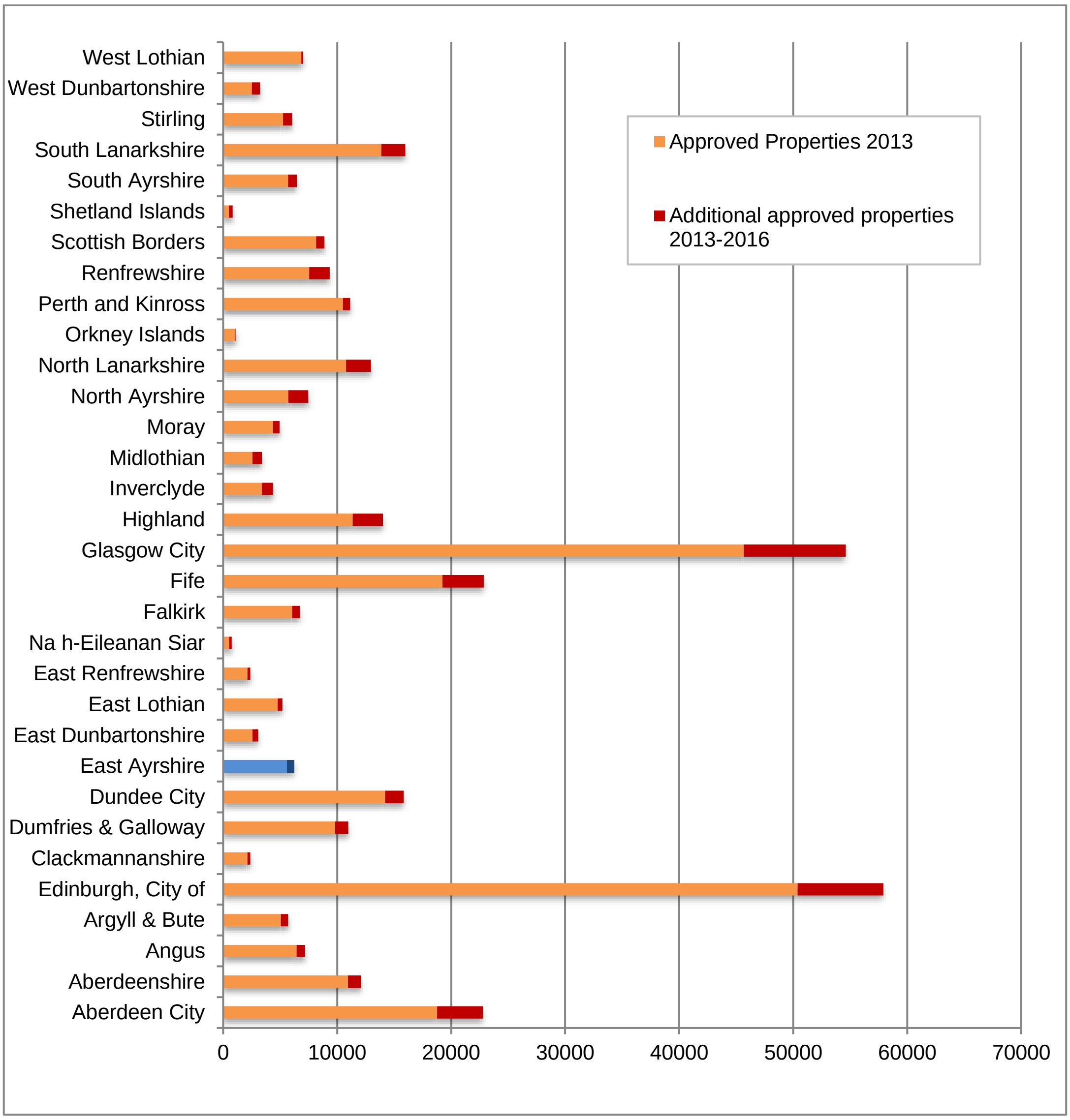
Sources: EAC Landlord PRS registration data (PRS dwellings);
Note: All dwellings 2011 Census Ward level dwelling estimates

The figure below shows the increase in the number of properties approved through private rented sector registrations between 2013 and 2016 across Scotland.

The growth in the private rented sector in East Ayrshire (11%) has been below the average rate of growth across Scotland of 16%. However, comparing East Ayrshire Council to other local authorities starting from a similar number of private renting sector registrations, we see a similar growth rate (except for North Ayrshire, which has shown very significant growth indeed):

- Argyll and Bute up from 5,073 to 5,705 (+12%)
- East Ayrshire up from 5,625 to 6,242 (+11%)
- Falkirk up from 6,060 to 6,722 (+11%)
- North Ayrshire up from 5,717 to 7,476 (+31%)
- South Ayrshire up from 5,701 to 6,476 (+14%)
- Stirling up from 5,250 to 6,047 (+15%).

Figure 17: Private rented sector – number of approved properties (September 2013), by local authority and increase between 2013 and 2016



Source: Scottish Government landlord registration data, September 2016

The size of private rented sector in East Ayrshire is proportionately smaller than in Scotland overall. However private renting is expanding at a similar rate to other Scottish local authorities that have a similar scale of private renting.

5.4 Property type

Across East Ayrshire, a quarter of properties are flats while three-quarters are houses – 27% terraced, 29% semi-detached and 19% detached. Kilmarnock has proportionately more flats, particularly in Kilmarnock West and Crosshouse, where 40% of properties are flats. Doon Valley has proportionately least flats, at just 16% of the stock.

Table 27: Property type by area

Ward/Housing Market Area	Flats	Terraced	Semi-detached	Detached
Kilmarnock	**28%**	**24%**	**29%**	**19%**
Annick	21%	26%	24%	29%
Kilmarnock North	14%	24%	32%	30%
Kilmarnock West & Crosshouse	40%	11%	27%	22%
Kilmarnock East & Hurlford	25%	42%	24%	9%
Kilmarnock South	28%	25%	44%	3%
Irvine Valley	28%	22%	26%	24%
Cumnock	**22%**	**30%**	**28%**	**20%**
Ballochmyle	19%	33.6%	28%	19%
Cumnock & New Cumnock	24%	28%	28%	20%
Doon Valley	**16%**	**34%**	**31%**	**19%**
East Ayrshire	**25%**	**27%**	**29%**	**19%**
Scotland	**38%**	**21%**	**20%**	**21%**

Source: National Records of Scotland, Estimates of Households and Dwellings in Scotland, 2013
Note: From EAC Ward profiles, Scotland: https://www.nrscotland.gov.uk/files/statistics/household-estimates/he-13/html/household-estimates-2013-table-3.html

A far lower proportion of dwellings in East Ayrshire are flats, compared with Scotland overall, where 38% of dwellings are flats. Property type varies by tenure, with most owners (85%) living in houses compared with just 52% of social rented tenants.

Table 28: Property type by tenure

	Owner Occupier	Social sector	All
East Ayrshire 2015			
House	85%	52%	72%
Flat	15%	48%	28%
Other	-	-	-
All	100%	100%	100%
Base	*150*	*70*	*240*
Scotland 2015			
House	80%	43%	65%
Flat	20%	56%	35%
Other	0%	0%	0%
All	100%	100%	100%
Number of cases	*6,510*	*2,350*	*10,330*

Source: SHS 2015, East Ayrshire and Scotland.
Note: PRS too few cases to present separately

5.5 Property size

The table below shows the size of the stock in East Ayrshire, by tenure (among owners and social renters). Information on the property size of private rented properties is not presented in the Scottish Household Survey due to the small number of private renter cases in East Ayrshire.

This is a limitation of the data and means that we need to use the 2011 Census data for private renting.

Table 29: Property size (number of bedrooms) by tenure

	Owner Occupier	Social Sector	All
East Ayrshire 2015			
1 bedroom	3%	26%	11%
2 bedrooms	28%	48%	34%
3 bedrooms	49%	24%	40%
4+ bedrooms	20%	2%	15%
Total	100%	100%	100%
Number of responses	*150*	*70*	*240*
Scotland 2015			
1 bedroom	5%	29%	13%
2 bedrooms	30%	45%	37%
3 bedrooms	43%	22%	34%
4+ bedrooms	23%	3%	16%
Total	100%	100%	100%
Number of responses	*6,510*	*2,350*	*10,330*

Source: SHS 2015, East Ayrshire and Scotland.
Note: PRS too few cases to present separately

Overall, an estimated 45% of East Ayrshire properties have 1 or 2 bedrooms while 55% are larger. This is broadly comparable to the Scotland stock overall, where 50% of households live in 1-2 bedroom properties. In East Ayrshire, the social rented stock is smaller than the owner-occupied stock, with 26% of social rented properties having one bedroom and 48% having two bedrooms. The most common size of owner-occupied dwelling is three bedroom, with just over 30% of the stock having 1 or 2 bedrooms (compared with over 70% of the social rented stock).

Since the data on property size is not presented in the Scottish House Condition Survey, the 2011 Census provides data for the private rented sector. 5% of the occupied stock has 1-2 rooms (i.e. studio/bedsit) 18% has three rooms (1-bedroom) 35% has four rooms (2-bedroom) and 26% has five rooms (3-bedroom) while 16% has six rooms or more (4+ bedroom).

This means that the private rented sector has a similar proportion of smaller properties to the social rented sector but fewer 2-bedroom and more 4+ bedroom stock than the social rented sector. Finding from focus groups and stakeholder discussions suggest this may be driven by sales of larger council housing to the private sector.

The private rented sector offers more choice for larger sized properties than is found in the social rented sector. As discussed in chapter 2, the private rented sector is priced higher than the social rented sector, but is generally within Local Housing Allowance levels. This indicates that mid-market rent (MMR) or intermediate renting options (which tend to be priced at LHA levels) would unlikely be viable in the lower value markets, and there would need to be more detailed consideration through feasibility studies where the PRS is more buoyant to determine whether MMR would be viable in these areas.

The Census data for 2011 also allows us to look at the area profile of the stock of different sizes. Again, Census data is presented based on total rooms rather than bedrooms.

Looking across East Ayrshire, we see that the most common property size is four or five rooms (2 or 3 bedroom), with 30% of households in each of these sizes of property. There are some notable area differences, with 23% of properties in Kilmarnock West & Crosshouse having three rooms or fewer, compared with 12% of properties across East Ayrshire. Larger than average properties are found in Kilmarnock North and Irvine Valley. This data is supported by focus group and stakeholder discussions which suggest the predominance of new development focusing on the north of East Ayrshire, and focused on the larger, higher priced Glasgow commuter market, rather than the local mid-sized, and priced market.

Comparing household size and projections discussed in Chapter 2, the predominance of 2-3 bedroom properties and the relatively scarce number of smaller homes in most locations suggests there is a lack of 1-bedroom properties to accommodate the projected increase in single person households, particularly older households. However, we see later in this chapter analysis of current demand for smaller properties, which gives a different picture to projected need. There may also be a mismatch between supply and demand for mid-sized, mid-priced properties across all tenures to the north of East Ayrshire.

Table 30: Number of rooms by ward and housing market area

	Number of rooms (all tenures)						
Ward/HMA	**1**	**2**	**3**	**4**	**5**	**6+**	**All**
Annick	0%	2%	7%	24%	28%	38%	100%
Kilmarnock North	0%	2%	6%	25%	31%	36%	100%
Kilmarnock West and Crosshouse	1%	3%	19%	31%	19%	27%	100%
Kilmarnock East and Hurlford	0%	2%	10%	29%	39%	20%	100%
Kilmarnock South	0%	2%	9%	39%	38%	11%	100%
Irvine Valley	0%	2%	12%	26%	26%	34%	100%
Kilmarnock	**0%**	**2%**	**11%**	**29%**	**29%**	**28%**	**100%**
Ballochmyle	0%	2%	9%	33%	29%	26%	100%
Cumnock and New Cumnock	1%	2%	8%	31%	32%	26%	100%
Cumnock	**0%**	**2%**	**9%**	**32%**	**30%**	**26%**	**100%**
Doon Valley	**0%**	**2%**	**7%**	**32%**	**37%**	**21%**	**100%**
East Ayrshire	**0%**	**2%**	**10%**	**30%**	**30%**	**27%**	**100%**

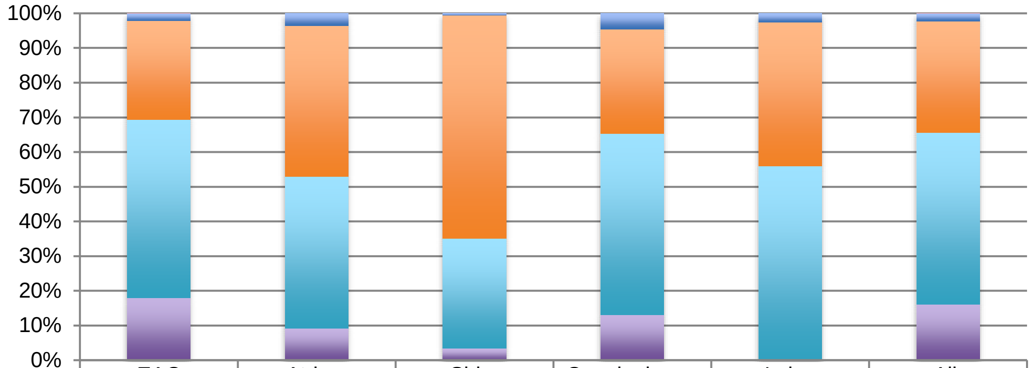
Source: 2011 Census, Electoral Ward 2007 by Rooms
Note: based on all occupied household spaces

5.6 Social rented supply

Looking across the mainstream social landlords in East Ayrshire, we see that 50% of the stock has two-bedrooms and 32% has three bedrooms. In the case of East Ayrshire Council, Cunninghame and Irvine housing associations at least half of their stock is two-bedroom in size. Shire, Atrium and Irvine housing associations all have proportionately more three-bedroom properties than average.

Overall, there is a small proportion of one-bedroom sized properties, at 16% of the stock, with very little in the Shire and Irvine housing associations' stock.

Figure 18: Size of social rented properties, by landlord



	EAC	Atrium	Shire	Cunninghame	Irvine	All
Five	0%	0%	0%	0%	0%	0%
Four	2%	4%	1%	5%	3%	2%
Three	28%	43%	64%	30%	41%	32%
Two	51%	44%	32%	52%	56%	50%
One	18%	9%	3%	13%	0%	16%

Source: EAC and RSL stock data, 2016

Comparing household size and property size in the social rented sector, there appears to be a considerable mismatch. 16% of the social rented stock is one bedroom but 47% of social rented households are single person households and 26% are two-person households. The proportion of small household is also increasing - 32% of households across **all** tenures were single adults in 2012 but are projected to make up 39% of households by 2037. This poses a difficult choice as providing smaller properties is not without risk. Although single people 'need' a 1-bedroom property they often prefer more space which provides more flexibility for younger and older households as needs change. Analysis later in the chapter looks at demand for one-bedroom stock.

Comparing the social rented stock to the tenant profile (from the Scottish Household Survey 2015, see chapter 2) there are considerable disparities between stock size and household size, particularly for one bedroom properties/smaller households.

5.7 Property condition

The 2012-2014 Scottish House Condition Survey (SHCS) found an estimated 53% of properties in East Ayrshire failed the Scottish Housing Quality Standard (SHQS). That is an estimated 30,000 households across East Ayrshire. 71% of flats and 51% of houses failed the assessment, with 75% of pre-1945 properties and 50% of properties built post-1945 failing the standard.

Although this is the most up-to-date cross-tenure stock condition data, it has considerable short-comings. There are insufficient cases in the SHCS for East Ayrshire to allow analysis of the private rented stock. We also know from social landlord data that the estimates for the social rented sector do not take account of recent activity among social landlords to address stock condition, with all the East Ayrshire Council stock now meeting the SHQS, or in abeyance. This data is examined further below.

The SHCS 2012-2014 estimates suggested that –

- 2% of East Ayrshire properties are Below Tolerable Standard (an estimated 1,000 households). This is comparable to the estimate for Scotland overall (3%)

- 49% of properties fail the energy efficiency criterion of SHQS (27,000 households). This is significantly higher than in Scotland overall (38%)

- 13% fail the 'modern facilities and services' criterion of SHQS (7,000 households). This is comparable to Scotland (11%).

- 11% fail the 'healthy, safe and secure' criterion of SHQS (6,000 households). This is comparable to the Scottish average (15%)

- 8% of properties had extensive disrepair (4,000 households), the same proportion as in Scotland overall.

- 4% of properties had dampness (2,000 households), the same proportion as in Scottish dwellings overall.

- 11% of properties had condensation (6,000 households) which is comparable to Scotland overall, where an estimated 10% of properties had condensation.

Overall, we see that poor energy efficiency is the main reason for dwellings failing to meet the SHQS, with failure rates on this measure significantly higher in East Ayrshire, compared with Scotland overall.

Table 31: Summary of stock condition estimates

Tenure	Number
Social rented stock	450
Private rented sector	3,000
Owner-occupied sector	17,050
Total SHQS failure	20,500

Source: 2012-2014 Scottish House Condition Survey
Note: adjusted based on Social Rented stock ARC and management data

The table above provides the best estimate of the current stock condition, by tenure. Information on current property condition provided by individual social landlords in East Ayrshire, as part of the Annual Return on the Charter, suggests that the SHQS failure rate now stands at between 0% and 16% of properties owned by social landlords in East Ayrshire[20]. East Ayrshire Council stock failing the SHQS is now all in abeyance but other landlords have some stock requiring further work to meet the standard. An estimated 450 properties across the social rented sector currently fail the SHQS.

This more up-to-date information on SHQS in the social rented sector means that we need to adjust the estimate of 30,000 properties failing the SHQS across all tenures. Assuming, based on

[20] Based on current landlord data or ARC returns for 2015-16

the 2012-2014 SHCS data analysis, that around 50% of the private sector stock fails the SHQS, this would be an estimated 20,500 properties (with around 3,000 privately rented).

East Ayrshire Council does not have local house condition survey data to provide further information about the location of the poorer quality private sector stock. However, areas with higher concentrations of older flats are likely to be among the locations where the stock is poorer. The SHCS data for 2012-2014 found that 71% of properties in East Ayrshire built pre-1945 had urgent disrepair compared with 56% of those built from 1945 onwards and 58% of houses had urgent disrepair, compared with 67% of flats. In East Ayrshire, 23% of those in flats also lack modern facilities and services, compared with 10% of those in houses and 28% of flats failed the 'healthy, safe and secure' element of the SHQS while just six per cent of houses did.

Pensioners in East Ayrshire were more likely than families to live in dwellings failing the SHQS. The SHCS data for 2012-2014 showed that 60% of pensioners' properties failed the SHQS, compared with 45% of families. Focusing initiatives on older properties and flats in the private sector, particularly where occupied by older people, is likely to be important to improving the condition of the private sector stock in future.

Energy efficiency remains a key area for improvement in future across tenures. Although social landlord property SAP ratings[21] are typically around 70-80, there are landlords with some properties with SAP ratings as low as 17 and 31. In future, social landlords will be required to meet the Energy Efficiency Standard for Social Housing (EESSH) with a single minimum Energy Efficiency (EE) rating for landlords to achieve that varies dependent upon the dwelling type and the fuel type in the property (reflecting the fact that some dwelling types are more challenging to improve than others). Social landlords will be required to ensure that they achieve the relevant minimum EE rating by the first milestone of 31 December 2020, for all applicable social housing[22].

There is an estimated 20,500 properties failing the SHQS – these are mainly in the owner occupied sector, with 3,000 in PRS, and only 450 failures in the social rented sector. Pensioners in East Ayrshire are more likely than families to live in dwellings failing the SHQS. Energy efficiency is a key area for improvement across all tenures.

5.8 Stock pressures – property age

Although most of the social rented stock now meets the SHQS, the sector faces considerable challenges on delivering energy efficiency, which is strongly related to the age of the social rented stock, which is heavily concentrated in the inter-war stock.

The stock in East Ayrshire is relatively young, compared with the overall stock of dwellings in Scotland, with 24% of the East Ayrshire stock built before 1945 compared with 32% of properties across Scotland (Scottish House Condition Survey 2012-2014).

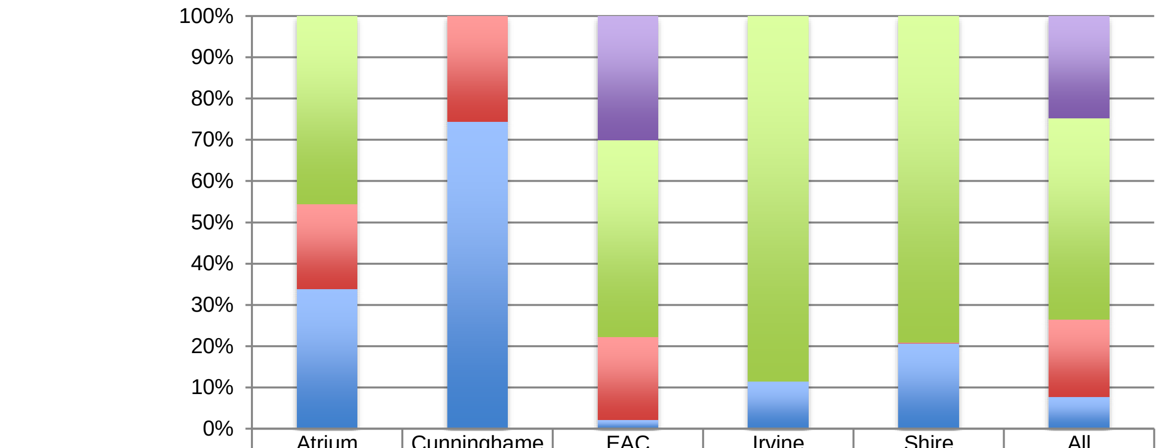
[21] SAP ratings were provided by individual landlords

[22] The Energy Efficiency Standard for Social Housing (EESSH) - Background and guidance for social landlords - Thursday, March 27, 2014

However, although there are proportionately fewer very old properties in East Ayrshire, there is evidence of a concentration of properties in the inter-war stock and a lack of new-build housing.

Among the social rented stock, almost half of the stock is aged 50-69 years and only 8% is less than 20 years old. Cunninghame Housing Association has most newest stock as a proportion of total stock, with three quarters less than 20 years old while East Ayrshire Council has proportionately older stock, with just 2% of properties aged less than 20 years old.

Figure 19: Age profile of the mainstream SRS stock



	Atrium	Cunninghame	EAC	Irvine	Shire	All
70 years +	0%	0%	30%	0%	0%	25%
50-69 years	46%	0%	48%	88%	79%	49%
20-49 years	21%	26%	20%	0%	0%	19%
Less than 20 years	34%	74%	2%	12%	21%	8%

Source: Landlord stock profile data, 2016

Looking at private sector completions data over the past 20 years as a proportion of the current estimated level of occupied private sector stock, we see that new-build stock as a proportion of the private sector stock in East Ayrshire is comparable to that found in Scotland as a whole. Overall, the equivalent of 19% of occupied private sector properties in East Ayrshire were built in the previous 20 years (between 1996 and 2016) compared with 17% across Scotland.

Table 32: Private sector and SRS new-build as a proportion of private sector and SRS stock

	Private sector completions 1996-2016 (financial year)	Estimated total occupied private stock	New-build as a % of occupied private stock (2015)
East Ayrshire	7,783	41,349	19%
Scotland	327,672	1,954,020	17%

	RSL and LA Completions 1996-2016	Total SRS (estimated 2015)	New-build as a % of SRS stock (2015)
East Ayrshire	1,180	16,140	7%
Scotland	83,606	595,052	14%

Source: Private sector completions data: http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/NewBuild
Estimated stock of dwellings by tenure and local authority: 2015 (http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/KeyInfoTables)

The social rented stock in East Ayrshire is less commonly new-build than the property in the private sector, particularly among East Ayrshire Council stock. Based on combined RSL and local authority completion figures, an estimated 7% of all social rented sector properties in East Ayrshire were built in the last 20 years, compared with 19% of the private sector. However, new-build has become far more significant in recent years and the social sector new-build has increased significantly since 2013-2014.

Figure 20: New-build completions, private sector and social rented sector, 1996-97 to 2015-2016, East Ayrshire

Source: Scottish Government Housing Statistics for Scotland – Private Sector and Social Sector new build (http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/NewBuild)

Figure 20 above shows that, in recent years, the new-build rates in the private sector have fallen back significantly to converge on the social sector new-build rate. In fact, in 2015-2016, there were 133 completions in the social rented sector compared with 125 private sector completions. That means that social rented sector completions in 2015-2016 accounted for 52% of the new-build properties in East Ayrshire, while across Scotland social sector new-build accounted for just 21% of new-build properties.

As well as a significant decrease in the level of new private sector supply, there is also a lack of diversity in the private new-build properties on offer. Across sales between 2014 and 2015 in East Ayrshire, the average (mean) new-build property price was around £179,500 while the median new-build property price was £167,600 and the lower quartile new-build price was £135,000, around double the overall lower quartile house price. Entry level new-build is, therefore, only likely to be affordable to households with a gross household income of more than £30,000 (assuming a 10% deposit and a multiplier of 4 times gross salary). The analysis in Chapter 2 suggests that the market for those entry-level new-build property is small, since median incomes stand at around £22,600.

A smaller proportion of the East Ayrshire stock is very old, compared with the stock in Scotland overall but there is evidence of a lack of variety in the age of the social rented stock, with a concentration of inter-war properties and considerably less new-build than found in the social rented sector across Scotland. This is being addressed recently with the social rented new build programmes.

More recently social rented new-build rates, particularly in the council sector have increased. Social rented sector build now exceed private sector new-build rates. The rate of private sector new-build in East Ayrshire has reduced dramatically in recent years to account for a far smaller proportion of the new-build properties than previously. Private sector house sales also tend to be among higher value properties out-with the reach of those on moderate to average incomes.

5.9 Stock pressures – overcrowding

Scottish House Condition Survey estimates for 2012-2014[23] suggest that 4% of households in East Ayrshire are overcrowded, according to the bedroom standard (comparable to the 3% overcrowding found in Scotland as a whole). The bedroom standard used in the Scottish House Condition Survey analysis requires that each of the following groups or individuals requires a separate bedroom:

- Any couple;
- a person aged 21 years or more;
- two people of the same sex aged between 10 and 20;
- two children (whether of the same sex or not) under 10 years;
- two people of the same sex where one person is aged between 10 years and 20 years and the other is aged less than 10 years;
- any further person who cannot be paired appropriately.

An estimated **2,000 households** were overcrowded in East Ayrshire in 2012-2014. Overcrowding was estimated to be lower among owners and higher among social renters – with 2% of owner-occupiers overcrowded compared with 9% of social renters. Again, estimates are not presented for the private rented sector due to the small number of cases in that tenure.

The 2011 Census data showed a higher rate of overcrowding than the Scottish House Condition Survey estimates in East Ayrshire, with 7% of households having one or more rooms fewer than needed (4% owners, 12% of social renters and 11% of private renters).

East Ayrshire Council waiting list data from September 2016 contained 885 applicants with overcrowding points – 21% of all applicants. This suggests that less than half of overcrowded households in East Ayrshire are on the waiting list for social housing.

An estimated 32% of households in East Ayrshire were under-occupying their housing (having at least two more bedrooms than they need, according to the bedroom standard) – with 48% of

[23] http://www.gov.scot/Topics/Statistics/SHCS/keyanalyses/LAtables2014

owner-occupiers under-occupying by at least two bedrooms, compared with just 6% of social renters.

Although there are more smaller social renter households compared with owner occupiers, tenants tend to under-occupy their properties less than owners, having one extra bedroom rather than two or more extra bedrooms.

The East Ayrshire Council waiting list has 1,120 applicants with under-occupancy points – 26% of applicants. Of these, the calculated number of bedrooms needed is 1-bedroom for 819 applicant (73% of those with under-occupancy points), while 279 applicants need 2-bedroom and 22 need more.

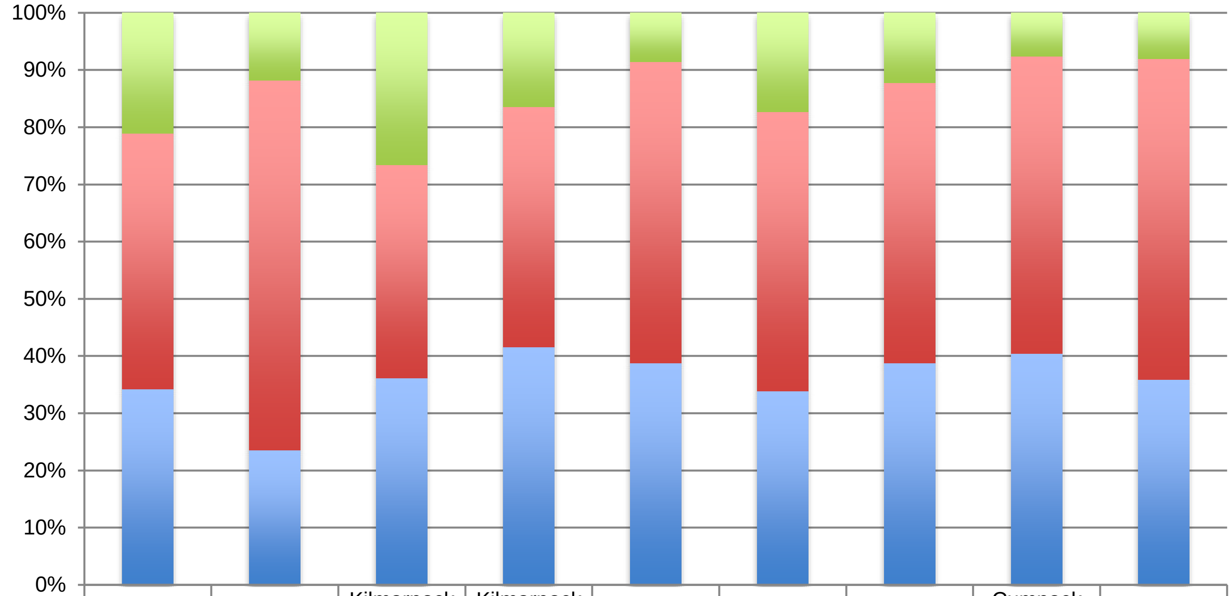
We know from focus group discussions with older home owners that their key drivers to moving home is health related, and most will stay in homes that are too large for their needs. The requirements of those older people that do want to down size are very location specific, with most wanting to stay in their local community driven by support needs. There is also demand for owners who want to downsize to move from ownership to social renting to take care of property management issues.

Overcrowding affects an estimated 2,000 households in East Ayrshire but less than half this number are on the waiting list for social rented housing.

Under-occupancy is more common than over-crowding and most of those under-occupying on the waiting list need one bedroom.

There is a particular need for owner-occupier properties suitable for older owners with mobility or health needs. There is demand to ‘trade down’ to a smaller, more manageable property or to move into renting, to remove maintenance responsibilities.

Figure 21: Number of overcrowded households by tenure by ward (Census 2011)



	Annick	Kilmarnock North	Kilmarnock West and Crosshouse	Kilmarnock East and Hurlford	Kilmarnock South	Irvine Valley	Ballochmyle	Cumnock and New Cumnock	Doon Valley
PRS	64	40	153	73	38	70	63	34	27
SRS	136	220	214	187	234	197	251	231	189
Owners	104	80	208	185	172	137	199	180	121

Source: 2011 Census, occupancy by tenure and ward

The Census data provides occupancy rates by tenure and by ward. The figure above shows that in each ward, social tenants make up the largest proportion of over-crowded households, with particularly high numbers of overcrowded social renters in the poorer areas – Kilmarnock North and South, Doon Valley and Cumnock. There are proportionately far more overcrowded private renters in Kilmarnock West & Crosshouse, where more of the private rented stock is.

The Census also collects information about concealed households – containing another family (a couple, single parent or couple with children). The table below shows that there were 423 concealed families in East Ayrshire in 2011 – with the equivalent of just less than 1% of households containing a concealed household.

The total number of concealed households is greatest in the Kilmarnock housing market area and in Kilmarnock North, East and Hurlford in particular. However, the proportion of households containing a concealed household is greatest in Ballochmyle, in the Cumnock housing market area, where almost 1 in 3 concealed households (49 of the 78) were single parents. In Kilmarnock North also most of the concealed households (33 of the 56) were also single parents. It is not possible to determine the ages of these single-parent concealed households but it seems fair to assume that some of them at least will be younger people who may be benefiting from family support and may not wish to move to an alternative property.

Table 33: Concealed households by ward and housing market area

	Concealed households	All households (occupied household spaces)	% concealed
Annick	36	5,335	0.7%
Kilmarnock North	56	5,147	1.1%
Kilmarnock West and Crosshouse	32	7,550	0.4%
Kilmarnock East and Hurlford	63	6,686	0.9%
Kilmarnock South	26	5,016	0.5%
Irvine Valley	42	6,489	0.6%
Kilmarnock	**255**	**36,223**	**0.7%**
Ballochmyle	78	6,482	1.2%
Cumnock and New Cumnock	47	6,351	0.7%
Cumnock	**125**	**12,833**	**1.0%**
Doon Valley	**43**	**4,863**	**0.9%**
East Ayrshire	423	53,919	**0.8%**

Source: 2011 Census; Concealed and unconcealed families

Not all overcrowded households need an additional property, so the Centre for Housing Market Analysis encourages local authorities to consider the need for additional housing among those household where there is overcrowding **and** an additional household to accommodate.

The CHMA analysis refers to the ONS definition of a family when testing the presence of a concealed family[24]: These are:

• *a married, same-sex civil partnership, or cohabiting couple, with or without child(ren),*

• *a lone parent with child(ren),*

• *a married, same-sex civil partnership, or cohabiting couple with grandchild(ren) but with no children present from the intervening generation, or*

• *a single grandparent with grandchild(ren) but no children present from the intervening generation.*

Children in couple families need not belong to both members of the couple. For single or couple grandparents with grandchildren present, the children of the grandparent(s) may also be present if they are not parents or grandparents of the youngest generation present.

With respect to concealed families, these will include:

• *young adults living with a partner and/or child/children in the same household as their parents*

• *older couples living with an adult child and their family*

• *unrelated families sharing a household*

[24]http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

With the following example exceptions:

"A single person cannot be a concealed family; therefore one elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents."

Centre for Housing Market Analysis estimates from the 2013-2015 Scottish House Condition Survey show a mid-point of 700 concealed and overcrowded households in East Ayrshire (ranging from 0 to 1,500). The estimate for 2011-2013[25] was a mid-point of 900 (ranging from 0 to 1,900), while the estimate for 2008-2010 was a mid-point of 200 (ranging from 0 to 600).

Given that the estimates show considerable variation across these three data points, with fairly large estimate ranges in 2011-2013 and 2013-2015 compared with 2008-2010, we have used the average of the three midpoint estimates. This is **600 overcrowded and concealed** households. This is a somewhat higher estimate than the 2011 Census, which found just 423 concealed households.

Although it is unlikely that **all** the concealed and overcrowded households would want to or be able to move, they are the full pool of potential need. These estimated 600 households are added to the HaTap estimate used in Chapter 4 to give a higher estimate of households in existing need (**650 households).** This represents a considerably higher level of existing need, so East Ayrshire Council would aim to resolve the need over a longer period, of 10 years.

An estimated **600** overcrowded and concealed households may require and wish to occupy alternative housing and so are examined in addition to the needs estimate identified in the HNDA tool using the HaTAP estimates (based on homelessness and temporary accommodation pressure). In Chapter 4, the overcrowded and concealed measure of existing need is used in an alternative 'higher need' scenario to compare with the HaTAP estimates generated within the HNDA tool.

38% of current waiting list applicants on the 'SEARCH' common housing register require a smaller property than their current one, 44% of applicants need a property of the same size and 18% need a larger property. These 611 applicants needing a larger property make up around 1.1% of all households, compared with the 4% of households (c.2,000) estimated to be overcrowded in the Scottish House Condition Survey (or around 3,780 based on the 2011 Census). However, we note above that more applicants – 885 (1.6% of households) - had overcrowding points (presumably because some applicants do not have their own property at present).

Table 34: Size required, by current number of bedrooms (all applicants)

Current size	Smaller	Same	Larger
1-2 beds	31%	57%	12%
3+	64%	22%	15%
All	38%	44%	18%
Base	1,287	1,476	611

Source: SEARCH (common housing register) applicant data (all applicants). September 2016
Note: SEARCH is the waiting list across all the local landlords – East Ayrshire Council, Atrium Homes, Cunninghame Housing Association, Irvine Housing Association and Shire Housing Association.

This suggests that only some of those households in overcrowded accommodation will seek social rented housing to resolve their housing need. The midpoint between the SHCS and Census overcrowding estimates suggests that about 1 in 3 overcrowded households is on the 'SEARCH' waiting list. There may be applicants not on this waiting list that are on other waiting lists, for national providers that are not on the 'SEARCH' common housing register.

There were an estimated 129 second homes in East Ayrshire in 2016[26]. This is a similar number to recent years but far fewer than in the period after the financial crash – there were 290 second homes in 2009, 313 in 2010 and 329 in 2011.

There are, however, far greater numbers of long-term[27] empty properties in the private sector stock than second homes – an estimated 973 in 2016 compared with just 425 in 2005. That is 2.3 times the number of empty properties over ten years. Although a large increase, this is typical, with the same increase across Scotland over the same period, from 15,313 in 2015 to 35,725 in 2016.

The increase in the number of long-term empty properties indicates that part of the private sector stock is not being used to its full potential.

5.10 Stock management – social rented stock turnover

East Ayrshire Council and Shire Housing Association have the highest proportion of their stock becoming available to let within the year, at 12% and 11% respectively (based on Annual Return on the Charter data for 2015-16). This is considerably higher than the Scottish average of 8.6% and also higher than the other local landlords. Irvine Housing Association has the lowest proportion of properties available to let, at 6.8%, followed by 8.8% for Cunninghame Housing Association and 9.5% for Atrium Homes.

[26] http://www.gov.scot/Topics/Statistics/Browse/Housing-Regeneration/HSfS/LTemptysecondhomes/EmptySecondhometables

[27] Empty for 6 months or more

Table 35: Stock becoming vacant within the year and average time to let, by landlord

	Atrium Homes	Cunninghame HA	EAC	Irvine HA	Shire HA	Scottish average
% of properties becoming available to let in the year	9.5%	8.8%	12.2%	6.8%	11.1%	8.6%
Total stock	1,122	419	12,536	191	967	-
Average days to let	30.6	4.6	67.6	9.1	76.9	35.4

Source: ARC data (2015-2016), housing management data (Cunninghame & Irvine Housing Association)

Shire Housing Association and East Ayrshire Council both have a far higher average letting time – 76.9 days and 67.6 days – compared with the Scottish average of 35.4 days. Atrium Homes has a slightly lower than average time to let while Cunninghame and Irvine Housing Associations have very low average days to let of 4.6 days and 9.1 days.

Trend data for East Ayrshire Council shows an increase in days to let, with an average time to let of 49.1 days in 2013-2014 and 60.0 days in 2014-2015 compared with the ARC figure of 67.6 and an average for 2016-17 of 78.3 days to let between April and September 2016.

However, the data for East Ayrshire is driven partly by some very long-term voids being brought back into use, which is a positive development but adversely affects time-to-let figures. 87% of the East Ayrshire Council stock is let in less than 16 weeks, with an average day to let of just 35 days. However, 9% of tenancies are let after 16-52 weeks, with an average day to let of 200 days and 4% of lets were made after more than a year, with an average of 634 days to let.

Trend data for Shire Housing Association shows fewer days to let in the most recent data period from 77.5 days in 2014-2015 to 34.3 days in 2015-16 (a different, significantly lower figure than the ARC data for the 2015-16 period presumably due to a different measurement period or method). In both data years, very high days to let figures are driven by some extremely long void periods in properties in Dalmellington and Newmilns.

5.11 Stock management – terminations

The reasons given for terminations are difficult to interpret, as they are determined very much by the list of available termination reasons in the housing management data, with some landlords focusing on the reason for termination determined by where the tenant has moved to and others focusing more on what prompted the move. For example, the most common reason for moving given in the East Ayrshire Council data is to transfer to another property (27% of moves) while in Shire and Cunninghame the ‘area’ is captured as a reason for moving in around a quarter of cases. It is likely that a change of area is the motivation for many transfers but this is not explicitly captured in the East Ayrshire Council terminations data.

The Irvine Housing Association data capture both transfers/tenure moves and motivations, showing that around half of moves are transfers to another social rented property, with the main motivations the need to give or receive support, moving in with a partner or to get a better property. Property features – size, layout or quality issues – are given as reasons for moving in around 1 in 5 cases where these are listed options. However, again, some landlords do not record property features as reasons for termination.

In many cases, data is also missing – with the reason for up to **1 in 3** terminations unaccounted for in the housing management data, while abandoned tenancies account for up to 11% of tenancies that end.

Regardless of how reported, there is a high rate of stock turnover within the social rented stock, with a higher than average rate of tenancy termination, higher than average days to let, and a high level of internal and external transfers.

Some of the transfer moves will be to new-build properties or properties that fit families' needs better. However, better, more complete information about what 'push' factors prompt terminations is required (size, location, property type etc. neighbour issues etc.) so that landlords can fully understand this higher than average level of turnover. Stakeholder discussions and analysis of the Council's Housing Asset Management Framework (HAMF) has provided further insight into the issues occurring in the social rented sector.

5.12 Stock management – demand across the social rented sector

Annual Return on the Charter (ARC) data for 2015-2016 shows higher voids in East Ayrshire Council stock, at 3.3%, compared with between 0.1% to 2.3% among the other local mainstream providers.

The 12,536 East Ayrshire Council ARC return stock figure is above the 12,414 stock database for which current data has been provided for (122 properties). This may relate to what is now deemed 'lettable'.

Table 36: Voids at year-end (2015-2016), by landlord

	Voids at year end	Stock on ARC return	%
EAC	417	12,536	3.3%
Atrium	12	1,122	1.1%
Cunninghame	8	2,371	0.3%
Irvine	2	2,211	0.1%
Shire	22	967	2.3%

* Source: ARC data 2015-16.
Note: NB Cunninghame and Irvine have stock elsewhere. Ayrshire Housing also has 13 properties locally – a mix of sizes in Dalrymple. All are popular properties with no low demand issues.

In September 2016, East Ayrshire Council had 505 void properties – 4% of the stock. Although only 18% of the overall stock is 1-bedroom, 32% of void properties are 1-bedroom stock. Similarly, 6% of voids are in bedsits, which make up just 2% of the stock overall. However, a wide range of stock types are void - 40% of voids are tenement flats, 30% are 4-in-a-block, 31% are houses and 8% are other types of property.

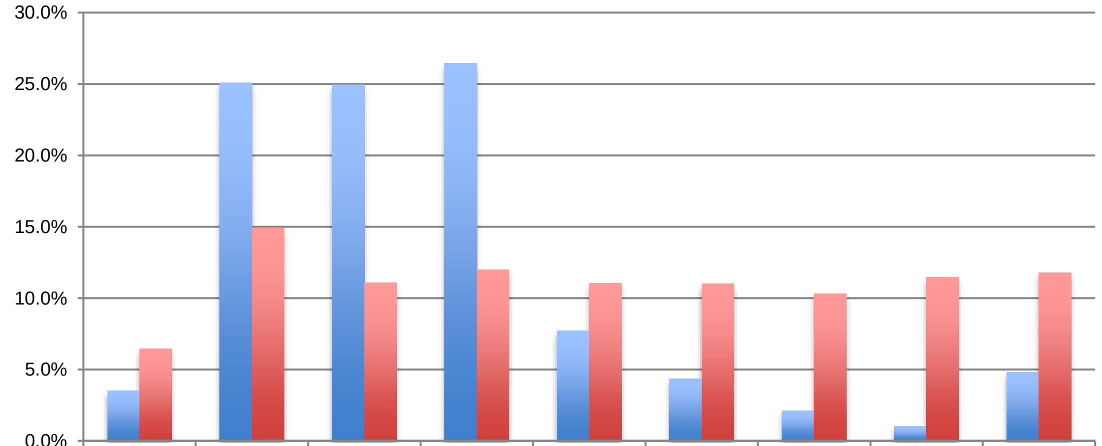
The five wards with proportionately more voids than their share of the stock are – Irvine Valley (19% of voids), Doon Valley (18%), Ballochmyle (17%), Cumnock and New Cumnock (14%) and Kilmarnock West & Crosshouse (13%). The remaining four wards (all in Kilmarnock) Kilmarnock North and South, Annick and Kilmarnock East and Hurlford each only have around 5-6% of the void stock.

East Ayrshire Council has identified a total of 2,566 properties – 1 in 5 properties – that are classed as low demand, mainly due to having a small waiting list (83%) being frequently refused (11%) and having no waiting list (6%).

The size profile of the low demand stock is broadly similar to higher demand stock, but one, three and four bedroom properties make up a larger proportion of the low demand stock (although three and four-bedroom stock to a lesser extent compared to one bedroom). The two bedroom stock is in higher demand.

The low demand stock is heavily concentrated in Cumnock (Ballochmyle and Cumnock/New Cumnock) and Doon Valley (see map 1 below). These three wards combined contain 75% of the low demand properties but only 38% of the total East Ayrshire Council stock. In the Kilmarnock HMA, low demand stock makes up a much smaller proportion of the social rented stock, from just 1% of the stock in Kilmarnock South and 2% of the stock in Kilmarnock North to 4% in Annick and Kilmarnock East and Hurlford and 8% in Irvine Valley.

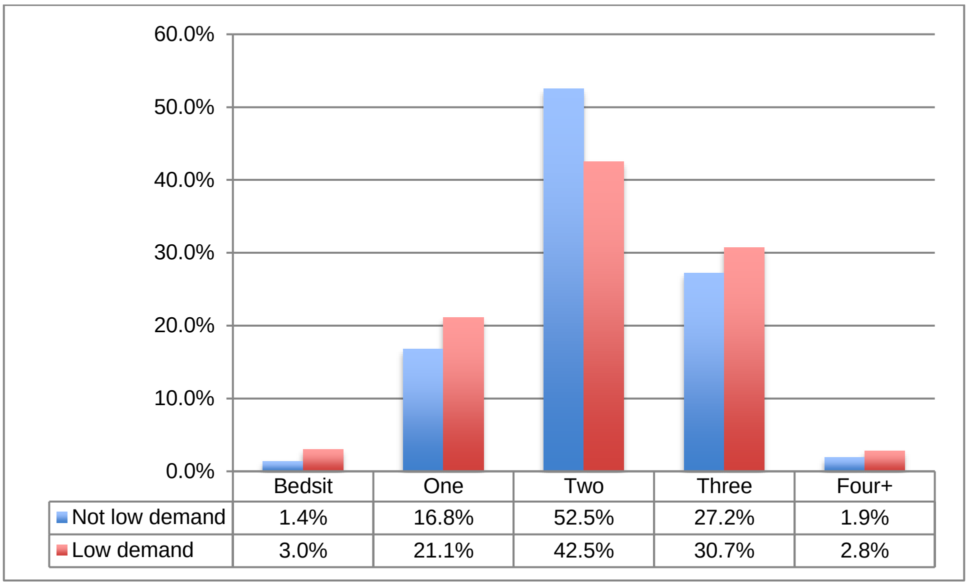
Figure 22: Low demand stock, compared with all stock by ward



	Annick	Ballochmyle	Cumnock and New Cumnock	Doon Valley	Irvine Valley	Kilmarnock East and Hurlford	Kilmarnock North	Kilmarnock South	Kilmarnock West and Crosshouse
% of low demand	3.5%	25.1%	24.9%	26.5%	7.7%	4.4%	2.1%	1.0%	4.8%
% of stock	6.5%	14.9%	11.1%	12.0%	11.1%	11.0%	10.3%	11.4%	11.8%

Source: East Ayrshire Council stock database, September 2016

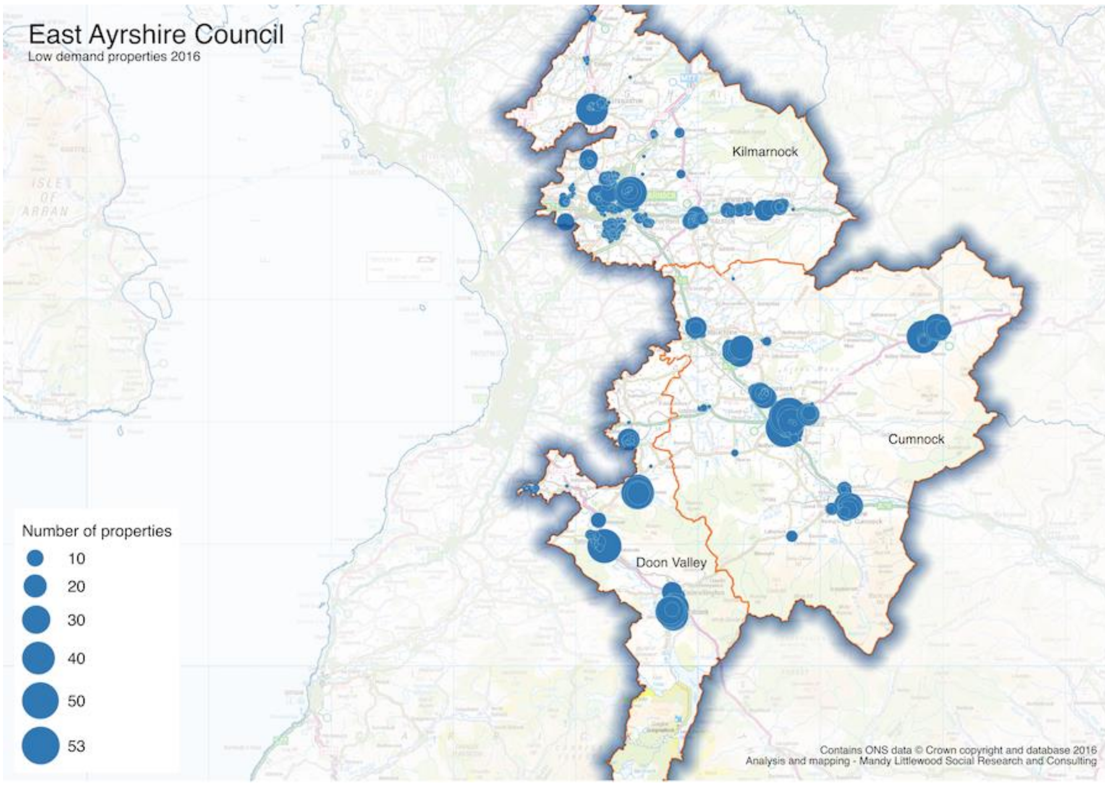
Figure 23: Low demand stock and not low demand stock, by number of bedrooms



	Bedsit	One	Two	Three	Four+
Not low demand	1.4%	16.8%	52.5%	27.2%	1.9%
Low demand	3.0%	21.1%	42.5%	30.7%	2.8%

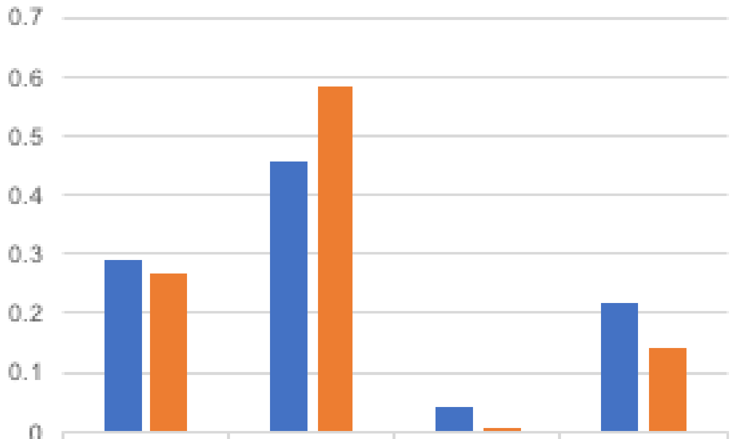
Source: East Ayrshire Council stock database, September 2016

Map 2: East Ayrshire Council low demand stock by HMA



Source: East Ayrshire Council stock database, September 2016

Figure 24: Property type of low demand stock and all stock, East Ayrshire Council



	4 In A Block	House	Maisonette	Tenement
Low demand	28.9%	45.5%	4.0%	21.6%
Not low demand	26.7%	58.5%	0.7%	14.0%

Source: East Ayrshire Council stock database, September 2016

Although all types of stock appear among the low demand stock, tenement flats and maisonettes are more commonly low demand.

The lower demand for the smallest Council social rented properties (bedsits and one-bedroom) is a challenge as the proportion of smaller, older households increase. In some areas, three and four bedroom properties are also in low demand. Much of this lower demand across the stock is in areas of lower economic activity, higher deprivation, and where there are concentrations of older population. This poses a difficult tension for the Council, given recent welfare reforms, and limitations on Housing Benefit to the Shared Accommodation Rate for single people aged under 35 years old. That would suggest that more smaller properties are needed but these are among the less popular stock. However, this lack of demand is also associated with house type and location. This dilemma between need and demand for the smallest sized accommodation will be a key policy area for determination through the Local Housing Strategy, Local Development Plan, Strategic Housing Investment Plan and health and social care policies. Regeneration and place making strategies at the community level will be key in identifying specific types and sizes required which meet need **and** demand in each location.

Among the other landlords, there are fewer low demand properties. Cunninghame Housing Association has identified 47 properties (11% of their East Ayrshire stock) as low demand, mostly in Kilmarnock North. These are mainly houses, with some 4-in-a-block properties and flats and a mix of property sizes (34% one-bedroom, 40% 2-bedroom and 25% larger). Shire Housing Association has identified 111 low demand properties (11% of their stock) with 83% in Doon Valley and the remaining 17% in Irvine Valley. Most of the Shire low demand properties are three-bedroom properties, and almost all are flats.

Areas of **higher** demand are shown in the table below – these are the most common towns chosen (with more than 100 applicant choices). Waiting list applicants select a number of possible locations where they would consider living, so the SEARCH database is categorised by these ‘choices’. Table 14 shows the proportion of all applicant’s choices that are in different allocation areas.

Overall, the most popular areas, based on the number of choices, are in Kilmarnock North and Kilmarnock South, followed by Cumnock. Hurlford, Stewarton and Galston are also popular, with at least 500 of choices. The next group of settlements, in terms of popularity are Mauchline, Crosshouse, Crookedholm, Darvel and Kilmaurs.

Areas with at least 100 choices are starting to include some lower demand areas – Auchinleck, Drongan, Newmilns, Fenwick, Patna and Catrine. However, in smaller areas these lower number of choices also relate to the smaller populations. Focus groups with residents found a strong area connection, with people wanting to remain in 'their' area and the choices reflect that.

Table 37: Areas (towns) with the highest levels of demand (number of applicant choices, by age)

Allocation Area/Town	16 to 54	55 to 59	60+	Total	% of applicant choices
Kilmarnock North	4450	509	1283	6242	42%
Kilmarnock South	1597	140	275	2012	14%
Cumnock	826	89	289	1204	8%
Hurlford	648	53	150	851	6%
Stewarton	481	37	152	670	5%
Galston	408	46	127	581	4%
Mauchline	352	25	76	453	3%
Crosshouse	225	23	56	304	2%
Crookedholm	205	15	47	267	2%
Darvel	195	17	46	258	2%
Kilmaurs	192	15	43	250	2%
Auchinleck	148	7	31	186	1%
Drongan	127	9	20	156	1%
Newmilns	117	12	24	153	1%
Fenwick	90	7	27	124	1%
Patna	85	6	25	116	1%
Catrine	70	5	29	104	1%

Source: East Ayrshire Council demand database, September 2016 – applicant choices

As we saw above, Kilmarnock North and South generally have far lower voids and far fewer low demand properties than elsewhere, although there are pockets of lower demand stock, including some Cunninghame Housing Association stock.

Focus group discussions suggest that demand from social rented tenants who are looking for alternative accommodation is very specific. Exploring the main demand drivers, current tenants are very clear on the specific locations as to where they wish to live, and a lack of willingness to move unless their location requirements are met, even if all other housing size and type requirements are met. Other key drivers are type of accommodation – level access or with lifts for older people, and houses for family households. Older people want two, rather than one bedroom, even when their needs suggest the requirement for one bedroom. This is confirmed by the data analysis above. The very specific nature of demand is another indicator of lack of pressure in the social rented sector.

5.13 Management solutions

The analysis above suggests the lack of sustainability of some of the social rented stock in some areas. There are areas of particularly low demand for social housing which coincide with areas of low house prices and private rents, as outlined in Chapter 2.

East Ayrshire Council recognises the difficulties in some of its stock and is considering the issue through its strategic approach to neighbourhood regeneration – set out in the Housing Asset Management (HAMF) approach, combined with its Housing Investment Programme, Strategic Housing Investment Plan and Community Action Plans. These programmes reflect the overarching aims and objectives of the Council's housing transformation agenda and vibrant community aspirations. The Asset Management Framework has been developed to ensure that East Ayrshire's housing stock meet the present and future needs of our tenants, sustainability of tenancies is improved and that the best use of our resources is made. It puts in place safeguards to ensure that decisions taken on the future of our housing stock are based on sound evidence.

The Housing Asset Management Framework supports the guiding principles of the Community Plan. The framework links with the guiding principle of Safer Communities by Making East Ayrshire a safe, secure and attractive place to live, work and visit and by promoting vibrant communities. It also links to the key principle of Wellbeing by helping residents to improve their overall wellbeing and by supporting older people to live within their own homes and communities.

The key objectives of the Housing Asset Management Framework are:

- Ensuring that the Council has a sustainable, quality housing stock within strong and vibrant communities.
- Using resources as efficiently and effectively as possible.
- Maximising resources for further investment in existing and new stock.

The Council approved an initial programme of demolitions in November 2016, having categorised the council housing stock as follows:

RAG status	Definition	Total numbers	% of stock
Green	Properties that have been identified as core stock which performs well and has little or no concerns.	10358	81.8%
Amber	Properties that have been identified as having an element of concern but do not fall into the Red Status category.	1620	12.8%
Red	Properties that have been identified as being "cause for concern" with regard to sustainability	680	5.4%

Source: East Ayrshire Council, Cabinet paper November 2016

An initial programme demolition, disposal and improvement of 286 units was approved in November 2016. The HAMF programme continues to be refined to determine the future asset management actions.

Other in-situ management solutions include:

- Common Allocations Policy - The policy awards points to applicants that are overcrowded, under occupied or sharing facilities with another household.

- Aids and Adaptations - an essential component in helping older and disabled people of all ages to remain living independently in their own communities for as long as possible, and can reduce the need for more costly support services, or long term admission to a care home.

- Empty Homes - The Council has recently recruited an Empty Homes Officer to work in partnership with a range of Council Services and external organisations to help bring empty private sector residential properties back into use.

- Housing Options - The Housing Options Service in East Ayrshire looks at the individual's housing options and choices in the widest sense exploring all tenure options. It provides: housing information and advice; homeless advice and services; private sector housing advice; rent deposit guarantee scheme

- Mutual Exchange - East Ayrshire Council subscribes on behalf of its tenants to the "swap and move" online mutual exchange service. Tenants across all Common Housing Register partners can register with this service free of charge.

- New Build Council House Letting Plans - In order to free up accommodation and make best use of existing housing stock, priority for mainstream properties are initially given to tenants from the Transfer Group and applicants from the Strategic Needs Group. Once these groups are exhausted then applicants from other groups are considered.

5.14 **Housing stock profile and pressure – key issues**

LHS and Development Plan	Housing stock profile and pressures - Key issues identified in the HNDA
Housing condition and quality	4. Around half of the private sector stock does not meet the SHQS – mainly in the owner-occupied sector. Older people are more likely to live in poorer quality housing than families in East Ayrshire. 5. There are 450 failures of SHQS in the SRS – this is driven by poor energy efficiency, which is related to the age of the stock – heavily concentrated in the inter-war years. 6. Energy efficiency is the key challenge across all housing tenures.
Housing stock pressures	5. Housing pressure varies significantly across East Ayrshire with generally higher pressure in the Kilmarnock HMA, and much lower housing pressure elsewhere in East Ayrshire. There is relatively high demand across all housing tenures in the Kilmarnock HMA. 6. However, the rate of new build housing for sale has reduced significantly since the recession and has not yet started to recover. Any new private market supply tends to be focused in the Kilmarnock HMA and is of higher value, rather than entry level prices. SRS new build has recently outstripped private new build supply, including a new build programme by the Council. 7. Social renting is a significant tenure, particularly in Doon Valley where there is less choice in other tenures. SRS is in low demand / oversupply, particularly in Doon Valley, Cumnock and some specific parts of Kilmarnock. 8. Overall the evidence shows a low value, low demand market in the south, with higher demand in the north where the market is catering more for the needs of commuters to Glasgow that have moved into East Ayrshire, rather than local households on moderate incomes for families, or older people wishing to downsize in the private market.

Size, type, tenure and location of future social housing supply	5. There is lack of supply of smaller properties across all tenures, relative to household size. However, there are tensions around need, demand and supply – there is lack of supply of one bedroom properties relative to **need**, <u>but</u> there is clear evidence of low **demand** for one bedrooms in parts of the SRS. Some of this will be driven by housing type and profile of local communities. This dilemma between need and demand for the smallest sized accommodation will be a key policy area for determination through the Local Housing Strategy, Local Development Plan, Strategic Housing Investment Plan and health and social care policies. Regeneration and place making strategies at the community level will be key in identifying specific types and sizes of houses required which meet need **and** demand in each location. 6. Demand for housing is greatest in Kilmarnock and other areas within the Kilmarnock HMA. There is demand for affordable rented housing, and for home ownership from families and other households on moderate incomes. 7. The aging population requires properties that are fit for purpose, and the low demand of some of the smaller properties is due to lack of suitability to meet mobility and health needs. 8. Areas of lower demand in SRS may not require **additional** supply, but there is a need to **reconfigure** the stock size and type to meet the need for regeneration, and to cater for the needs of the aging population.
Sustaining communities	4. There is a role for housing investment to contribute to the regeneration of Cumnock and Doon Valley in line with the Council's economic and community development strategies. The regeneration and restructuring of the housing supply in these areas is being led through the Council's Housing Asset Management Framework, SHIP and Housing Investment Programmes. 5. There is a lack of smaller and lower value new build supply in the private sector – increasing the proportion of entry level housing will help create mixed incomes and sustainable communities in areas of new housing supply, and provide more graduated markets. 6. The Community Planning partners combined economic and housing regeneration programmes will be key in retaining current households, and attracting new households to live in East Ayrshire, and so stem the projected decreasing household population in some areas of East Ayrshire.

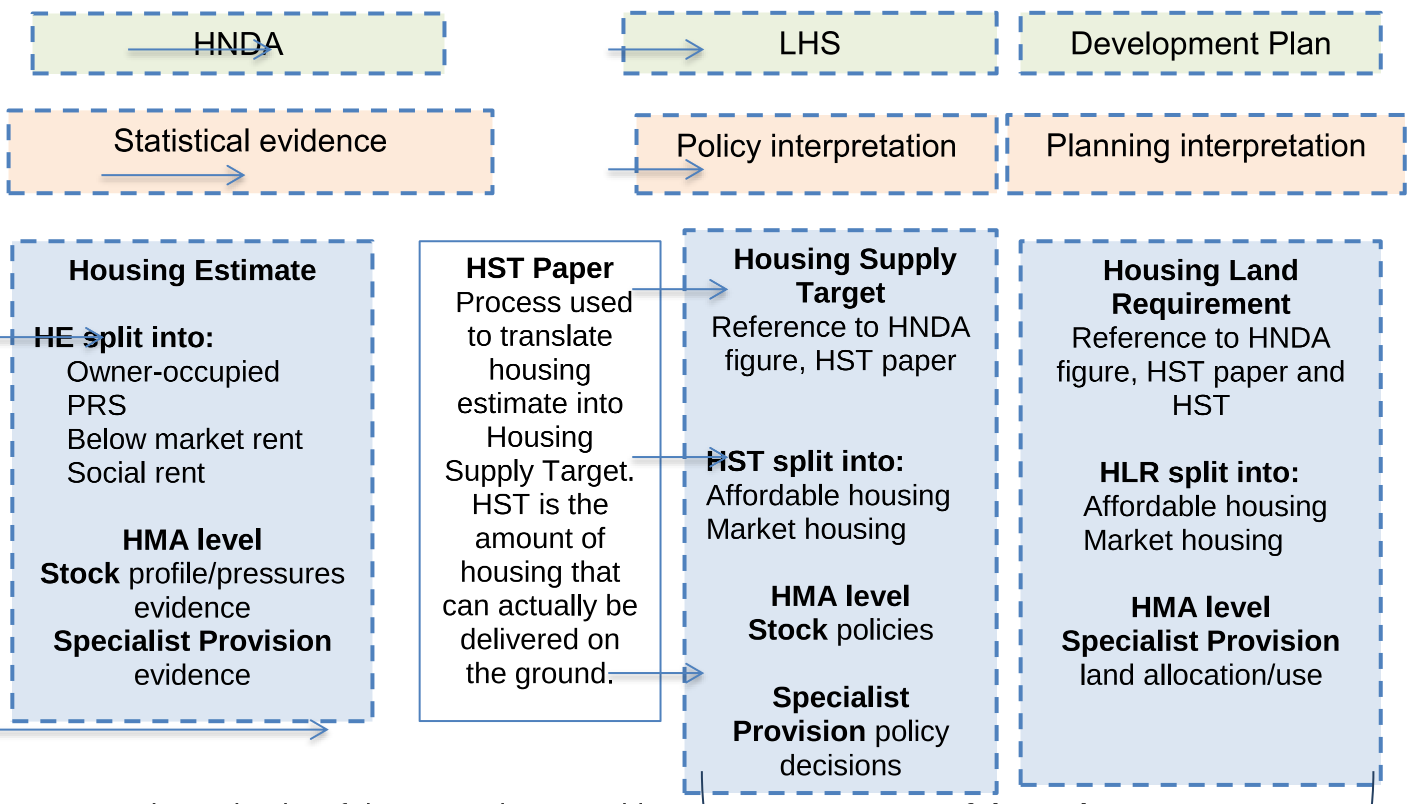
6. Housing Need and Demand Estimates

6.1 Introduction

This section of the housing need and demand study presents the housing need and demand estimates that have been derived using the Centre for Housing Market Analysis (CHMA) HNDA tool. This is a spread sheet based tool that allows users to select their local authority and associated housing market areas and test how the need and demand for housing might be affected by different assumptions about what might happen in the housing market in future.

The diagram below, based on the CHMA Housing Planning Process diagram[28] shows the process between the gathering of evidence from the housing need and demand assessment to the development of policy and planning approaches in the Local Housing Strategy and the Local Development Plan.

The Housing Planning Framework: Aligning Key Outputs



The main aim of the HNDA is to provide estimates for new housing required (in this Chapter), provide evidence of stock profile and pressures (Chapter 3) and present evidence on the need for specialist provision (Chapter 5). The outputs from the HNDA are used to develop Housing

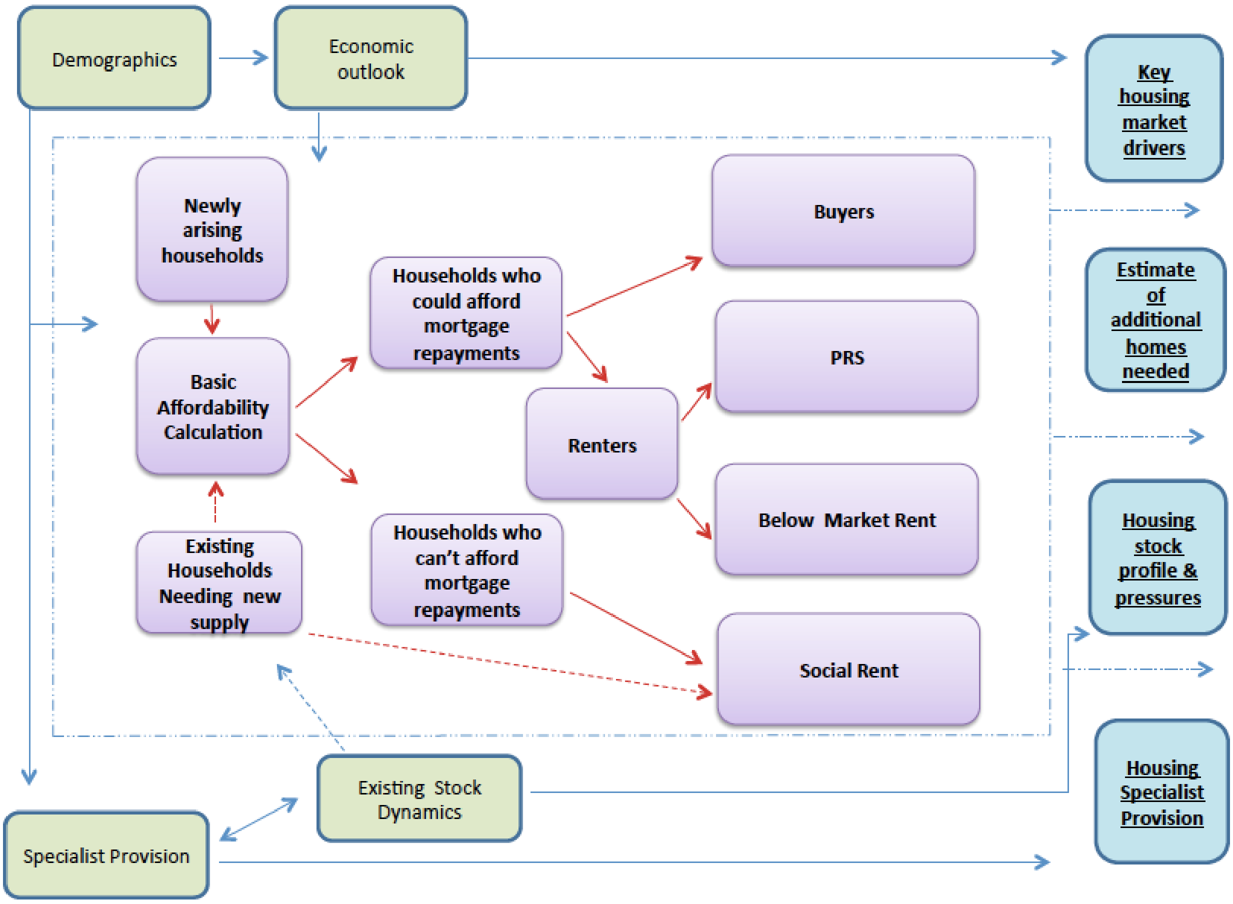
[28] http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/hnda/housingplanningdiagram

Supply Targets (HST) and the HNDA estimates and HST are then used to inform the Local Housing Strategy and the Development Plan.

As the figure above indicates, the purpose of the HNDA is to present estimates rather than discuss the policy implications of these in depth. There are areas of this chapter and others (in blue boxes) where the implications of the estimates need to be taken forward in the Housing Supply Target paper and beyond.

6.2 HNDA tool inputs and outputs

The diagram below[29] shows what is calculated in the HNDA tool (in purple) and what is done outwith the tool (in green). The estimates developed outside the tool – on demographics, the economic outlook and existing stock dynamics have been reported above in Chapters 2 and 3, while the analysis of specialist provision appears below in Chapter 5. The outputs of the HNDA process are in blue.



So, the HNDA tool starts from an estimate of existing households needing new supply (often called 'back-log need' and an estimate of newly arising households. A basic affordability calculation then determines whether these households can afford mortgage payments and (for

[29] http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/hnda/DraftingArea/HNDADiagram

those who cannot) the tool assigns these to private renting, below market rent or social renting depending on estimates about incomes and rents.

6.3 Options for the HNDA tool

There are various assumptions and choices to be made in setting up the HNDA tool. These relate to future incomes, house prices and rental prices. When setting up the tool, the steering group needed to decide on the scenarios which best reflected what they thought would happen in the local area.

The CHMA HNDA Guidance suggests that recent trends are a good predictor of the future. They suggest presenting a **minimum of 3** scenarios – e.g.

(1) A baseline scenario <most likely in future> e.g. house prices remain flat

(2) A low scenario <less likely in future> e.g. house prices decline

(3) A high scenario < less likely in future> e.g. house prices increase

The CHMA also suggests that no more than 6 scenarios be presented in the HNDA. It is also important to alter only just one or two things within the model for each scenario, so that it is clearer what is happening and what drives the differences between scenarios.

The analysis in Chapter 2 suggested that the default settings in the CHMA tool (outlined below) were generally a reasonable baseline scenario for East Ayrshire Council. These default settings were selected by CHMA to reflect, as far as is possible, the current state of the Scottish Housing market at Scotland level.

The East Ayrshire baseline scenario is largely based on the defaults in the HNDA tool, with some amendments mainly based on more conservative assumptions about increases in house prices, rents and incomes. The steering group suggested further scenarios after seeing the initial outputs, including tests of different assumptions about access to owner-occupation and different migration assumptions between the three HMAs.

The baseline scenario is described below, with some discussion of the additional East Ayrshire scenarios that have been tested.

Scenario testing and development using the HNDA tool has been an iterative process. Consultation and feedback was sought from the steering group at numerous stages –

- November 2016 - Chapter 2 was drafted and ‘highlights’ used to develop a proposal on possible scenarios to test. Comments were received from the steering group and factored into a redrafted chapter 2 which was used for scenario building.
- February 2017 – The steering group had an initial presentation of the scenarios. It was agreed to refine scenarios to add models exploring (1) lower owner-occupation (2) differential migration (high in Kilmarnock etc.) and (3) a higher need option. The final scenarios selected are each described fully below.
- Feedback from the steering group on Chapter 4 and Chapter 5 in April 2017 suggested further refinement of the models (including setting the time-period to 2018).

- Further comments and feedback were provided by the steering group partners in June and July, including additional data provision for Chapter 5.

- In August, the 'higher need' scenario was further refined to align better to CHMA data on concealed and overcrowded households, with the Steering Group's preference for a 10-year period to deal with the higher back-log need.

- A final steering group meeting was held in September 2017 to discuss and agree the final draft outputs of the HNDA before final submission to the Scottish Government, in advance of final East Ayrshire Council approval.

6.4 The baseline scenario

(1) **Demography** – the NRS principal projections are based on assumptions about new household formation. The default in the HNDA tool is the **principal** 2012 household projection, based on recent trends in household formation and net migration.

(2) **Existing need** is measured in the tool by default using an indicator of Homelessness and Temporary Accommodation Pressure **(HaTAP)**. Additional housing units would need to be found for these people.

HaTAP is calculated in two parts as follows:

Part 1 *– An estimate of the provision of sufficient new build to ensure that there is no increase in temporary accommodation use at current rates of homelessness. These are modelled estimates of the rate of social sector new build that would be needed in each Local Authority in order to a) ensure that the proportion of lets to homeless households does not exceed a fixed proportion – say 60% and b) the number of people in temporary accommodation does not increase. Some local authorities may find that no additional new build is required for this purpose as they have reducing numbers in temporary accommodation whilst, at the same time, less than 60% of their non-transfer lets go to homeless households.*

Part 2 *– is based on providing additional new build to reduce the level of temporary accommodation over five years. This is done by taking the snapshot level of temporary accommodation at the end of the quarter and dividing this by five. The final estimate is derived by adding parts one and two together.*

Using this method is acceptable as part of the robust and credible appraisal. Local authorities can choose to produce an alternative estimate of housing need outside of the HNDA tool but need to show that this is the need for **additional** units. If an alternative method is used, it is suggested that the estimate includes homeless households including those in temporary accommodation and households that are BOTH concealed and overcrowded (so clearly need an additional unit of housing).

Where the HaTAP method is used, the default in the tool is that existing need is met through social rented housing and resolved within five years. The models presented here use the HaTAP method, though a 'higher need' estimate is modelled (Scenario 6) that includes additional concealed and overcrowded households.

By this point, the tool has estimated the total number of households in need of additional housing from (1) new household formation and (2) existing households in need.

(3) I**ncome growth and distribution** - The tool then estimates the need for new units based on assumptions about affordability. The Tool is populated with Heriot-Watt University Small Area Income Estimates. The default in the tool is to compare the **25th percentile with the 75th percentile.** This is due to the 25th centile (lower quartile) being typically used as an 'entry-level' income against which to compare entry level prices (also typically lower quartile house prices or rents).

The default assumption in the HNDA tool on income growth is **modest increases** - incomes generally rise by 4.0% p.a. to 2023, then drop back to 3.0% p.a. to 2032. In the baseline scenario we have used income growth based on the **inflation target (no real growth)** where incomes rise in line with inflation 2.0% p.a. to 2020, increasing to 2.5% p.a. to 2032. This is because, in recent years, East Ayrshire has shown very modest income growth (a 5% increase in average incomes between 2009-2010 and 2015[30], or around 1% a year. Average full time earnings have grown by 6.7% between 2012 and 2016, an average increase of around 1.7%[31].

The default scenario is for the difference between low and high incomes to remain the same (flat) and that the tool compares the lower and higher quartile incomes (25% and 75%). We have kept these defaults in the baseline scenario.

(4) House prices – The Scottish Government default is that house prices grow steadily year on year from 5.3% in 2015, 5.1% in 2016 and 2017 and levelling out to 4.5% in 2019[32]. The analysis in Chapter 2 suggests that this level of house price growth is overly optimistic for East Ayrshire, so the steering group agreed to use a baseline scenario based instead on **No real growth** (inflation target): with house prices expected to rise in line with inflation 2.0% p.a. to 2020, increasing to 2.5% p.a. to 2032

Mortgage affordability is based on lower quartile house prices being no more than 4 times lower quartile income. This is based on entry-level house prices and modest incomes. The 4x income is equivalent to 3.2x income with a 75% mortgage. This is based on information from the Council of Mortgage Lenders[33].

This would be the equivalent of a lower quartile income of £16,000 against a mortgage of £64,000. This is consistent with the analysis in Chapter 2, which also discusses affordability and suggests we would expect almost half those on modest earnings not to have enough savings for a deposit in East Ayrshire. So the steering group agreed to use the default option in the baseline scenario.

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[30] Scottish Household Survey data, 2009-2010 to 2015

[31] Annual Survey of Hours and Earnings, Table 8a, Full time gross wages for all earners

[32] These estimates and the default rents are based on Scottish Government produced economic house price forecasts/changes signed-off by the Scottish Fiscal Commission for the Scottish budget 2014/15.

(5a) Rental choices - The HNDA tool assumes that, of those who can afford to purchase, 50% have enough deposit to go on to do so.

Lower quartile house prices in East Ayrshire are low, so that a 10% deposit on a lower quartile house price is likely to be around £5,000-£6,000. Incomes are also lower than average so may constrain savings. On balance, the 50% seems a reasonable baseline assumption to test. However, one of the scenarios (Scenario 5) tests an alternative assumption, with proportionately fewer emerging households able to afford a mortgage (25% rather than 50%).

The HNDA tool allocates emerging households to different types of rented housing on the following basis:

- If people are spending less than 25% of their income on rent the Tool assumes they can afford to rent in the **private sector**. This threshold has been used historically as the threshold for PRS affordability.

- If people are spending between 25% to 35%[34],[35] of their income on rent the Tool assumes they can afford **below market rent**.

- It is assumed that if people need to spend more than 35% of their income (including housing benefit) on rent they can afford **social rent**.

These assumptions seem reasonable, with the analysis in Chapter 2 suggesting that even though PRS rents are low that the average 2-bed PRS rent is at 32% of moderate incomes while an LHA-rated PRS property would also be 32% of moderate income and social renters pay typically 26%.

The baseline scenario takes the suggested rental choice split above. However, in considering the Housing Supply Targets and the Local Housing Strategy, it is critical to consider the role of below market rent in East Ayrshire. Average private rents are typically not higher than the Local Housing Allowance (the rental rate that intermediate renting products are developed at). This may mean that the market for intermediate renting in East Ayrshire Council needs careful scoping.

5 (b) Changes in rental prices – The default in the HNDA tool is that rents will rise steadily year-on-year from 5.3% in 2015, 5.1% in 2016 and 2017 and levelling out to 4.5% in 2019. Recent trends in rent across the Broad Rental Market Area indicate the need for a more conservative scenario to be used in East Ayrshire, where rent growth has been very flat. The baseline scenario is based on **Flat rent growth**: zero rent price growth to 2020, then 2.5% growth p.a. to 2032

The tool generates estimates of the additional housing units required in future to meet housing need and this has split total need into those who can afford:

- owner occupation

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[34] The upper bound of this threshold (35%) is based on the idea that at this income level, households are likely to be in work but receiving partial housing benefit**.** As such it is reasonable to suggest that a higher income proportion on rent is sensible.

[35] The definition of below market rent is determined by how narrow or wide these thresholds are set by the users to reflect what might be appropriate for local circumstances. However, whatever this is, below market rent is always rent which is subsidised, in some way, below private rent but above social rent levels.

- private rent
- below market rent
- social rent

6.5 All the scenarios tested

The baseline scenario above provides a conservative estimate of need and demand based on recent trends. After producing the analysis for Chapters 2 and 3, the steering group identified a number of assumptions to further explore the possible range of housing need and demand results, depending on changes in underlying economic conditions and housing supply.

The full range of the scenarios agreed, based on steering group feedback were as follows:

1) Baseline – CHMA core/default settings except for incomes, house prices and rents (set to inflation/no real growth and zero growth) - based on **principal** housing projections

(2) High migration – as the baseline scenario, but based on the 2012 **high migration** household projections across all three housing market areas

(3) Low migration – as the baseline scenario, but based on the 2012 **low migration** household projections across all three housing market areas

(4) Differential migration - as the baseline scenario, but based on the 2012 **high migration** household projections in Kilmarnock, the **principal** projection in Cumnock and the **low migration** projection in Doon Valley. This reflects analysis from Chapters 2 and 3 showing variable economic prospects and demand across the three housing market areas.

(5) Lower owner-occupation assumed - as the baseline scenario but using 25% assumption for owner-occupation rather than 50% (assuming the capacity to save for a deposit is constrained, evidenced in Chapter 2)

(6) Higher existing housing need - as the baseline scenario but assuming a higher level of back-log need, based on HaTAP plus the 600 estimated overcrowded and concealed households identified in analysis in Chapter 3 on stock pressures. In the higher need scenario, the affordability model is used so the need is distributed across tenures (whereas the HaTAP default assigns all the need to social renting). The steering group also agreed to resolve the higher level of need over 10 years rather than 5 years.

6.6 Scenario estimates

The table below summarises the estimates across East Ayrshire Council, showing the average number of properties needs each year across 5-year periods between 2018-2022 and 2023-2037.

Table 38: Estimates by tenure – EAC-wide (6 scenarios) Average housing need per year

	Scenario 1 - principal projection, flatter growth				Scenario 2 - High migration, flatter growth			
	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037
Social rent	62	31	20	12	73	42	32	25
Below Market	39	23	15	9	47	31	24	18
PRS	39	26	17	10	47	36	27	21
Buyers	93	57	37	22	111	78	59	46
Total	**233**	**137**	**88**	**53**	**278**	**187**	**143**	**110**
	Scenario 3 - Low migration, flatter growth				**Scenario 4 - Differential migration, flatter growth**			
	2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Social rent	53	21	8	0	61	31	20	12
Below Market	32	15	6	0	39	23	15	9
PRS	32	18	7	0	39	27	17	11
Buyers	77	38	15	0	93	57	37	22
Total	**194**	**92**	**36**	**0**	**233**	**137**	**88**	**53**
	Scenario 5 - Principal projection, fewer owners				**Scenario 6 - Principal migration, higher need**			
	2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Social rent	62	31	20	12	68	46	20	12
Below Market	39	23	15	9	50	34	15	9
PRS	85	55	35	21	50	39	17	10
Buyers	46	28	18	11	120	84	37	22
Total	**233**	**137**	**88**	**53**	**288**	**202**	**88**	**53**

Source: CHMA HNDA Tool
Note: Totals constrained to sub-area totals, outputs from 'Results summary' worksheet

In line with the household projections, under all the scenarios there is expected to be a greater rate of new household formation prior to 2022, with the household population expected to increase at a slower rate from 2023 onwards.

The range in estimates during the earlier period of the overall projection period varies between 194 new properties being required (Scenario 3 – assuming low migration) and 288 new properties required (Scenario 6 – assuming high need).

The principal projection is that 233 new properties will be required on average, each year between 2016-2020, with the requirement split across 93 owner occupied, 39 private rented properties, 39 below market rent and 62 social rented properties.

In 2015-2016, there were social rented 133 completions and 125 private sector completions, a total of 258 new-build properties. This would be a level of affordable new-build sufficient to meet the requirements of all six scenarios, but insufficient market provision for the high migration and high need scenarios. Recently new-build supply has been weighted slightly more towards social housing.

The Housing Supply Target paper will consider new-build alongside in-situ solutions, as long-term void properties and low demand social housing are important considerations for planning new-build.

There may also be a need to consider the impact on in-movement from outside of East Ayrshire, as just 52% of new-build sales in 2014-2015 were to residents from East Ayrshire. Although there is a high level of self-containment in East Ayrshire, this is less true for the new-build stock.

The HST and the LHS needs to consider the viability of delivering against the private sector projections, considering the current low house price and low rent PRS markets. How might owner-occupation and private renting be supported across the area? And what is the role for intermediate renting where the rents are so low?

During the later period in the overall projection, the projections suggest far fewer new properties are required – between 2033 and 2037 the projected need is just 53 new properties a year, with the requirement for 22 owner occupied properties, 10 private rented properties, 9 below market rent and 12 social rented properties.

Tables 3 and 4 at the end of the Chapter (in yellow and green) are the two tables specifically required for the HNDA – showing the cumulative need for new properties over the life of the LHS (2018-2022) and the LDP2 (2023-2032, it is expected the LDP2 will be approved 2022).

The cumulative total need across the LHS (2018-2022) varies between an estimated 970 units for the low migration scenario (3) to 1,438 for the high housing need scenario (6) with the base scenario (1) showing an estimated need for 1,163 new units over the period from 2018 to 2022. The variation in affordable housing requirement is between 267 social rented properties and 161 below market rent across the five years under the low migration scenario to 365 social rented and 233 below market rent properties under the high migration (2) scenario.

The cumulative total need across the period between the LHS and the LDP (2023-2032) varies between an estimated 644 units for the low migration scenario (3) to 1,651 for the high migration scenario (2) with the base scenario (1) showing an estimated need for 1,126 additional units for the period between 2023-2032. The need to affordable housing is estimated to be in the range from 145 social rented properties and 108 below market rent under the low migration scenario to 373 social rented and 276 below market rent under the high migration scenario.

A more detailed table at the end of the Chapter (Table 5) show the breakdown of need by area, with proportionately more need required in Kilmarnock than Cumnock and Doon Valley. The estimates for each housing market area are the ‘constrained’ estimates from the HNDA tool – these estimates ensure that the sub-area estimates aggregate to the overall estimates shown in Table 38.

The HST and the LHS needs to consider the provision of housing across EAC, reflecting on the differential demand picture in the different HMAs. For example, the social housing needed in Cumnock and Doon Valley may be more appropriately delivered as older person’s housing, given demographic expectations.

6.7 Comparison to the previous HNDA

The method outlined above is different from the method used in the last HNDA, in 2012. That method was a 'gross flows' approach for identifying the need for affordable housing. The process used in 2012 was as follows:

- Estimate the total mismatch between households and dwellings (7,472)
- Take away cases where an 'in situ' solution is most appropriate (4,299)
- Work out what proportion would not be able to afford to buy to meet their needs (39%)
- Convert this total backlog need to an annual flow (1,677 = **168** units a year over 10 years)
- Add to this an estimate of new household formation per annum (1,369) and the proportion not afford to buy (66%) plus existing households falling into need (812) = Newly arising need of **1,716** per annum
- Compare this figure to the supply of affordable units – from re-lets (1,752) plus new supply (48) minus units taken out of management (151) = **1,649** affordable supply
- This gives the annual shortfall of affordable housing - 168 annual backlog plus 1,716 newly arising need minus 1,649 supply of affordable housing = 234 properties per year.

This estimate of **234 affordable units per year** over 10 years is based on the principal migration assumption. The equivalent from the HNDA tool model is the annual average of the periods from 2018-2022 and 2023 – 2027 for Scenario 1, across social renting and below market renting. This is shown below, compared with Scenario 6 – the principal projection with the higher needs estimate, including the overcrowded and concealed households (with need resolved over 10 years).

Table 39: Average annual housing need figures across 10 years, to compare with HNDA 2012 annual estimates

Scenario 1	**2018 - 2022**	**2023 - 2027**
Social rent	62	31
Below Market	39	23
Total affordable	**101**	**54**
Scenario 6	**2018 - 2022**	**2023 - 2027**
Social rent	68	46
Below Market	50	34
Total affordable	**118**	**80**

Source: CHMA HNDA tool (Results summary worksheet)
Note: Scenario 1 - principal projection, lower prices Scenario 6 - principal projection, higher need estimate

The average annual requirement for social housing in the base scenario, between 2018-2022 based on the principal household projection is **101** using the more conservative HaTAP method and **118** if overcrowded and concealed households are included (over 2018-2022). Both scenarios give estimates that are considerably lower than the estimated requirement for **234** additional affordable units per annum in the last HNDA. Over the later part of the 10-year period (2023-2027) once the backlog or existing need has been dealt with, estimates are even lower than this.

Even including the 600 estimated overcrowded and concealed households in Scenario 6 alongside the HaTAP estimate of 50 would only give a backlog needs estimate of 650 units while the current need identified in the 2012 HNDA was 1,677 affordable units.

There are two main sources of the significant difference in the estimates between the 2012 HNDA and the 2016 HNDA. First, the 'gross flows' approach to identifying housing need used in 2012 is less strict than the HaTAP approach, since the latter only includes households that are homeless and housed in temporary accommodation (so definitely in need of an additional housing unit). It is likely that many households counted as requiring an additional unit of housing to meet their need according to the Guidance applicable in 2012 would be classed as being in unsuitable housing and requiring a move to alternative accommodation BUT not an additional unit of accommodation under the current 2014 Guidance[36].

The second significant difference in approach is in the underlying assumptions about new household formation. The 2012 HNDA used the 2008 household projections, which were based on far more buoyant projections of in-migration than the 2012 household projections used in the HNDA tool.

6.8 Conclusions

The principal projection is that

- **233 new properties will be required on average, each year between 2018-2022**, and within this this the tenure split is
    - 93 owner occupied
    - 39 private rented properties
    - 39 below market rent
    - 62 social rented properties.

During the **later period** in the overall projection, the projections suggest **far fewer new properties are required**. Between 2033 and 2038 the projected need is **just**

- **53 new properties a year**, and within this this the tenure split is
    - 22 owner occupied
    - 10 private rented properties
    - 9 below market rent
    - 12 social rented properties.

These estimates are considerably lower than the annual affordable housing requirement suggested in the previous HNDA, which was 234 affordable units per year over a ten-year period.

[36] http://www.gov.scot/Topics/Built-Environment/Housing/supply-demand/chma/hnda

Most of new housing need is estimated to be met in the market and the HST and the LHS will have to consider the feasibility of delivering against these projections, considering the current relative low house price and low rent PRS markets.

The required number of new properties is largely consistent with current levels of new-build supply but the supply of social rented properties has overtaken private new-build recently.

East Ayrshire Council recognises that the HNDA is only the first step in the housing planning process, and it will be considering the numbers produced in the HNDA against its policy objectives through the Housing Supply Target discussions, and the LHS and LDP2 development processes. The Council's policy ambitions for growth and regeneration may be different to those suggested by the HNDA tool outputs.

Table 40: Scenario results (HNDA template) – LHS time period

HOUSING NEED AND DEMAND ASSESSMENT

Key Findings Template: Estimate of Additional Future Housing Units

		Number of years to clear existing need
Total households with existing need (net)	50	5

Household Projection Period

2018-2022 (LHS)

	Principal Projection	High migration	Low migration	Differential migration	Shift from owning to renting	Higher existing need
Total number of new **households over the projection period**	1,113	1,338	920	1,113	1,113	1,113
						Existing need 650

Add more or less var as needed

HNDA Projection Period

Resolved over 10 years

Total households over the projection period who can afford:	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
OWNER OCCUPATION	463	557	383	466	231	598
PRIVATE RENT	194	233	160	196	425	250
BELOW MARKET RENT	194	233	161	194	194	251
SOCIAL RENT	312	365	267	307	312	339
Total additional future housing units	**1,163**	**1,388**	**970**	**1,163**	**1,163**	**1,438**

Add more or less scenarios as needed

Table 41: Scenario results (HNDA template) – LDP time period

HOUSING NEED AND DEMAND ASSESSMENT

Key Findings Template: Estimate of Additional Future Housing Units

		Number of years to clear existing need
Total households with **existing need (net)**	50	5

Household Projection Period: 2023-2032 (LDP)

	Principal Projection	High migration	Low migration	Differential migration	Shift from owning to renting	Higher existing need
Total number of new households over **the projection period**	1,126	**1,651**	644	1,127	1,126	1,452
						Existing need 650
						Resolved over 10 years

HNDA Projection Period: 2023-2038 (LDP)

Total households over the projection period who can afford:	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
OWNER OCCUPATION	469	687	268	471	234	604
PRIVATE RENT	215	315	123	221	450	277
BELOW MARKET RENT	188	276	108	186	188	243
SOCIAL RENT	254	373	145	249	254	328
Total additional future housing units	**1,126**	**1,651**	**644**	**1,127**	**1,126**	**1,452**

Table 42: Housing Market Areas level estimates by scenario

		Scenario 1 - principal projection, flatter growth				Scenario 2 - High migration, flatter growth				Scenario 3 -Low migration, flatter growth			
		2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037
Cumnock HMA	Social rent	17	8	5	3	19	12	9	7	14	6	2	0
	Below Market	11	7	4	3	13	9	7	5	9	4	2	0
	PRS	10	7	4	3	12	9	7	5	8	5	2	0
	Buyers	24	15	10	6	29	20	16	12	20	10	4	0
	Total (Constrained)	62	37	24	14	74	50	38	29	51	25	10	0
		Scenario 1 - principal projection, flatter growth				**Scenario 2 - High migration, flatter growth**				**Scenario 3 -Low migration, flatter growth**			
		2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Doon Valley HMA	Social rent	4	2	1	1	5	3	2	2	3	2	1	0
	Below Market	3	2	1	1	3	2	2	1	2	1	0	0
	PRS	1	1	1	0	2	1	1	1	1	1	0	0
	Buyers	6	4	2	1	7	5	4	3	5	2	1	0
	Total (Constrained)	14	8	5	3	16	12	9	7	11	6	2	0
		Scenario 1 - principal projection, flatter growth				**Scenario 2 - High migration, flatter growth**				**Scenario 3 -Low migration, flatter growth**			
		2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Kilmarnock HMA	Social rent	42	20	13	8	49	28	21	16	36	14	5	0
	Below Market	25	15	9	6	31	20	15	12	21	10	4	0
	PRS	27	18	12	7	32	25	19	15	22	12	5	0
	Buyers	63	39	25	15	75	53	40	31	52	26	10	0
	Total (Constrained)	157	92	59	36	187	126	96	73	131	62	24	0

		Scenario 4 - Differential migration, flatter growth				Scenario 5 - Principal projection, fewer owners				Scenario 6 -Principal migration, higher need			
		2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037	2018 - 2022	2023 - 2027	2028 - 2032	2033 - 2037
Cumnock HMA	Social rent	15	7	4	2	17	8	5	3	19	12	5	3
	Below Market	10	5	3	2	11	7	4	3	14	10	4	3
	PRS	9	6	3	2	22	14	9	6	13	10	4	3
	Buyers	22	12	7	4	12	7	5	3	31	22	10	6
	Total (Constrained)	55	30	17	9	62	37	24	14	77	54	24	14
		Scenario 4 - Differential migration, flatter growth				**Scenario 5 - Principal projection, fewer owners**				**Scenario 6 -Principal migration, higher need**			
		2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Doon Valley HMA	Social rent	3	1	0	0	4	2	1	1	5	4	1	1
	Below Market	2	1	0	0	3	2	1	1	4	3	1	1
	PRS	1	1	0	0	4	3	2	1	2	2	1	0
	Buyers	4	2	1	0	3	2	1	1	8	6	2	1
	Total (Constrained)	10	5	2	0	14	8	5	3	19	13	5	3
		Scenario 4 - Differential migration, flatter growth				**Scenario 5 - Principal projection, fewer owners**				**Scenario 6 -Principal migration, higher need**			
		2018 - 2022	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**	**2018 - 2022**	**2023 - 2027**	**2028 - 2032**	**2033 - 2037**
Kilmarnock HMA	Social rent	44	23	15	10	42	20	13	8	44	30	13	8
	Below Market	27	16	11	7	25	15	9	6	33	22	9	6
	PRS	29	20	14	9	58	38	24	15	35	27	12	7
	Buyers	67	43	29	19	31	19	12	8	81	56	25	15
	Total (Constrained)	167	102	70	45	157	92	59	36	192	134	59	36

6.9 Housing requirement - key issues

LHS & Development Plan	Housing requirements key issues identified in the HNDA
Factors to help determine the HST, including for: ▪ Owner Occupation ▪ Private rented ▪ Below market rent ▪ Social rented	5. The required number of properties projected by the HNDA is broadly consistent with the recent new supply being provided. However, most of this new supply has recently been provided in the social rented sector with limited interest from the market. 6. Owner occupation - A key challenge for setting the HST is the fact that most of the HNDA estimates is projected to be met by the market, and yet a relatively dampened market means attracting the market to provide new supply will be difficult. The market supply has recently been relatively low (125 in 2015/16), and focusing on the commuter executive market. If new supply is to be delivered in line with these estimates, this means encouraging graduated housing markets in a range of locations – where local households have a range of market options in terms of different size, type and price of housing. This should cater for the needs of a range of different households types including small emerging households, families, and older households who may be looking for more suitable housing. The market should be encourage in the context of regeneration and renewal in some areas. 7. Private rented sector and below market rent – these tenures are the lowest requirement. PRS is currently aligned broadly to the Local Housing Allowance and is relatively affordable. Feasibility of new supply PRS may be difficult at these lower rent levels, but could be aligned to mixed tenure development including ownership, intermediate and social rent products in carefully selected locations, again potentially in the context of regeneration. Intermediate renting may have an important niche role in the more buoyant markets to provide affordable, quality rented housing for those who cannot, or do not wish to buy. 8. Social rented housing requirement is low when compared to the new supply that have been delivered in recent years (133 in 2015/16). However, this should be seen within the context of the Council's strategic housing asset management programme (HAMF), with the requirement for reprovisioning, including demolition and replacement, being complemented by the relatively modest requirement for additional new social rented supply. All the strategic planning (through HAMF, SHIP, LHS and LDP) should be aligned to ensure a strategic placemaking approach is taken to grow and regenerate communities.

7. Specialist Provision

7.1 Introduction

This section of the housing need and demand assessment covers specialist provision. The Guidance on this suggests that specialist provision covers three broad categories of housing or housing-related provision. That is property needs, care and support needs and locational or land needs. The Table below, based on Table 6 in the 2014 HNDA Guidance shows the categories of need and the types of housing provision this chapter should cover.

Table 43: Types of specialist provision

Category of housing need	Type of housing provision
Property needs	▪ Accessible and adapted housing ▪ Wheelchair housing ▪ Non-permanent housing e.g. for students, migrant workers, asylum seekers, refugees
Care and support needs	▪ Supported provision e.g. care homes, sheltered housing, hostels and refuges ▪ Care/support services for independent living
Locational or land needs	▪ Site provision e.g. sites/pitches for Gypsy/Travellers and sites for Travelling Show-people, city centre locations for student accommodation

It is also noted in the HNDA Guidance that locational need may be examined in more innovative ways, to consider proximity to shops and local service or to look at how support services might be managed or delivered more effectively. With an ageing population and the shifting balance of care from hospital to community-based areas, this is likely to become more important, particularly in rural areas.

The HNDA should focus on *the scale and type of specialist provision* required rather than providing information on individuals' health issues/conditions or equality group.

This Chapter includes data from a wide range of sources across housing, health and social care services to ensure that it includes the evidence needed to inform planning for future solutions across housing, health and social care. The aim is to identify the contribution that specialist provision makes in enabling people to live at home, independently for as long as possible.

Key evidence on specialist provision to inform the LHS includes:

- Estimated number of new accessible houses required in future
- Estimated number of wheelchair accessible homes
- Estimated number of in-situ adaptations required in future
- Better use of existing adapted properties
- Estimated scale of home care and support services needed in future
- Estimated need for future residential/care home places.

The Development Plan is informed by evidence on:

- The amount and site of land allocated for Gypsy/Traveller sites and pitches
- Innovative housing solutions for older people, planning strategically for an ageing population.

The CHMA has provided six templates for specialist provision to cover the six types of provision in Table 1, which sets out following structure for the evidence and narrative –

- National policies
- Local policies/strategies
- Property needs - e.g. appliances/equipment, stair rails, barrier free, sheltered housing, housing with care
- Suitable for - e.g. people with limited mobility and/ or dexterity, need for low level care
- Evidence on 1) the current type and level of needs and provision 2) any gaps or shortfalls in needs & provision and 3) future type and level of needs & provision required
- External stakeholder consultation & engagement.

7.2 Equalities

The HNDA is required to give due consideration to the requirements of the Equality Act 2010[37]. That act gives public sector providers a duty to – eliminate discrimination, harassment and victimisation; advance equality of opportunity and foster good relations. There are nine protected characteristics that the statutory duty covers. These are:

- Age
- Disability
- Gender reassignment

[37] https://www.gov.uk/guidance/equality-act-2010-guidance

- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation.

This Chapter needs to ensure that due consideration is given to these characteristics where they impact on housing need and demand. Whilst every effort will be made to ensure that all nine protected characteristics are covered within the HNDA, It is expected that at least four will be covered – age, disability, sex and race – and evidence should be provided on the reasons for not covering other protected characteristics.

The main barrier to covering all the protected areas is a lack of data for these. Data on age, disability and sex is more commonly available. Ethnicity is captured in East Ayrshire Council tenancy data, so we know that just 0.2% of current tenants are from minority ethnic groups, compared with 0.6% of applicants and 0.5%-0.6% of rehoused households. **These are very small numbers – just 29 tenants, 22 applicants and 9 rehoused people**. Even the Scottish Household Survey has insufficient numbers of minority ethnic households to allow disaggregated analysis of housing need.

Data on gender re-assignment, sexual orientation and religion or beliefs is far less commonly collected and reported in housing data. The Scottish Housing Regulator collects monitoring data on tenant characteristics but this does not cover all the protected characteristics and is overall profiling data rather than information about differential experiences.

7.3 Strategy and structures on equalities

The Council's Corporate Equalities Strategy Group (CESG), established in 2006, is chaired by the Chief Executive and comprises representation at a chief officer level from all departments of the Council. The Group ensures a strategic approach to the equalities agenda across the Council; ensures effective monitoring in relation to equality issues; and maintains a consistency of approach to equality issues with particular emphasis on the continuation of mainstreaming equalities.

To mainstream equalities into the Council's corporate structure, it was agreed that a new Operational Equalities Group was established that links into the CESG and replaced the former Departmental Groups. This Group was formed in 2016 and meets on a quarterly basis in advance of the CESG to ensure that information in relation to local and national policies are discussed and disseminated. All service areas are represented in the Group.

There is also an Equalities Forum which involves Elected Members, Council officers, community groups and individuals who have an interest in equalities or are covered by the Equality Act 2010, and partner representatives. This meets twice per year and, in addition, an annual equalities event is held, which reviews achievements in the previous year and identifies issues for consideration in the coming twelve months. Equalities Forum members have discussed and debated a wide range of issues, including communication, promoting citizenship, transport issues, Integrated Health and Social Care and the potential impact of Welfare Reform. Forum members have also been involved in the development of strategies and policies such as the Housing Allocations Policy and the Recruitment and Selection Policy, and in the development of the Council's Budgets.

A review of the Equalities Forum was undertaken in June 2012, which confirmed that Forum members feel engaged and involved in Council business. The Forum continues to grow in membership with the group widened to represent religious establishments, Tenants' Associations, and LGBTQ; a local group representing lesbian, gay, bi-sexual, transgender and people who are questioning their sexual orientation.

The Council has in place a process to ensure that policies and strategies are assessed in line with the general and specific duties. In 2016 the Council developed a new on-line EIA Toolkit to ensure ease of access for employees undertaking EIAs. The new system allows EIAs to be tracked, updated and quality assessed by an approved assessor. The system also allows for a summary of the EIA to be published directly onto the Council's website.

7.4 Health, wellbeing and ageing in East Ayrshire

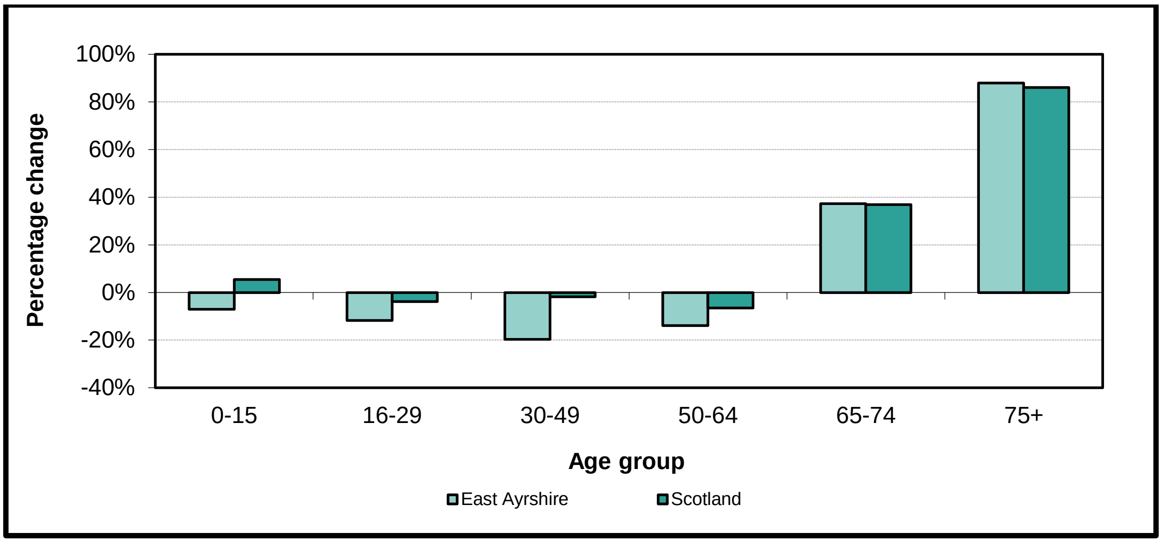
The East Ayrshire Health and Social Care Strategic Plan 2015-18[38] outlines a number of key health and well-being issues for East Ayrshire.

- Of the current population of 122,440 people, 20,747 are aged 60-74 (17%) and 9,816 are aged 75+ (8%).
- A total of 13,233 people have two or more medical conditions – 15% of the population
- 6,062 older people (aged 65+) have had multiple emergency admissions to hospital (5% of the population).

As discussed in Chapter 2, the figure below shows that the older population in East Ayrshire Council is projected to increase significantly between 2012 and 2037, particularly among the over 75 year old group. We also know from evidence in Chapter 2, that the growth in older households will be geographically uneven, with more projected in Cumnock and Doon Valley HMAs.

[38] https://www.east-ayrshire.gov.uk/Resources/PDF/H/HSC-Strategic-Plan-FINAL.pdf

Figure 25: Percentage change in population in East Ayrshire and Scotland, 2012-2037 (2012-based projections)



Source: National Registers Scotland East Ayrshire Council LA Factsheet
https://www.nrscotland.gov.uk/files/statistics/council-area-data-sheets/east-ayrshire-factsheet.pdf

One of the strategic priorities of the East Ayrshire Council Wellbeing Plan is that *Older people and adults who require support and their carers are included and empowered to live the healthiest life possible.*[39]

This section of the Housing Need and Demand Assessment explores the current and likely future demand for specialist services involved in meeting the needs of older people, as well as other groups.

7.5 Template 1 - Accessible and Adapted Housing

National policies

As well as the Equality Act 2010, other key national policies of relevance for accessible and adapted housing are as follows:

- Age, Home and Community: a Strategy for Housing Scotland's Older People, 2012-2021
- Public Bodies (Joint Working) (Scotland) Act 2014 and the Integration of health and social care and the Reshaping Care for Older People agendas
- Scotland's National Dementia Strategy 2013-2016
- Healthcare Quality Strategy and the 2020 Vision
- Adapting for Change: Final Report of the Adaptations Working Group, 2012.

National policy on accessibility and adaptations is focused on ensuring that people are able to live longer at home or in a community setting rather than in hospital or residential care, with an

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[39] http://www.eastayrshirecommunityplan.org/resources/files/Wellbeing-Delivery-Plan-2015-2018.pdf

emphasis on prevention, anticipating needs and supported independence, and tenure neutral approaches to adaptions.

Local policies/strategies

The local East Ayrshire policies and strategies in relation to accessible and adapted housing are:

- Scheme of Assistance
- Delivery of Equipment and Adaptations through the Health and Social Care Partnership
- Housing Contribution Statement
- Health and Social Care Strategic Plan 2015-18
- East Ayrshire Common Allocation Policy
- Strategic Housing Investment Plan (the current plan is in the process of update)

Property needs

There are a wide range of property types that can be defined as accessible housing. This can range from ground-floor accessible, mainstream housing to properties that meet varying standards of accessibility and amenity.

There is also considerable over-lap in provision between housing that is accessible or adapted, wheelchair accessible housing (Template 2) and supported provision (Template 4). It is, therefore, important to not double-count the stock across these categories.

Suitable for

Accessible and adapted housing will be suitable for:

- People whose current accommodation does not meet their physical/ health needs
- People with limited mobility/dexterity but who are otherwise able to remain in their mainstream housing, with or without care or support
- People with sensory impairment

Thinking ahead at prevention and anticipatory provision, accessible and adaptable accommodation may be a medium to longer-term goal for a larger portion of the housing stock, so that people are able to stay in their home for longer. We would also note that there will be service users who have mental health support needs or learning difficulties who may not require accessible or adapted housing but may need other support or assistive technologies. This is covered in Template 5.

Evidence

Care and repair – minor adaptations

In 2016-2017 the East Ayrshire Care and Repair service administered a total of 1,408 cases. This includes Preventative Works, Small Repairs, Home Safety/Security, Advice/Referral, Care Fund and Minor Adaptations. The scheme also received funding from the Gas Safe Charity Scheme and an Electrical Safety First Grant. Works specific to adaptations include the following works, funded through Minor Adaptations. The most common works are to install handrails.

Table 44: East Ayrshire Care and Repair Minor Adaptations

Financial Year	Misc	Handrails	Bi-lateral Handrails	Door Widening/ Sliding Doors	Door Entry System	Step Widening/ Path Repair	Total
2016/17	11	451	95	3	6	4	570
2015/16	10	290	78	3	7	5	393
2014/15	14	382	106	4	11	8	525

Source: Care and Repair data 2014-2015, 2015-2016 and 2016-207

The total number of minor adaptations has increased again to over 570 adaptations after fewer works in 2015-2016 compared with 2014-2015. Average spend per adaptation was £173.68 in 2014-2015 compared with £157.13 in 2015-2016 but lower at £116.90 in 2016/17.

The total number of **535** adaptations (the average across 3 years for Care and Repair) is the equivalent of 2.5% of all households in East Ayrshire headed by someone aged 60 years+ in 2017 (21,300). However, it is important to note that East Ayrshire Care and Repair provides services to service users aged over 60 years, as well as disabled people of any age.

Adaptations funded through the HRA

Expenditure data on adaptations funded through the HRA for East Ayrshire shows a total of 411 adaptations were undertaken across Cumnock and Doon Valley in 2015-2016 while 505 adaptations were undertaken across Kilmarnock. A total of 916 adaptations across East Ayrshire, with the breakdown of adaptations is as shown in the table below.

The most common types of adaptations funded through the HRA are works to lifts and providing wet-floor showers, then handrail provision. Comparing these numbers with the previous year (2014-2015) we find 353 adaptations in Cumnock and Doon and 398 in Kilmarnock. That is a total of just 751 – considerably lower than the 916 in 2015-2016. This lower level of adaptations in 2014-2015 corresponds with a lower referral rate, which is now recovering to earlier levels.

Table 45: Adaptation works by area, 2015-2016

Cumnock & Doon Valley	**No. of cases**	**%**	**Kilmarnock**	**No. of cases**	**%**
Curved Stair-lift	3	1%	Curved Stair-lift	13	3%
Door Entry System	1	0%	Door Entry System	6	1%
Door Widening	3	1%	Door Widening	1	0%
Double External Handrails	30	7%	Double External Handrails	47	9%
Lift – Removal	14	3%	Lift - Removal	12	2%
Lift – Repair	81	20%	Lift - Repair	99	20%
Lift – Service	96	23%	Lift - Service	101	20%
Outdoor Step Lift	0	0%	Outdoor Step Lift	1	0%
Ramp – Install	5	1%	Ramp - Install	5	1%
Ramp – Removal	0	0%	Ramp - Removal	3	1%
Rehang Door	2	0%	Rehang Door	2	0%
Shower - Over Bath	1	0%	Shower - Over Bath	3	1%
Shower - Wet Floor	93	23%	Shower - Wet Floor	107	21%
Single External Handrail	50	12%	Single External Handrail	56	11%
Sliding Door	1	0%	Sliding Door	2	0%
Straight stair-lift	7	2%	Straight stair-lift	13	3%
Toileting System	1	0%	Toileting System	0	0%
Track Hoist	5	1%	Track Hoist	0	0%
Other	15	4%	Other	33	7%
No information	3	0%	No information	1	0%
Grand Total	**411**		**Grand Total**	**505**	

Source: EAC HRA Budget summary 2015-2016

As Table 45 shows, not all works are to install adaptations – in 26 cases works were to remove a lift, 180 works were to repair a lift and 197 works were to service a lift while in 3 cases a ramp was removed. This means that a total of 510 **additional** adaptations were funded through the HRA during 2015-2016.

That is an estimated 2.2% of older households (based on 2017 household estimates) in receipt of new HRA-funded adaptations.

Adaptations in RSL and private sector properties

There is less detailed information available regarding RSL funded adaptations and private grant-funded adaptations. The total RSL expenditure is between a quarter to a fifth of the HRA-level expenditure. Data from the recent Equalities Outcome information reported that in 2015/16, 117 adaptations were carried out in Registered Social Landlord (RSL) stock in East Ayrshire, supported by Scottish Government funding. The latest information from Private Sector Grant funding is that an average of 246 adaptations are provided to the private sector in each year, based on the most recent three years of data.

This suggests that, in a typical year, we might expect the following total estimated pool of adaptations:

- 535 adaptations through Care and Repair (average across 3 years)
- 529 HRA funded adaptations (average across 3 years)
- 117 RSL adaptations (most recent year)
- 246 private sector grant-funded adaptations (averages across 3 years)

This is a total annual estimate of 1,427 adaptations, the equivalent of 6.2% of those households headed by people aged 60+ years, based on the 2017 population estimates, if these adaptations were spread across households. As noted earlier, however, not all adaptations are made to older people's properties so this overstates the estimate slightly.

Table 46: Household projections – number of households with household head aged 60 years+

HMA	Age of Head of HH	2012	2017	2027	2037
Kilmarnock	60-74 years	8,313	8,900	9,940	9,928
Kilmarnock	75+ years	4,684	5,178	7,093	8,873
	60+	**12,997**	**14,078**	**17,033**	**18,801**
HMA	**Age of Head of HH**	**2012**	**2017**	**2027**	**2037**
Cumnock	60-74 years	3,133	3,262	3,534	3,174
Cumnock	75+ years	1,763	1,953	2,535	3,063
	60+	**4,896**	**5,215**	**6,069**	**6,237**
HMA	**Age of HoH**	**2012**	**2017**	**2027**	**2037**
Doon Valley	60-74 years	1,292	1,311	1,447	1,330
Doon Valley	75+ years	623	696	935	1,096
	60+	**1,915**	**2,007**	**2,382**	**2,426**
HMA	**Age of HoH**	**2012**	**2017**	**2027**	**2037**
EAC	60-74 years	12,738	13,473	14,921	14,432
EAC	75+ years	7,070	7,827	10,563	13,032
EAC	**60+**	**19,808**	**21,300**	**25,484**	**27,464**

Source: NRS - 2012-based principal household projections by household type and age of head of household, 2012 to 2037, East Ayrshire

Also, many households have a number of adaptations completed at one time. The Scotland-wide Scottish Household Survey data for 2015 shows 26% of those who identified an unmet adaptation need identified more than one, with needs of 1.18 adaptations per household. Weighting the estimate of 6.2% down by this factor (dividing 6.2% by 1.18), we would get an estimate of 5.3%. This would be an estimate of **1,350 households needing adaptations in 2027** and **1,455 in 2037**. If aspired need over-states the level of adaptations likely to be needed, we could adjust the weight to be more conservative – at 1.10 instead of 1.18, which gives a higher estimate of 5.6% of older households (based on more households needing less intensive/complex groups of adaptations), **1,430 in 2027** and **1,540 in 2037**.

Unmet need for adaptations

The long-term estimates above are based on the current level of adaptations being sufficient to meet needs. If adaptations do not currently meet needs, this will underestimate future adaptation needs. The Scottish Household Survey 2012-2014 estimates that 1% of households in East Ayrshire (2% of pensioners) need adaptations. This is an estimated 400 households, based on 2012 household estimates. If this is a typical level of unmet need, we would expect an additional adaptation requirement of 510 in 2027 and 550 in 2037.

This gives a total need for adaptations, projecting forward from current adaptations and currently unmet adaptations of between 1,860-1,940 in 2027 and between 2,005-2,090 in 2037. This is based on a similar level of adaptations as found in recent years.

Looking at the profile of HRA adaptations by HMA (from Table 45), we see that 220 adaptations (excluding removals and repairs) were in Cumnock and Doon (43%) and 290 were in Kilmarnock (57%). In projecting forward by HMA, this relative weighting of current adaptations is projected forward (with the 43% split across Cumnock and Doon according to the NRS household population estimates).

The weighted estimates are shown in Table 47. The baseline figure of 1,209 adaptations recipients is the 1,427 adaptations weighted down by the factor of 1.18 to take account of multiple adaptations in the same household.

Table 47: Adaptations by HMA – actual baseline and estimates for 2027 and 2037

	Baseline	**Lower estimate**		**Higher estimate**	
HMA	**2017**	**2027**	**2037**	**2027**	**2037**
Kilmarnock	689	1,060	1,143	1,106	1,191
Cumnock	374	576	621	601	647
Doon Valley	144	222	239	231	249
EAC	1,209	1,860	2,005	1,940	2,090

Sources: Minor adaptations data 2016-1017, HRA adaptations data 2015-2016, Scottish Government RSL adaptations data 2015-16, Private Sector Grant data 2015-16
NRS - 2012-based principal household projections by household type and age of head of household, 2012 to 2037, East Ayrshire

Shifting the balance of care

A further increase in the need for adaptations may also arise if the Council were successful in shifting the balance of care from residential or non-community settings to the community. Or rather, the provision of adaptations at the levels above would be a pre-requisite to a shift in the balance of care being a viable option in future.

However, if the stock is adapted at the rate of an estimated 5.3% to 6.2% of households aged 60+ per year, based on the estimates above, the proportion of the stock that has become adapted and is available for longer-term use among future older people and disabled people is considerably increased. Making the most out of the adapted stock is likely to need co-ordination and improved stock attribute data.

External stakeholder consultation & engagement

External consultation undertaken as part of the HNDA process, and ongoing Council and partnership structures are:

- Housing support service care inspectorate service user surveys
- East Ayrshire Tenants and Residents Federation (EATRF) consultation on new build developments
- Health and Social Care Partnership Strategic Planning Group

- Models of care programme board
- Aids and adaptations short life working group

Following production of the HNDA there are LHS stakeholder conferences planned which include workshop sessions on Specialist Provision and Independent living.

In summary

Adaptions are likely to be required in future at a similar rate as at present, with an estimated 5.3%-6.2% of households aged 60+ receiving adaptations each year, across housing tenures. This gives a total need for adaptations, projecting forward from current adaptations and currently unmet adaptations of between 1,860-1,940 in 2027 and between 2,005-2,090 in 2037.

A further increase in the need for adaptations may also arise if the Council were successful in shifting the balance of care from residential or non-community settings to the community.

Careful use and allocation of housing that has already been adapted, in the social rented sector at least, will enable the maximising of resources for adaptations in future. Maintaining adaptations will also continue to be important

7.6 **Template 2. Wheelchair Accessible Housing**

National policies

The policies in Template 1 above are also relevant to wheelchair accessible housing. Additional policy and research of specific relevance to wheelchair accessibility are as follows:

- National Health and Wellbeing Outcomes – Outcome 2 of the national framework is - *People, including those with disabilities or long term conditions, or who are frail, are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community*
- Mind the Step: an estimation of housing need among wheelchair users in Scotland, CIH/Horizon Housing, 2012
- Lifetime Homes Standards – Lifetime Homes *'are ordinary homes designed to incorporate 16 Design Criteria that can be universally applied to new homes at minimal cost. Each design feature adds to the comfort and convenience of the home and supports the changing needs of individuals and families at different stages of life. Lifetime Homes are all about flexibility and adaptability; they are not 'special', but are thoughtfully designed to create and encourage better living environments for everyone. From raising small children to coping with illness or dealing with reduced mobility in later life, Lifetime Homes make the ups and downs of daily living easier to manage'*.
- Scottish Building Standards – require all buildings to be constructed to allow all users safe, convenient and unassisted access. A proportion of bedrooms in any dwelling should be wheelchair accessible and a means of unassisted access must be available to, and throughout, at least one level of each dwelling. The guidance is based around the "Housing for Varying Needs" (1998).

Local policies/strategies

The relevant local policies and strategies are:

- Strategic Housing Investment Plan
- Housing Contribution Statement
- Health and Social Care Strategic Plan 2015-18

Property needs

The property requirements for wheelchair users include low level surfaces/counters and appliances, wider door openings, barrier free bathroom/ shower access, outside space with wider entrance and suitable surfaces, with ramps or low level access without steps to negotiate.

Suitable for

Wheelchair users within East Ayrshire, including families with disabled children and young adults; disabled parents with dependent children; adults who acquire a disability, either suddenly due to an accident or illness, or over time through degenerative ill-health or increased frailty among older people.

Evidence

A way of estimating the number of wheelchair users suggested in 'Making the Connections' – the Guidance of the Joint Improvement Team[40] on specialist housing is using the higher rate of mobility-related Disability Living Allowance as a proxy for wheelchair use. Looking at NOMIS data on DLA Mobility Component for East Ayrshire, we find that in August 2016, 4,330 benefit claimants in East Ayrshire received DLA Mobility at the higher rate.

Table 48: Nomis data download – DLA Mobility Award, Higher Rate

Mobility Award	East Ayrshire	Scotland
Total	7,400	280,780
Higher Rate	4,330	151,280

Source: NOMIS – LA profile: https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx
Note: Based on data for August 2016, all ages

The Scottish Household Survey in 2015 found 1.9% of all households contained someone with a long-term health issue or disability who used a wheelchair to get around inside the home. Assuming this same proportion in East Ayrshire, based on 54,570 households, that would be 1,037 households. This suggests that using DLA higher rate mobility benefit receipt as a proxy considerably over-states the level of **indoor** wheelchair use.

[40] http://www.jitscotland.org.uk/resource/making-the-connection-user-guide-to-specialist-housing/

The 'Mind the Step' research in 2012[41] found that 25.4% of wheelchair users said their current property was unsuitable for their needs and 14.2% had an unmet housing need. However, from the data on adaptations in Template 1, we have seen a total of over 1,400 adaptations a year in East Ayrshire with up to 200 of these potentially offering enhanced wheelchair accessibility – door widening, ramp installations, door re-hanging, wet floor showers and work to steps and paths. It is noted that not all these works will be to properties occupied by wheel-chair users and that these works may not make the property fully wheelchair accessible in any case.

Applying the 2012 estimate of 14.2% of wheelchair users having an unmet need to the estimated 1,037 indoor wheelchair users in East Ayrshire would give an estimate of 147 wheelchair users in need (with a higher number of 263 (25.4%) with perceived unsuitable housing).

The difficulty is estimating how many of these wheelchair users with unmet needs are those who have benefitted from adaptations and whether their needs are fully met by any adaptations that have been received. Without detailed information about the needs of adaptations recipients, it is difficult to say.

There is an estimated unmet need among 147 wheelchair users and perceived unsuitability of housing in the case of 263 wheelchair-using households across tenures. The East Ayrshire Council waiting list has 87 applicants in need of some form of wheelchair access, 61 inside the property and a further 26 outside of the property only. This suggests that many wheelchair users in housing need do not look to social housing to resolve their housing need.

If we use the area profile of adaptations recipients seen in Template 1 as a proxy for the likely location of wheelchair users, we get the profile of need by HMA shown in Table 49.

Table 49: Estimated wheelchair users in need by HMA

HMA	% of adaptation works	Wheelchair users	In need	Unsuitable
Kilmarnock	57%	591	84	150
Cumnock	31%	321	46	81
Doon Valley	12%	124	18	31
EAC	100%	1,037	147	263

Sources: HRA adaptations data, 2015-2016, Scottish House Condition Survey 2015

It is very difficult, from the current data, to establish how many of the wheelchair users in unsuitable accommodation are likely to have their property adapted or move to more suitable accommodation. There will also be an in-flow of new wheelchair users in need, as well as an out-flow of wheelchair users moving to residential care or dying.

Current provision

The current provision of wheelchair-accessible housing[42] across East Ayrshire is difficult to estimate across tenures. Current Scottish House Condition Survey data does not report on full

[41] http://horizonhousing.org/static-content-wysiwyg-downloads/Horizon-Housing-Mind-the-step-report.pdf

[42] http://www.capability-scotland.org.uk/media/417382/tag-_fully_wheelchair_accessible.pdf

wheelchair accessibility. The 2013 Capability Scotland Housing Options Guide[43] referred to 2004 Scottish House Condition Survey analysis that found that an estimated 26,000 ambulant disabled properties and 7,000 full wheelchair accessible properties had been built across Scotland.

Providing precise information about the exact increase in the number of units of wheelchair accessible accommodation is very challenging. Annual Return on the Charter indicator C18 covers dwelling accessibility but this is not published in the full ARC dataset.

It is also difficult to build a picture of wheel-chair accessible housing from mainstream and specialist landlords' data across East Ayrshire, since property type and amenity type does not typically show whether the accommodation is wheelchair accessible. However, generally speaking 'Amenity housing' is wheelchair accessible and so we can take this as an indicator of wheelchair accessible accommodation, along with properties where there is specific mention of wheel-chair accessibility.

Table 50: Estimated provision of fully wheelchair accessible accommodation, by HMA

	Kilmarnock	Cumnock	Doon Valley	EA
Wheelchair Bespoke	11	1	4	16
Amenity housing	109	25	0	134
EAC	120	26	4	150

Source: Landlord stock data, Sept-Nov 2016
Note: includes mainstream and specialist provision

The design of amenity housing is based on the standards of general needs housing with the addition of the following features:

- The housing should be provided at ground or first floor level, or in blocks over 2 storeys high served by at least one lift;
- Space standards should be the same as for one or two person general needs houses;
- Handrails should be provided on both sides of all common access stairs, and on at least one side of all common access areas and passages;
- Bathroom doors should be either sliding or capable of opening outwards, and fitted with locks operable from the outside;
- Bathroom floors should have a non-slip finish;
- Handrails should be fitted beside the WC and bath/shower;
- A space heating system must be provided which is capable of maintaining a temperature of 21C when the outside temperature is -1C in the following parts of the house: living area, sleeping area, kitchen, bathroom, hallway;
- Light switches arranged to line horizontally with door handles;

[43] http://www.capability-scotland.org.uk/media/417401/housing_options_guide.pdf

- Socket outlets fixed at a height of at least 500mm above the floor.

Unlike sheltered housing, there is no warden, and a community alarm may or may not be fitted.

The information in Table 50 above does not include any East Ayrshire Council dwellings. Although some of the stock includes some of the features listed above, these properties would not quite meet the standard to be amenity level or wheelchair accessible housing. There were, however, two new-build wheelchair accessible properties which would be additional to the stock above, bringing the total to 152 properties.

Table 50 above suggests that there are 150 wheelchair accessible dwellings within the social rented sector, with a further two new-build EAC properties built in 2012-13 bringing this figure to 152. This is a small number compared with the estimate of wheel-chair users (c. 1,037). As the social rented sector makes up 28% of the stock, we might expect there to be around 290 wheelchair accessible properties. This suggests that many wheelchair users may currently live in accommodation that is not fully wheelchair accessible.

However, evidence from the adaptations data in Template 1 showed that over 200 adaptations are made each year that might enhance the wheelchair accessibility of properties. This means that the estimates in Table 8 of fully wheelchair accessible accommodation, among the local authority and RSL stock is likely to considerably underestimate the full, and changing picture of wheelchair accessibility.

Template 1 showed at least 200 properties had a wet-floor installed in 2015-2016, 10 had ramps installed and 3 had doors widened (likely to be more than 250 including RSL and private sector adaptations). This continuous, gradual improvement in accessibility makes capturing the ability of the stock to meet needs difficult to assess without far more detailed stock attribute data and occupant characteristics than currently available.

The Council's new house building programme in recent years has delivered 44 new homes specifically designed to meet the needs of older and ambulant disabled people since 2014. In addition, 'Housing for Varying Needs' requirements for affordable new-build housing mean that newer properties are built to a higher standard of accessibility. New-build housing in the affordable sector must now comply with Housing for Varying Needs Standards but not all of that stock would be entirely wheelchair accessible.

Over the course of the strategic priority to 2015/16 the baseline of 59 new build houses for varying need has been added to, with an additional 42 under the SHIP during 2012-15 and a further 14 properties during 2015/16. This takes the total to 159 additional houses suitable for varying needs since 2014, with a further 60 built between 2010-2013 taking the total to 219.

The types of **all** EAC properties built between 2010 and 2017 are shown in Table 51. Looking across the property types, bungalows, ground floor or supported accommodation would total 184 properties. These are the properties most suited for people with significant mobility needs. This is an average provision of around 26 accessible properties per year.

Table 51: Property type of EAC new-build properties 2010-2017

Property type of new-build	Number
4 in a Block Ground	**14**
4 in a Block Upper	14
Bungalow Detached	**13**
Bungalow End Terrace	**32**
Bungalow Mid Terrace	**34**
Bungalow Semi	**49**
End Terrace	19
Mid Terrace	33
Semi-detached	17
Supported Accom - Adult	**14**
Supported Accom - Low	**10**
Tenement 1	18
Tenement Ground	**18**
Total	275

Source: EAC new-build data, September 2016

Table 52 shows that between 2006-07 and 2013-14 32 RSL new-build and two Council new-build properties were fully wheelchair accessible. That is an average of around four properties a year over the period, but there have been no new wheelchair accessible properties provided since 2013-2014.

Table 52: Number of wheelchair accessible new-build properties 2006/07 to 2013/14

	RSLs	EAC
2006-07	4	0
2007-08	4	0
2008-09	8	0
2009-10	10	0
2010-11	1	0
2011-12	1	0
2012-13	2	2
2013-14	2	0
Total	32	2

Source: Scottish Government new-build data for RSLs, EAC new-build data

Notable recent additions through the social rented sector new build supply programme are:

- The high-density area at Witch Road, Witchill Place and Hill Street, Kilmarnock, which is home to a significant number of flatted blocks, is due to undergo significant demolition works to open up the space to facilitate the provision of a number of new bungalows within the development that are designed for older and ambulant disabled residents, with private courtyards and adjacent open space areas.

- The site sits close to the Cunninghame Housing Association new build development at Hill Street is due for completion in November 2017 and will provide 45 new homes across a mix of general and community care needs, and which is book-ended by the iconic crescent-shaped affordable housing development at Hillhead Crescent and the new build at Old Kirk Place which is overlooked by the Viaduct.

- Another development of new bungalows for older and ambulant disabled residents has been identified for the site at Carnshalloch Road in Patna of the former Day Centre, following the successful development of this type of model as part of the Strategic Local Programme 2012-2015 at both Ayr Road, Cumnock, and Gilbert Burns Place, Mauchline.

- The SHIP 2017-2022 allows for the development of this model on three more sites that have been identified in Hurlford, New Cumnock and Mauchline, thereby enhancing the opportunity for people to live as independently as is possible within their own communities with access to appropriate support across East Ayrshire.

- It is proposed to replicate this type of provision in the authority in response to identified need, given the benefits which may be derived from the development of this type of model both for the residents and in terms of the efficient delivery of care. The potential to roll-out the core and cluster model where care may be delivered within the community by the care provider located in the new build development will be explored, where it is appropriate.

- Work in conjunction with colleagues in the Health and Social Care Partnership, the Strategic Local Programme (SLP) 2012-2015 delivered an award-winning housing model at Lilyhill Gardens in Kilmarnock. The development offers support to adults with a range of disabilities so as to promote the successful move from a range of care settings to their own homes. The development benefits from on-site support and provides a mix of wheelchair accessible and general needs homes, housed in one building, all with wet floors, rise and fall kitchen units, assistive technologies, a glass elevation to bring the outdoors indoors and a safe enclosed garden area for the residents' private use.

In the private sector most of the recent new build has been higher price, focused on family-sized homes which may be suitable for some wheelchair users, but is not suitable for older, smaller households (evidenced in Chapter 2). The 2010 Building Standards Building Regulations have improved accessibility standards for all newly built homes. However, they do not impose a requirement on developers to deliver fully accessible homes. Consultation with the North and South Access Panels identified an aspiration to include a proportion of homes that meet the needs of wheelchair users within all new housing developments.

The lack of detailed stock information and detail about new-build stock makes it difficult to determine the full extent of wheelchair accessible stock. We also do not know the full extent of the needs of wheelchair users. Although we can estimate that there may be just over 1,000 indoor wheelchair users, not all may require fully wheelchair-accessible housing, depending on the nature of their disability. As outlined above, there are an estimated 147 wheelchair users with an unmet housing need across all tenures, with 87 applicants for social rented housing in need of some form of wheelchair access.

External stakeholder consultation & engagement

External consultation undertaken as part of the HNDA process, and ongoing Council and partnership structures are:

- Health and Social Care Partnership Strategic Planning Group
- Models of care programme board
- Following production of the HNDA there are LHS stakeholder focus groups planned which include workshop sessions on Specialist Provision and Independent living.
- The HNDA research involved in-depth consultations with older people through telephone interviews to explore their housing need, demand and preferences.

In summary

- Across RSL stock, adaptions and new-build, there is up to 350 fully wheelchair-accessible properties estimated across the stock. This is likely to be fewer than required but the exact scale of the gap is difficult to determine from available data.
- The lack of detailed stock information about the private sector makes it difficult to determine the full extent of wheelchair accessible stock.
- There is an estimated unmet need among 147 wheelchair users, with 87 wheelchair users among current social housing applicants.
- There is a lack of detailed property attribute data and also limited stock condition information by tenure across East Ayrshire. A local stock condition survey would provide useful information to capture cross-tenure information on adaptations and accessibility.

7.7 **Template 3. Non-permanent Housing**

National policies - homelessness

Section 32a of The Housing (Scotland) Act 1987 allows Scottish Ministers to prescribe circumstances in which non-permanent accommodation may be provided for unintentionally homeless households in priority need, in compliance with the local authority duty under section 31 of the Act.

The Homeless Persons (Provision of Non-permanent Accommodation) (Scotland) Regulations came into force on 25 February 2010. Local authorities are therefore now permitted to comply with their duty to house unintentionally homeless households in priority need by provision of non-permanent accommodation in the circumstances set out in these regulations.

The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004 requires that no children or pregnant women should be housed in Bed & Breakfast-type accommodation for more than a fortnight.

National policies – refugees and Asylum Seekers

The Scottish Refugee Council produced Guidance in 2016 on integrating Asylum Seekers and refugees[44]. That Guidance suggest that, although housing is just one of a series of ‘markers and means’ of integration, housing organisations have several key roles in enabling refugees to achieve their integration objectives. That is through -

- providing access to housing rights and giving information on responsibilities as tenants and citizens;
- providing the environment for community safety and stability;
- acting as a community anchor, providing social links, bonds and bridges to formal and informal social connections; and
- directly and indirectly facilitating access to welfare, employability, employment, education and health services.

Local policies/strategies

East Ayrshire Council met the Scottish Government's target to abolish the priority need test by 2012, meaning all unintentionally homeless households are now entitled to permanent accommodation. The main focus of the Council's activities now is preventing homelessness from occurring in the first place, and ensuring the best possible services are made available for those who find themselves in need.

The Council provides a range of additional support services to assist formerly homeless people settle in and sustain their tenancies. All new tenants are provided with a comprehensive pack of

44 http://www.scottishrefugeecouncil.org.uk/assets/0001/1239/Housing_Practitioners__Guide_to_Integrating_Asylum_Seekers___Refugees.pdf

useful information which enables them to contact the appropriate agency to help them resolve any issues they may have with their tenancy. A decoration allowance is also provided to new tenants.

Homeless clients with more chaotic lifestyles can access the Ayrshire Intensive Housing Support Service. The service is funded from the Rough Sleepers Initiative.

East Ayrshire Council does not use bed and breakfast or private lets as temporary accommodation.

The Health and Social Care Strategic Plan 2015-18 is the key policy relevant in addressing housing needs of those with no permanent home.

Property needs

The requirement for transitional accommodation of various types is examined, including temporary accommodation of different types, for single people and families. In East Ayrshire, transitional accommodation is mainly through temporary furnished flats provided by East Ayrshire Council.

The proposals set out in the Housing Asset Management Framework (HAMF) aim to rationalise the Council's stock through a variety of methods, whether it is through improvement, new build following demolition or clearance. This may have an impact over the medium term on the supply of temporary accommodation available. However, the extent of this impact is currently unknown, although the number of households in temporary accommodation has increased in the last two years (see below). This will be considered further through development of the Housing Supply Target, Local Housing Strategy and Local Development Plan.

Land needs

The need for land for university/college campus sites and city centre student accommodation sites is unlikely to affect East Ayrshire in the short to medium term. During the development of the new college campus in Kilmarnock, Student Services were consulted and the local student profile analysed. Also taking into account the geographical location of the new campus and local transport links, it was concluded that there was no demand for student accommodation. Refugees moving to East Ayrshire have so far been accommodated within the existing stock.

Suitable for

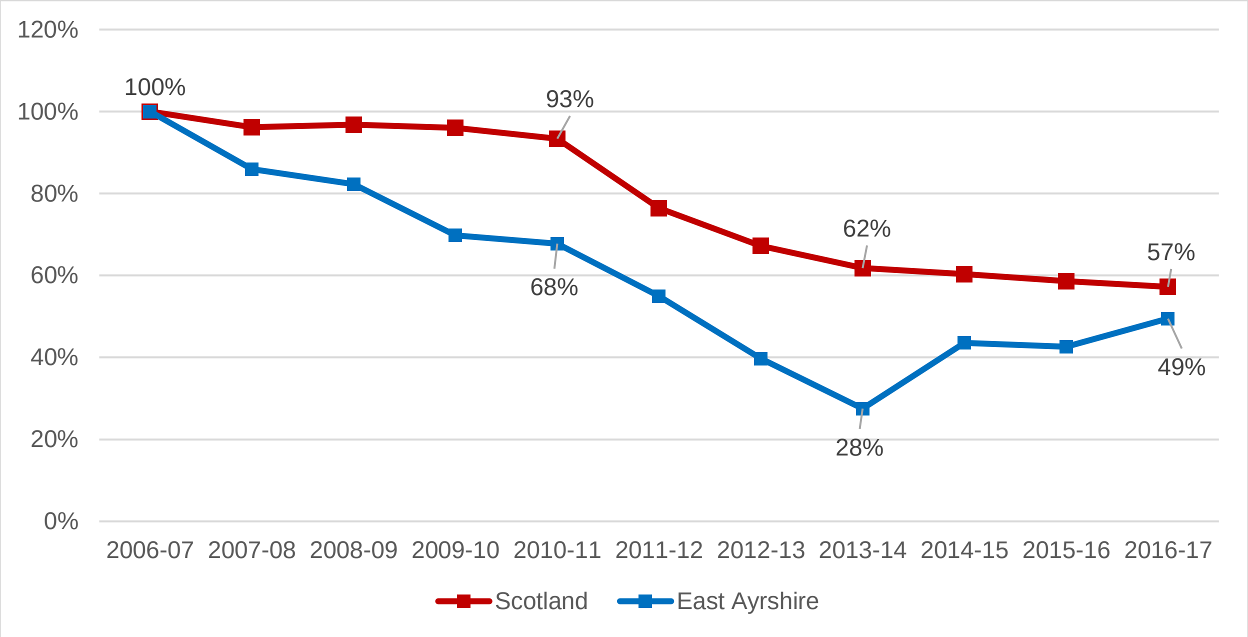
The main client groups for transitional accommodation in East Ayrshire are likely to be young, single persons who are experiencing homelessness or women and lone parents fleeing domestic abuse. Students, economic migrants and asylum seekers or refugees would also be covered in this type of provision but are not currently a significant part of the East Ayrshire resident population.

Evidence

Homelessness context

The number of homeless applications reduced significantly over the period between 2006-2007 and 2013-2014, before a more recent increase in applications. The number of applications is still just 49% of the level in 2006-2007, though.

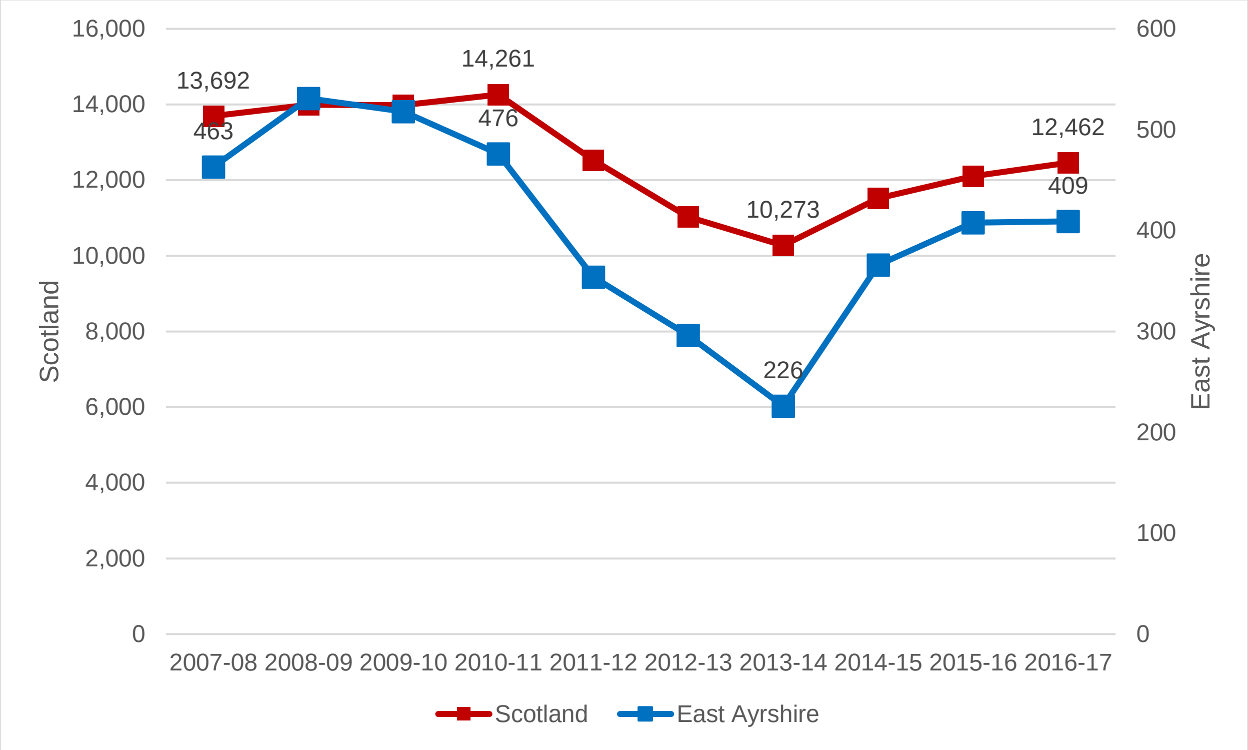
Figure 26: Change in Homeless Applications, 2006/07 to 2016/17 (INDEX = 2006/07)



Source: Homelessness in Scotland: 2016/17, East Ayrshire and Scotland; Scottish Government (Annual Homelessness Tables)

In the last three years there is also evidence of a greater number of vulnerable homeless applicants, a similar trend as observed in Scotland overall.

Figure 27: Homeless households with one or more support needs identified, 2007/08 to 2016/17



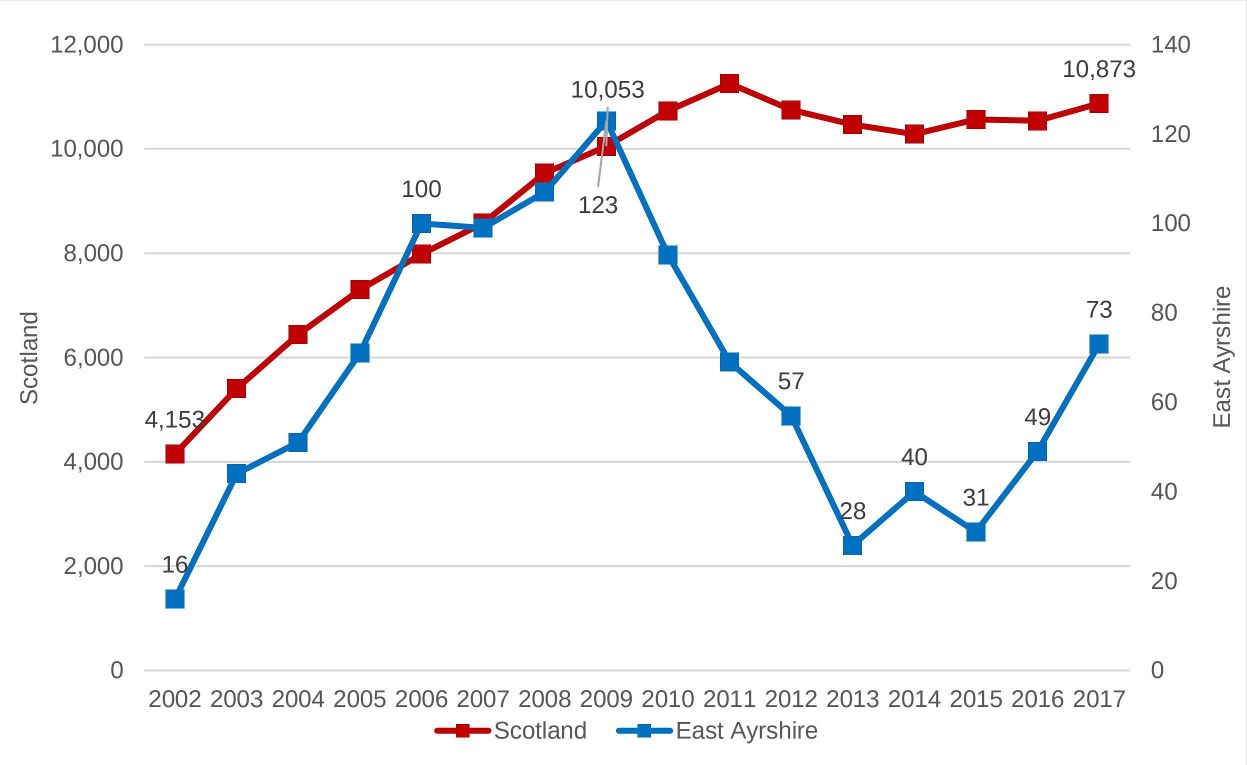
Source: Homelessness in Scotland: 2016/17, East Ayrshire and Scotland; Scottish Government (Annual Homelessness Tables)

Despite this recent increase in applications and increased levels of vulnerability, the outcome for East Ayrshire homeless applicants in 2016-2017 was more commonly a permanent tenancy, with 58% of homeless applicants in East Ayrshire having the outcome of a local authority tenancy and 9% moving into an RSL tenancy (compared with 40% and 23% in Scotland overall).

Temporary accommodation

The number of homeless households staying in temporary accommodation in East Ayrshire peaked in 2009 at 123. This figure had seen a steady decline until March 31st 2013 but there has been an increase in the numbers in temporary accommodation in East Ayrshire in recent years. This largely followed the same trend in temporary accommodation use across Scotland, although there has been a more marked upturn in temporary accommodation use between 2015 and 2017 in East Ayrshire. Between 2016 and 2017, the figure increased from 49 to 73 households in temporary accommodation.

Figure 28: Households in Temporary Accommodation, 2002 to 2017 (as at March 31st)



Source: Homelessness in Scotland: 2016/17, East Ayrshire and Scotland; Scottish Government (Annual Homelessness Tables)

Since March 2010, there are 10 cases or fewer a year in East Ayrshire where families with children or pregnant women were housed in temporary accommodation.

Annual Return on the Charter (ARC) data for 2015-2016 shows that the refusal rate for temporary accommodation is high in East Ayrshire - 32% of all offers of temporary accommodation are refused, compared with an average of 7% of temporary accommodation offers across Scotland. The differences are greatest for the LA temporary accommodation – 50% of offers of EAC temporary accommodation are refused, compared with 8% across Scottish LA temporary accommodation. Again, it is important to note that large percentages are numerically small amounts.

ARC data also shows that the average days spent in temporary accommodation in East Ayrshire is relatively low – an average of 47 days across all types of temporary accommodation, compared with 91 days on average across Scotland. The difference is even greater among local authority temporary accommodation - an average of 45 days in East Ayrshire, compared with 135 days in LA accommodation.

Satisfaction with temporary accommodation among those accepting an offer is higher than average – 96% of East Ayrshire temporary accommodation residents were satisfied, compared with 87% average satisfaction across Scotland (ARC data, 2015-2016).

Unmet need for temporary accommodation

Although satisfaction with temporary accommodation is higher than average, the higher level of refusals of temporary accommodation in East Ayrshire may indicate that temporary accommodation does not always meet preferences.

Recent data on temporary accommodation, comparing the period from 1st January to 30th June 2017 with the same period the year before shows an increase in the average number of days from presentation to completion of closed cases, from 101.9 days in 2016 to 153.7 days in 2017. The average length of time spent in temporary accommodation, for stays ending in the period, has increased from 38.6 days in 2016 to 61.6 days in 2017. If these trends continue, this will put pressure on the available temporary accommodation.

This increase in the length of time spent in temporary accommodation has been attributed to the impact of the Council's Housing Asset Management Framework (HAMF) activity, which has reduced the supply of the Council's housing available for temporary accommodation.

Applicants who seek homeless person's assistance predominantly originate from the Kilmarnock area and seek to be rehoused back to their communities. Local initiatives will mitigate any long-term impact of the HAMF on homelessness and temporary accommodation. Whilst there is an overall reduction in stock availability there should be an associated positive impact on tenancy sustainment with households accessing settled accommodation in established communities.

Future need for temporary accommodation

ARC data for 2015-2016 shows around 220 households housed in temporary homeless accommodation in hostels, while 135 households were housed in local authority dwellings. The average length of stay across all provision was 47 days.

There has been a more recent increase in the numbers of households in temporary accommodation at year-end in East Ayrshire Council in recent years, from 28 in March 2013 to 49 in 2016 and 73 in 2017. This is an increase of 45 cases over 4 years which, if this trend continues, would result in around 130 homeless households in temporary accommodation by the end of March 2022.

This would need an additional 11 units of temporary accommodation to be made available each year between 2017 and 2022.

Lone parents fleeing domestic violence

The number of recorded domestic abuse incidents in East Ayrshire increased from 1,027 in 2005-06 to 1,567 in 2014-15, representing a 53% increase (Source: Violence Against Women Dataset). This is the equivalent of 1,283 domestic abuse recordings per 100,000 population throughout 2014-15 (the 7th highest of all Scottish Local Authorities). A crime or offence was recorded as a result of a domestic abuse incident in 57% of cases in East Ayrshire, compared to 54% nationally.

Despite this increase in recorded cases, between 2012 to 2016 there was a reduction in the number of referrals of about 17%. The number of women and children admitted to refuge tends to be around 50 cases per year. There is some fluctuation but the number remains broadly the same.

Table 53: Referrals to East Ayrshire Women's Aid (2012-2013 to 2015-2016)

	2012/13	2013/14	2014/15	2015/16	2012-16 % change
Referrals - Women	417	387	339	352	- 15.6%
Referrals - Children & Young people	146	143	107	114	- 21.9%
Referrals – Total	**563**	**530**	**446**	**466**	**- 17.2%**
Women & children admitted to refuge	59	51	47	52	- 11.9%
Referred to D-A Advocacy Service	-	54	16	31	- 42.6%
Accessed East Ayrshire CEDAR Project	-	-	19	62	+ 226.3%
Women received D-A alarms / pack	24	17	23	32	+ 33.3%
Support sessions provided - Women	2,374	4,095	3,518	4,128	+ 73.9%
Support sessions provided - C & Y P	1,401	986	1,226	1,204	- 14.1%
Training and learning events delivered	-	19	67	54	+ 184.2%

Source: East Ayrshire Women's Aid monitoring data

There have been increases in the numbers accessing the CEDAR (Children Experiencing Domestic Abuse Recovery) Project[45], in women receiving alarms / packs, support sessions provided to women and training / learning events delivered.

East Ayrshire Women's Aid have one eight space self-contained refuge in the north of East Ayrshire and a family space/house in the Doon Valley. The East Ayrshire Refuge is a bespoke, new build property providing self-contained accommodation, along with common areas and break-out rooms constructed by a partner RSL and managed by East Ayrshire Women's Aid.

The Doon Valley refuge replaced a communal eight, space refuge in Auchinleck after a long period of under-occupancy. That under-occupancy has been attributed to various factors, including the out-dated nature of the facility, its location and the challenges of the rurality of the south of the local authority area.

East Ayrshire Women's Aid received 38 requests for refuge in 2016/17 (59 in 2015/16, 86 in 2014/15). One of the reasons for the reduction is wider use of a UK refuge database where agencies can find out where there are refuge spaces before making a request. Despite this, the service consistently accommodates around 30 women and their children each year in their refuges. The overall occupancy rate remains fairly constant at around 80% (82.1% in 2014/15, 79.7% in 2015/16 and 81.2% in 2016/17). There were only two requests for refuge for women from the south of the authority in 2016/17. Over 2015-2016 ARC data reported that three households fleeing domestic violence were housed in hostels as temporary homeless accommodation, for an average of 51 days.

Consultation with staff from East Ayrshire Women's Aid indicates the view that the current level of refuge provision is adequate for the current level of need. However, the service would like to extend the range of additional security options offered, such as door security, panic alarms, mobile phones etc. There are also additional support needs identified among women with substance misuse issues.

[45] Cedar East Ayrshire was established in March 2013 and is funded by the BIG Lottery. It is managed by East Ayrshire Women's Aid and is part of their support services offered to women, children and young people across the East Ayrshire area.

In future, we would expect to see an increase in demand for advice and in-home support services in the short term, with longer term reductions due to the expected reductions in the number of younger households.

Students

The Scottish Household Survey dataset for 2014 shows an estimated 2% of households are headed by someone in full-time education, an estimated 1,100 households. What is not known is how 'temporary' these student households are to East Ayrshire. However, as noted previously, there has been no specific need identified for additional land for student accommodation across East Ayrshire.

Scottish Household Survey data for East Ayrshire[46] shows a drop in the proportion of households headed by younger people. In 1999-2000 20% of households in East Ayrshire were headed by someone aged between 16 and 34 years old. This proportion reached a low of 15% in 2005-2006 and stood at 16% in 2016. Across Scotland, 22% of households were headed by someone aged between 16 to 34 years old. This fell back to 18% in 2005-2006 but increased again to 20% by 2016.

Over the same period from 1999-2000 to 2016, the proportion of adults in East Ayrshire Council recorded as in Further/Higher Education increased from 3% of adults to 6% of adults. Scotland overall also showed an increase over the period from 4% in 1999-2000 to 6% in 2016.

In East Ayrshire, the increasing proportion of students has been accompanied by a decrease of the proportion of households headed by young people. This suggests that, although there is no specific need for student accommodation identified, there is evidence that young people in East Ayrshire, including students, may not be as able to form independent households as previously.

Migrants and asylum seekers

The number of migrants and asylum seekers in East Ayrshire is difficult to determine, due to the small likely numbers involved. In 2011, the Census found that 308 people in East Ayrshire had moved to the local area from abroad. That is around 0.3% of the East Ayrshire population in 2011. Of these migrants, the largest group (around 40%) were from English-speaking countries - New Zealand, Australia, the USA, Ireland and the Isle of Man.

52 people had moved from Europe to East Ayrshire while 39 had moved from the 'New-EU' countries such as Poland, Bulgaria, Latvia etc. and 47 had moved from Africa or the Middle East while 40 had moved from China/Japan and other Asian countries.

Those moving from Africa or the Middle East may be more vulnerable, with more likelihood of being refugees or Asylum Seekers. However, some may be people who had returned from working oversees, for instance.

[46] East Ayrshire Council SHS Tables 2016

Future needs are hard to predict, given that flows of migrants are affected by broader economic circumstances. These flows are also likely to be affected in future by 'Brexit' as the UK Government seeks to control immigration from EU and non-EU countries.

East Ayrshire Council has committed to working with the Scottish Government in any way possible to help refugees in need of urgent assistance and support. The number of refugees arriving in Scotland is worked out proportionately at a national level, based on the size of each local authority area and their ability to help the incoming refugees. The Scottish Government has agreed to accommodate up to 2,000 Syrian refugees across Scotland; of this East Ayrshire will receive up to 50 refugees over the next five years (agreed in October 2015)[47].

East Ayrshire Council have welcomed 25 Syrian refugees to date. This includes 6 families overall, the breakdown being 8 men, 6 women and 11 children. To date all have been provided with social rented accommodation by East Ayrshire Council, 5 of the families are still resident within the Local Authority area and 1 family has moved away.

External stakeholder consultation & engagement

- East Ayrshire Homeless Assurance Group is the key forum used for ongoing consultation with homeless service users.
- The Council has undertaken consultation with Ayrshire College re: student accommodation for SHIP purposes.
- Due to the small numbers involved, engaging with migrants and asylum seekers is challenging and will rely on building customer intelligence. The recent 'Customer Café' approach being used by the wider Council might offer a model for this engagement.

[47] https://www.east-ayrshire.gov.uk/Housing/Refugees-settling-in-East-Ayrshire.aspx

In summary

Overall, permanent tenancies are generally used more commonly to house homeless households than temporary accommodation and periods in temporary accommodation are typically short and the vast majority rated it as satisfactory.

There has been an increase in the numbers of households in temporary accommodation in recent years. In future the Council's HAMF strategic asset management process may put pressure on the availability of temporary lets through this route. If numbers of people in temporary accommodation increase in line with recent trends, an additional 11 units of temporary accommodation will need to be made available each year between 2017 and 2022.

Despite the recorded increase in domestic abuse, the demand on women's refuge accommodation has remained fairly constant. Long term trends in household type suggests this demand on refuge accommodation is unlikely to increase.

There has been no specific need identified for additional land for student accommodation across East Ayrshire but some evidence of potentially unmet need.

The number of migrants and asylum seekers are relatively small and will continue to be housed in the Council's or RSLs' housing stock.

7.8 Template 4 - Supported Provision

National policies

Some of the policies already highlighted in Templates 1 and 2 are also relevant to supported accommodation provision. Other policies of relevance are:

- Joint Strategic Commissioning Plans, as part of the Integration of Health and Social Care
- Scotland's National Dementia Strategy 2013-2016
- Keys To Life – improving quality of life for people with learning disabilities, 2013
- Caring together: the carers strategy for Scotland 2010-2015
- Mental Health Strategy for Scotland 2017-2027
- Regulation of Care (Scotland) Act 2001 and Community Care and Health (Scotland) Act 2002

Local policies/strategies

Relevant local policies and strategies are:

- East Ayrshire Strategic Housing Investment Plan
- Health and Social Care Strategic Plan 2015-18

- [East Ayrshire Common Allocation Policy]
- Approach to Assisted Living development

Property needs

This Template relates to a range of housing and support needs in various settings and among different groups e.g. care homes, sheltered housing and other supported living. The focus is on support in specialist accommodation rather than support at home (which is dealt with in Template 5, below).

Care and support needs

The range of services and providers covers health and social care and associated support services e.g. key workers, Community Psychiatric Nurses, Nurses, Social Workers, Care Assistants and Wellbeing Development Officers.

Suitable for

The supported provision here is mainly for older people; those with a physical disability, learning disabilities, or mental health issues; it also covers supported accommodation for young people leaving care.

Evidence

Supported Housing for older people

East Ayrshire has **40** supported accommodation schemes throughout the local authority area, which consists of **768** units of accommodation provided by a number of social landlords allocated according to an assessment of housing need (Housing Contribution Statement, 2016).

Data provided by East Ayrshire Council and the local RSLs in the table below suggests that the profile of the supported housing for older people is broadly in proportion to the prevalence of older households. Provision is slightly higher in Cumnock and slightly lower in Kilmarnock, compared to the profile of the population of households headed by someone aged 75+.

Table 54: Profile of older people's housing in East Ayrshire

	Kilmarnock	Cumnock	Doon Valley	East Ayrshire
Amenity housing	109	25	0	134
Housing with Care	0	11	0	11
Retirement housing	0	0	43	43
Sheltered housing	88	0	0	88
Very sheltered	66	37	0	103
Other supported	89	57	18	164
General needs	200	145	28	373
Total	552	275	89	916
	60%	30%	10%	100%

Source: EAC and RSL housing management data, Sept-Nov 2016

There are some low demand issues with some of the amenity housing across East Ayrshire, with small bed-sit/studio style accommodation less popular and stock in some specific areas being less popular. This includes Hanover Housing Association's amenity developments in Newmilns, Kilmaurs, New Farm Loch and parts of Kilmarnock and some of Trust Housing Association's amenity stock in Darvel. East Ayrshire low demand supported accommodation is in Auchinleck, Catrine, Dalmellington, Drongan, Galston, Kilmarnock, Kilmaurs, Logan, Mauchline, Muirkirk and New Cumnock. Sheltered housing is relatively more popular, with fewer low demand issues.

Shifting the balance of care

Table 55 below shows the percentage of the last six months of life spent at home or in a community setting has increased in East Ayrshire from 85.6% in 2010-2011 to 87.0% in 2014-2015. This shows improvement and is slightly better than the Scottish average.

Table 55: Percentage of last six months of life spent at home or in a community setting, by health and social care partnership

Health and Social Care Partnership	2010/11	2011/12	2012/13	2013/14	2014/15
Aberdeen City	85.8	86.9	87.5	88.2	87.6
Aberdeenshire	87.1	87.3	88.2	89.4	88.8
Angus	86.9	88.2	88.0	88.2	89.1
Argyll & Bute	86.7	87.8	89.5	88.2	88.3
Clackmannanshire and Stirling	85.2	85.1	87.0	84.9	86.3
Dumfries & Galloway	87.2	88.3	88.7	88.8	88.9
Dundee City	84.8	86.2	86.2	86.9	86.7
East Ayrshire	**85.6**	**87.0**	**86.4**	**87.0**	**87.0**
East Dunbartonshire	83.3	83.6	84.4	84.7	85.3
East Lothian	84.0	84.4	85.1	83.5	85.6
East Renfrewshire	82.3	83.9	83.8	84.6	84.2
Edinburgh	82.6	83.8	83.0	82.9	84.6
Falkirk	85.9	86.1	85.4	84.7	84.6
Fife	85.6	85.8	86.5	86.0	86.8
Glasgow City	83.9	83.9	84.3	84.1	83.8
Highland	89.2	89.8	89.5	88.3	89.8
Inverclyde	82.4	84.9	84.9	84.6	84.6
Midlothian	84.7	84.9	84.1	84.5	85.8
Moray	87.8	89.2	88.3	88.9	89.5
North Ayrshire	85.9	85.8	86.7	86.8	86.8
North Lanarkshire	85.0	85.8	85.2	85.8	87.2
Orkney Islands	88.3	91.1	90.7	89.5	89.4
Perth & Kinross	87.5	87.4	88.1	88.0	87.8
Renfrewshire	85.7	85.2	86.2	87.2	86.6
Scottish Borders	84.7	83.6	84.1	82.6	83.1
Shetland Islands	89.2	90.3	87.4	92.1	92.3
South Ayrshire	85.1	87.0	86.3	85.2	85.7
South Lanarkshire	84.1	83.6	83.6	83.0	84.2
West Dunbartonshire	86.9	86.3	87.0	86.6	86.6
West Lothian	84.1	84.7	85.9	85.8	85.7
Western Isles	84.4	84.0	87.9	86.1	87.7
Scotland	**85.2**	**85.7**	**85.9**	**85.8**	**86.3**

Source: SMR01, SMR04 and NRS Death Records, Health and Social Care Team, ISD

Note: This measure has been calculated by subtracting the number of bed days spent in an acute, mental health or geriatric long stay hospital in the 6 months prior to death from the maximum number of bed days a patients could have spent in hospital in the 6 months prior to death (182.5 days).

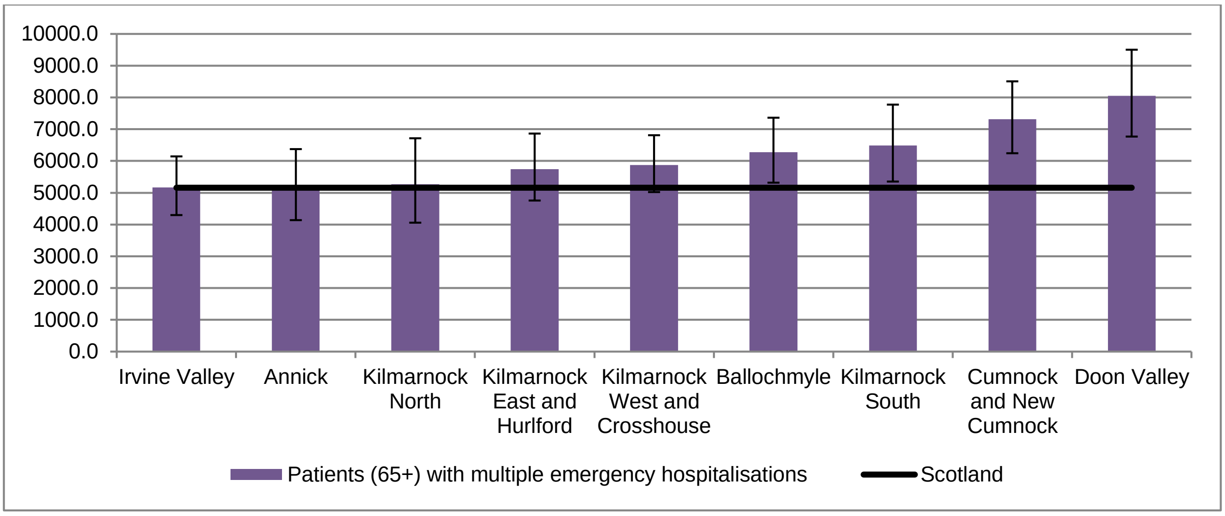
ISD also has data on the number of patients aged 65 years+ with multiple emergency hospitalisations (Figure 5). This is an indicator of health and well-being in later life and a useful proxy for the suitability of the current housing and care package. Rates of multiple hospitalisation among older people are particularly high in Doon Valley, Cumnock and New Cumnock, followed by Kilmarnock South and Ballochmyle.

The aims of East Ayrshire Care and Repair are to prevent hospital admission and facilitate discharge, with a large part of that work in falls prevention. The Service also works alongside the Rapid Response Team to alleviate bed blocking, where possible. There were 60 integrated care cases in 2016-2017.

It is notable that the areas with higher prevalence in multiple hospitalisations are areas with higher levels of deprivation – with higher dependency on incapacity benefit and severe disability allowance (see Figure 29). Outcomes for older people in later life are associated with experiencing ill-health and disability at a younger age than is typical. The distribution of the 'working age unwell' can be a useful predictor when planning services, with potentially more 'proactive' service delivery required in more deprived settings.

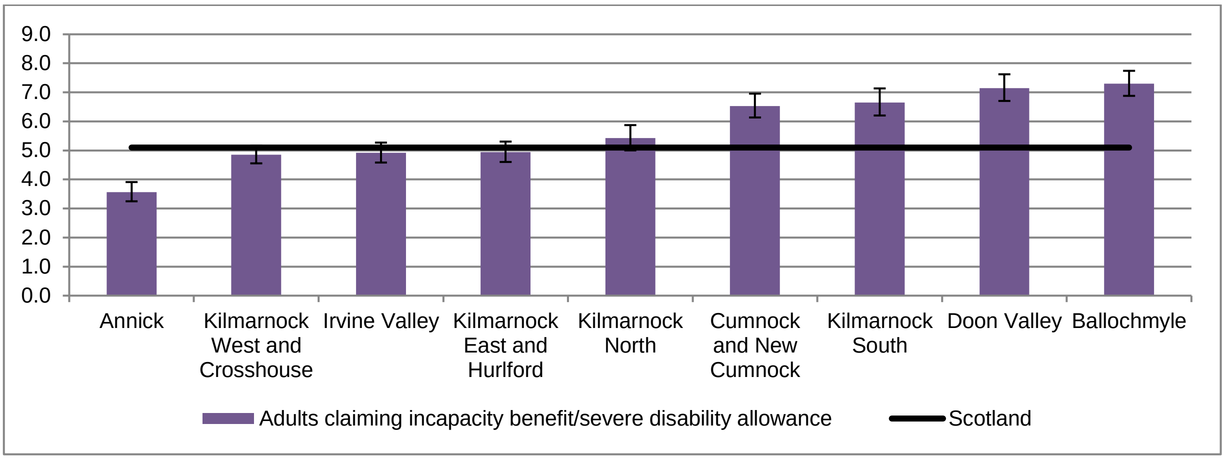
Evidence has shown that long-term conditions affect the lives of one in three people - or six in 10 adults but this burden of illness is particularly increased among older people, affecting around two-thirds of those aged over 75, 45 percent of whom have more than one long-term condition. The local available data (Scotland's Census OnLine) estimates that the average age of a person in Ayrshire & Arran with a limiting illness is 59 years (North 58; East 58 and South 61 years) whereas Scotland as a whole is 58 years.

Figure 29: Patients aged 65+ with multiple hospitalisations, by ward



Source: ISD East Ayrshire Health and Social Care Partnership localities - ScotPHO Profile Indicators. (SMR01, Linked Database, April 2016)
Note: Indicator 18 - Patients 65+ years with two or more emergency hospital admissions, discharged from hospital: 3-year rolling average number and directly age-sex standardised rate per 100,000 population

Figure 30: Adults claiming incapacity benefit/severe disability allowance, by ward

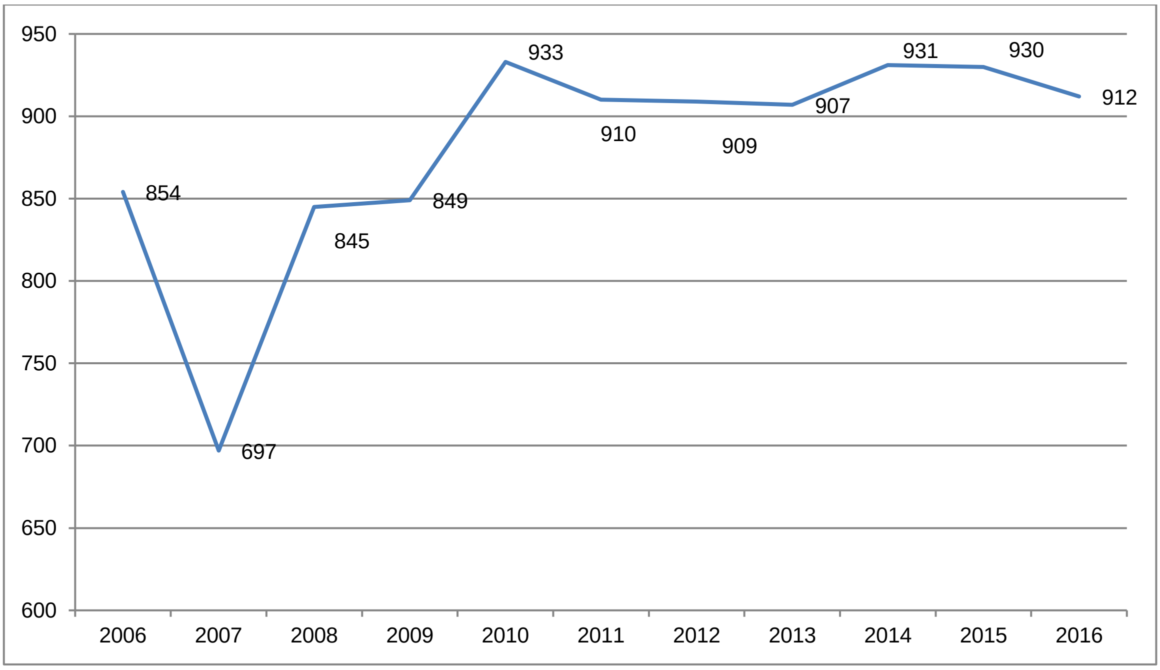


Source: ISD East Ayrshire Health and Social Care Partnership localities - ScotPHO Profile Indicators. (DWP data, April 2016)
Note: Indicator 23 - Number and percentage of all adults 16+ claiming incapacity benefit/severe disability allowance or employment support allowance

Care Homes

One of the expected/anticipated trends in older people's accommodation is a shift in the balance of care from residential care to home care. According to Care Homes Census data, over the last ten years, there has been an increase in care home places across all providers.

Figure 31: Care home places in East Ayrshire (for older people) 2006-2016



Source: Care Home Census, 2016

However, the 854 residents in 2006 would have been a larger proportion of the overall population of older people – 9.9% of the 8,652 aged 75+ – compared with 2016 (912 is 9% of 10,053 aged

75+). So, despite an increase in the number of care home places, this still shows a downward trend in the proportion of older people in residential care of almost 1% over the 10 years.

Data from the Health and Social Care Partnership as at November 2016 shows that there were 733 people in local authority care homes, across 238 residential places and 495 nursing care places (with an average stay of 13 months). These are split geographically as follows –

Table 56: Local authority care home provision (November 2016)

	Nursing care	Residential care	Totals
East Ayrshire, North	280	78	358
East Ayrshire, South	155	144	299
Out-with East Ayrshire	60	16	76
Totals	**495**	**238**	**733**

Source: Health and Social Care Partnership occupancy data, November 2016

Table 57: Local authority care home provision – projections by HMA

HMA	2027 (8%)	2037 (7%)
Kilmarnock	567	621
Cumnock	203	214
Doon Valley	75	77
EAC	**845**	**912**

Source: NRS - 2012-based principal household projections by household type and age of head of household, 2012 to 2037, East Ayrshire, Care Home Census, 2016

The private sector

There is limited specific provision for older people in the private sector, with a scheme built by McCarthy Stone in Kilmarnock and another development at Abbeyfield House, managed by Abbeyfield Kilmarnock.

If we project forward the current shifting balance of care, so that we see a further reduction in care home use of 1% over a ten year period, there would be a requirement for 845 care home places in 2026 and 912 in 2036 (across local authority and private provision).

With a shifting balance of care, the current level of care home provision would be adequate to cover need, **as long as there was a 1% increase per 10-year period in alternative provision through supported housing, or suitable housing with care packages.**

Residents with dementia

According to East Ayrshire Health and Social Care Partnership data, the number of current health and social care clients diagnosed with dementia (by setting) in 2016 was as follows -

- Mainstream housing - 109
- Supported accommodation - 5
- Long Stay care - 55
- Hospital – 1.

This number - a total of 170 people in 2016, is the equivalent of 1.7% of those aged 75+ (during the period from 1/4/15 – 31/3/16). This is a low level of diagnosis compared to intelligence about dementia from other sources, which shows a diagnosis for 43,409 people across Scotland in 2015 (9.9% of those aged 75+).

There are potentially 824 people with a dementia diagnosis that do not access health and social care services at present. Projecting forward, 9.9% of older people with dementia would be 1,500 diagnoses by 2027 and 1,800 by 2037.

However, this is a complex area e.g. dementia incidence doubles every five years from ages 65 to 90 years – so the growing numbers of 'oldest old' will need to be considered on an ongoing basis through health and social care strategic planning.

People with learning disabilities

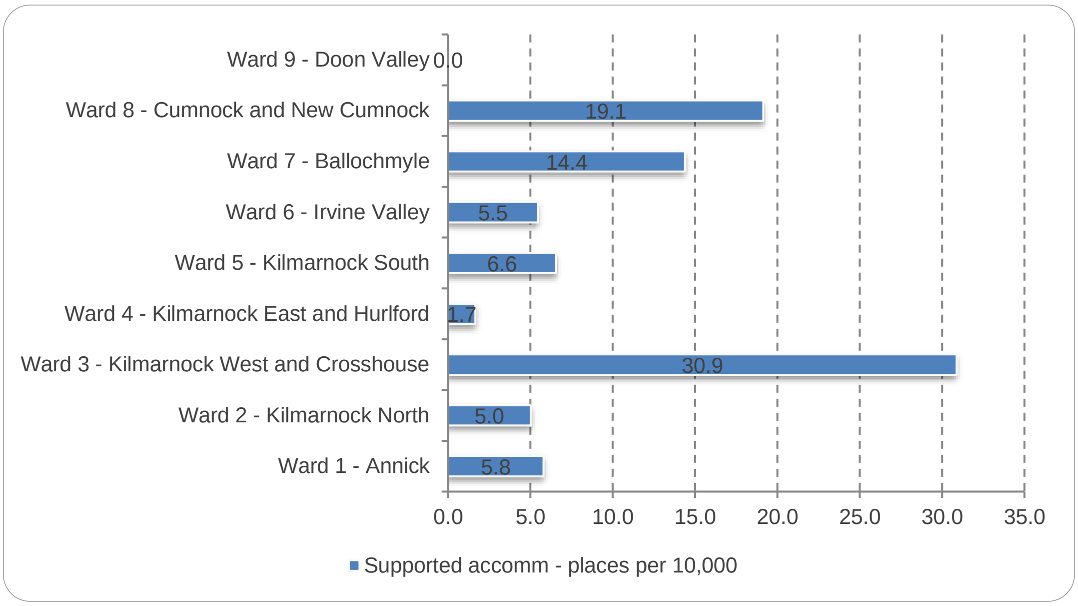
Recent analysis by East Ayrshire Health and Social Care Partnership found that the requirement for supported accommodation for people with learning disabilities will increase in future. At the moment, most people live independently of services, with just 570 people of 2,800 with learning disabilities accessing services.

There is an increased demand for supported accommodation as the life expectancy for people with learning disabilities and multiple, complex disabilities increases. This means that the number of adults living with older carers has increased and will increase in the future. Like services for older people, there is an expected and desired shift in the balance of care from care home-type provision to community-based, independent living. Care home places for people with learning disabilities have reduced from 66 places to 48 places between 2006 and 2015. In 2015, there were 33 residents in care homes – that is an occupancy rate of just 69%.

The figure below shows the relative disparity of supported accommodation provision, with no provision at all in Doon Valley and very little in Kilmarnock East and Hurlford. The proposed new build in year two of the SHIP 2017-2022 will provide a bespoke assisted living facility at Cessnock Road, Hurlford. As a guide, the estimated 570 (of 2,800) getting some services is around 0.5% of the population, so even the highest provision – 30.9 per 10,000 is low (at 0.3%).

East Ayrshire Health and Social Care Partnership has identified a number of issues for the future. There will be a 20-50% increase in core 'client group' for supported accommodation, depending on the eligibility approach used. The majority will live independently of services but tenancies will become unsuitable as people age and as their carers age.

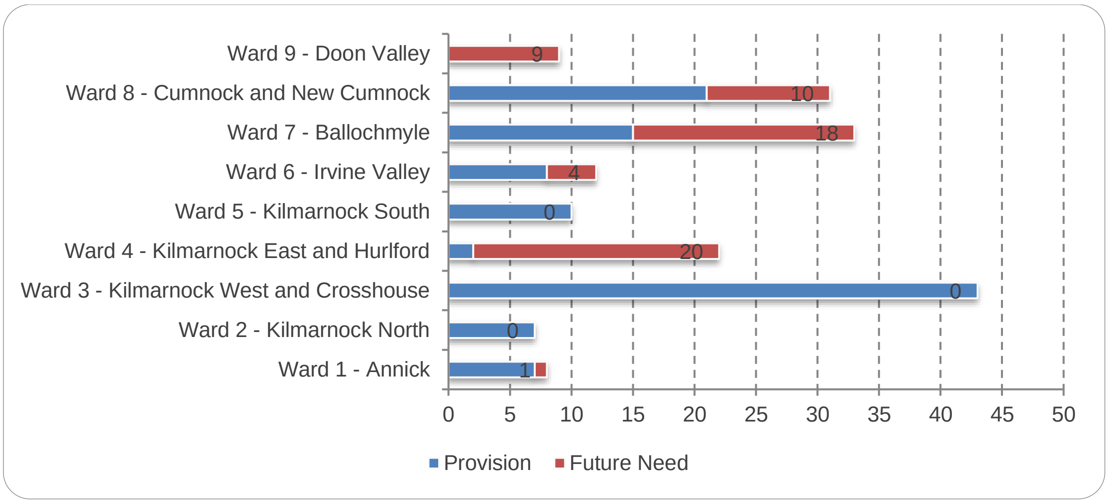
Figure 32: Supported accommodation places per 10,000 people



Source: East Ayrshire Health and Social Care Partnership, 2015-2016

The Health and Social Care partnership has also modelled future needs. A total of 64 supported accommodation places are required in addition to the 113 places currently available. The figure below shows this is most significant in Kilmarnock East and Hurlford, Ballochmyle, Cumnock and New Cumnock and Doon Valley. The proposed new build in year two of the SHIP 2017-2022 will provide a bespoke assisted living facility on the site of the former Crown Hotel, in New Cumnock.

Figure 33: Current provision and future need for supported accommodation among adults with learning disabilities



Source: East Ayrshire Health and Social Care Partnership, 2015-2016

As service users age there is also a need to plan for an increasing complexity of need within people known to services, which will impact on workforce planning and also community assets, such as building accessibility, accessible transport etc.

Lilyhill Gardens is a new build town centre-based assisted living development, which provides housing for 13 residents with a range of learning and physical disabilities. This type of provision stands as a model for the future.

There are also proposals in the Strategic Housing Investment Plan 2017-2022 which will deliver assisted living developments in Hurlford (14 places), New Cumnock (14) and the potential to develop in Mauchline (14) and to augment the new provision referenced in Kilmarnock (14).

Young people leaving care

All young people transitioning from a care setting have an allocated lead professional in Children and Families. Many young people also have an intensive support worker to assist them with the practical, social and emotional issues involved in moving on to a more independent living environment. The level of support provided is determined by the needs, vulnerability and preferences of each young person.

Young people who move on from a care setting before they are ready to do so will naturally struggle with the responsibilities of managing a tenancy. Young people in East Ayrshire are encouraged to remain in a positive care setting until eighteen or beyond in line with the Staying Put approach, (Staying Put Scotland and Housing Options Protocol for Care Leaver's, Scottish Government 2013) and the Children and Young People {Scotland) Act 2014.

Whatriggs Road is a bespoke development in a town centre location designed to meet the needs of care experienced young people. It offers four, two bedroom flats, located above a row of shops, with access through a communal entrance way. Three of the flats are made available as supported accommodation for up to six young people with the fourth flat providing office accommodation.

To ensure a managed and fully supported transition to independent living, young people leaving care will be considered for rehousing on the Strategic Needs Group within the Common Allocation Policy. Working with colleagues from the Health and Social Care partnership, accommodation is identified which will provide the best possible opportunity for the young person. This takes account of existing support networks, augmented by a tailored package of support to develop the skills required to set up and sustain a tenancy at a pace which recognises the progress, attainments and abilities of the young person.

Care experienced young people may have multiple transitions between staying with friends, private lets, own tenancy and whilst the above depicts the preferred rehousing route for young people, the table below identifies when these destinations have failed. Over the previous 3 years detailed in Table 13, 8 of the care experienced young people required to make a homeless application with 6 of those requiring to take up homeless temporary accommodation.

Table 58: Numbers of young people leaving local authority care presenting as homeless

	2014-2015	2015-2016	2016-2017	Totals 2014-2017
All Young People Leaving Care	38	37	38	113
Presented as homeless on leaving care	0	1	0	1
Presented as homeless after breakdown of initial housing destination	2	3	2	7
Accommodation accessed at time of presentation	2 with friends/relatives	4 at St Andrews Court Hostel	1 - Furnished Flat 1 – Blue Triangle Housing Assoc.	8

Source: EAC Housing Options Team data

East Ayrshire own and manage St Andrews Court hostel which provides hostel accommodation for single or couple homeless households as well as a number of furnished properties from the mainstream housing stock and commission Blue Triangle Housing Association to provide 10 accommodation spaces, 6 within their project of self-contained flats and 4 furnished properties for those aged 16-24 who are homeless.

Research shows that young people want safe and stable accommodation, to try to achieve positive destinations. "We want young–adult appropriate and gender-sensitive accommodation options available to us when we are trying to resettle and move on with our lives." (You Can't Put a Number On It, Transition to Adulthood Alliance [T2A], 2015).

Recent trends suggest that 20-25 supported accommodation places are needed for young people moving on from care while there are just 6 places available at present.

Young people leaving Polmont Young Offenders Institute

Some young people returning to the community from Polmont Young Offenders Institute (YOI) will not have housing issues and will be able to go back to their family. However, some of our young people do not have a home to return to and currently have to present as homeless. In 2014-15 7 young people left Polmont YOI while 6 left in 2015-2016.

The most current information for young people leaving Polmont YOI is aggregated with young people leaving care so it is difficult to determine outcomes. However, it is reasonable to assume that the issues around supported accommodation for young people leaving care would also affect young people leaving Polmont YOI.

External stakeholder consultation & engagement

- Health and Social Care Partnership Strategic Planning Group.

Summary

With a shifting balance of care, the current level of care home provision would be adequate to cover need, as long as there was a 1% increase per 10-year period in alternative provision through supported housing, or suitable housing with care packages.

There are potentially 824 people with a dementia diagnosis that do not access health and social care services at present. Projecting forward, 9.9% of older people with dementia would be 1,500 diagnoses by 2027 and 1,800 by 2037. This is a complex area with dementia incidence doubling every five years from ages 65 to 90 years and so has to be considered on an ongoing basis through health and social care strategic planning.

The current provision of homeless hostels is sufficient to meet projected needs of homeless people. Future supply through the council stock will have to be monitored against demand.

There is adequate provision, both current and projected, for supported accommodation for women fleeing violence.

There is a shortfall of supported accommodation for people with learning disabilities (64 supported accommodation places against 113 needs), with geographic disparities across East Ayrshire. The Assisted Living model is a key model for the Health and Social Care partners in provision of supported accommodation for those with learning and physical disabilities with supply projected to increase from the current 13 with an additional 42 places planned.

Recent trends suggest that 20-25 supported accommodation places are needed for young people moving on from care while there are just 6 places available at present.

7.9 Template 5 - Care/Support for Independent Living at Home

National policies

In addition to the overarching plans and policies set out under previous templates, the following are also relevant.

- Shifting the Balance of Care (SBC)[48] to improve health and wellbeing by increasing the emphasis on health improvement and anticipatory care, more continuous care and support closer to home.

- National Tele-health and Telecare Delivery Plan for Scotland to 2016

- Keys To Life – improving quality of life for people with learning disabilities

[48] http://www.shiftingthebalance.scot.nhs.uk/

Local policies/strategies

The Health and Social Care Partnership Housing Contribution Statement highlights the important role of housing in benefiting health and social care outcomes. Many housing services are preventative and anticipatory in nature and often have a direct impact on reducing the need for more intensive and often higher cost health and social care services.

The current Local Housing Strategy identifies the need to consider expanding provision for those looking to continue to own their property, and the role played by the private rented sector in housing older people requires further examination.

Key local housing policies and strategies are:

- Housing Contribution Statement
- Health and Social Care Strategic Plan 2015-18
- Housing Occupational Therapist Assessments

Care and support needs

There are a wide range of relevant care and support services available to enable residents to live independently. These services will include:

- Telecare/Telehealth and community alarms;
- Home helps, support workers and carers;
- Handyperson service/ Care & Repair;
- Social workers.

Suitable for

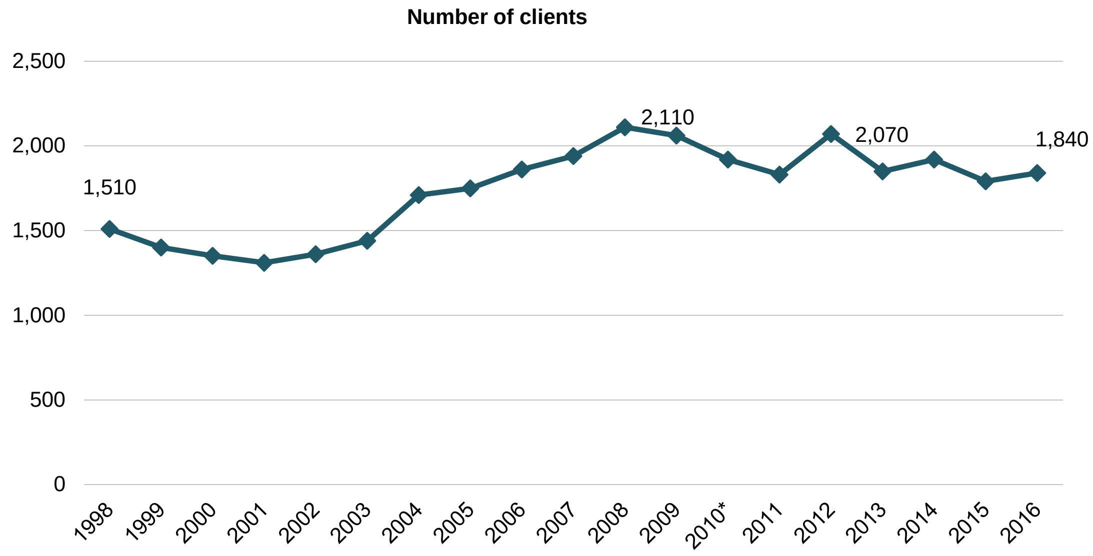
Support services are available to a range of client groups living in their own home (across all tenures) who need care and/or support to continue to live independently. This will include older persons (including those with dementia) and people with physical and learning disabilities.

Evidence

Home care services

The graphs below show the number of home care clients in East Ayrshire and the total hours of care provided, between 1998 and 2016. The total number of clients has risen over the period, although since 2008 (after the economic downturn and associated public sector expenditure freezes) the total number of clients has reduced again and stands at around 1,800 clients. This is approximately 17% of people aged 75+.

Figure 34: Home care clients, East Ayrshire Council, 1998-2016

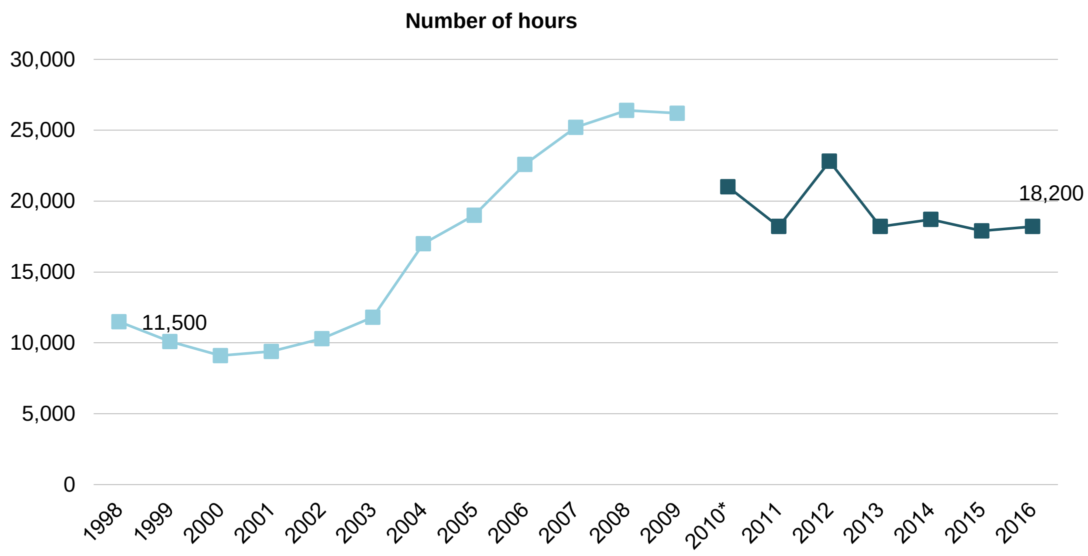


Source: Home Care Census up to 2012, Social Care Survey from 2013, NRS mid year population estimates up to 2015
*Note: Figures for Home Care hours from 2010 exclude 24-7 care. This has resulted in a break in the time series between 2009 and 2010.

Projecting forwards, at 17% of those aged 75+ we would expect to see around 2,500 home clients by 2027 and 3,050 by 2037. This is based on current levels of usage.

If there was a further **shift in the balance of care** so that a further 1% people per 10-year period received home care rather than moving into residential/nursing care, **the estimates of those requiring homecare would be 2,600 in 2027 and 3,400 in 2037.**

Figure 35: Total home care hours provided, East Ayrshire Council, 1998-2016



Source: Home Care Census up to 2012, Social Care Survey from 2013, NRS mid year population estimates up to 2015
Note: Figures for Home Care hours from 2010 exclude 24-7 care. This has resulted in a break in the time series between 2009 and 2010.

The total number of hours of care has increased over time, from 11,500 hours in 1998 to 18,200 in 2016. This is an increase from an average per client of 7.6 hours in 1998 to 9.9 hours in 2016.

So, over time, on average there has been an increase in the number of clients and the amount of care they receive. This means that the capacity to deliver the shift in the balance of care to 2,600 clients by 2027 and 3,400 in 2037 will depend on being able to offer more hours of care. **Assuming that the current average of 9.9 hours of care continues, that would be 25,740 hours of care in 2027 and 33,660 hours of care by 2037.**

If, as a result of the shifting in the balance of care, we see an increase in the average amount of care received per person, this requires a higher capacity. The increase from 7.6 hours to 9.9 hours across the 18 years between 1998 to 2016 is an average increase of around 1.3 hours of care per client over a ten year period. **If this increased need for care projects forward, the total number of hours of care required by 2027 will be 29,120 and by 2037 it will be 42,500 hours.**

Table 59 shows the varying levels of need by housing market area, according to the scores on the My Life My Plan – Outcome / Needs Eligibility Scoring Framework. The 'My Life My Plan' Assessment Framework is designed to ensure that all eligible people are offered Self Directed Support and that this is monitored and evaluated via Social Work Information Systems. Under the assessment framework, each of six domains receives a score from 0 to 8, with 7-8 indicating critical needs, 5-6 substantial needs, 3-4 moderate needs and 1-2 low needs. The table shows the average score on each domain.

Table 59: My Life My Plan scores by HMA (mean)

HMA	1. Feeling Safe	2. Listened to	3. Looking After Yourself	4. Living Somewhere that meets needs	5. Things to do	6. Family Carer	Total
Kilmarnock	5.56	4.56	5.86	4.63	5.46	5.06	2,111
Cumnock	5.05	3.71	5.67	3.68	4.83	4.48	652
Doon Valley	5.19	4.31	5.64	4.78	5.04	4.94	366
Out of EAC	7.35	6.95	7.35	7.06	7.27	6.99	263
Total	5.56	4.55	5.91	4.65	5.43	5.09	3,392

Source: EAC My Life My Plan eligibility data

The six domains relate to the following risk areas –

- Domain 1. Risks relating to neglect or physical or mental health (feeling safe)
- Domains 2 & 5. Risks relating to participation in community life (making decisions / being listened to & having things to do being part of the community / having relationships)
- Domain 3. Risks relating to personal care /domestic routines (looking after yourself and staying as well as you can be)
- Domain 4. Risks relating to home environment (living somewhere that meets your needs)
- Domain 6. Risk relating to carers (family carer and social supports).

Across all domains, residents living out of East Ayrshire (n=263) have substantial or critical needs. This group indicate a substantial unmet need for care within East Ayrshire, amounting to 8% of service users. These are likely to be cases where East Ayrshire residents need to move out of the area to meet their care needs, although some 'out of area' care moves may be driven by the location of family/support networks, as well as service location.

Overall, average scores were highest on Domain 3 – looking after yourself – across all areas. Scores are lower on average, on Domain 2 (being listened to) and Domain 4 (living somewhere that meets needs)

Service users in the Kilmarnock area have higher scores on average on personal care and domestic routines (Domain 3) and feeling safe (Domain 1). Doon Valley residents had higher scores on home environment (Domain 4). Residents in Cumnock had moderate scores, on average, on Domain 2 (having things to do) and Domain 4 (living somewhere that meets needs) but substantial scores in other domains.

Tele-care and community alarms

The East Ayrshire Community Alarm Service supports a further 3,500 mainly elderly people across East Ayrshire living in all tenure types. This is equivalent to 16% of households whose head is aged 60+. The 24-hour service facilitates independent living, offering security to elderly people and their carers that, in the event of an emergency, trained help is readily available. More enhanced assistive technology, such as fall and trip sensors and motion activated lighting offer increased opportunities for independent living in the home.

Projecting forward this level of service would require community alarms in 4,200 households by 2027 and 4,500 households by 2037. Anticipating a 1% increase in the numbers (due to the shift in the balance of care) the estimates would be 4,450 households by 2027 and 5100 households by 2037.

Care and Repair

East Ayrshire Care and Repair is a free and confidential client-orientated service available to owner occupiers and private tenants who are over 60 years of age or have a disability, and live in East Ayrshire. Individuals under sixty years of age with a disability are also eligible for assistance. These groups may also include private tenants where the eligible works required do not form part of the landlord's responsibilities under the tenancy agreement.

The Care and Repair initiative is funded by East Ayrshire Council and is managed by Shire Housing Association. The aims of East Ayrshire Care and Repair are to prevent hospital admission and facilitate discharge. The project is also designed to assist clients in hospital to get back into their own homes, through the provision of works in the home to make them suitable for their return. In addition, the project provides a small repair service to older and disabled owners, and operates an approved contractor list.

There have been a wide range of preventative measures delivered in 2016-2017:

- Preventative Works – 28 residents assisted
- Small Repairs – 757 cases covering joinery, plumbing etc.

- Home Safety/Security – 45 cases
- Advice/Referral – 39 cases (including DWP, Central Heating, contractors and other services)
- Integrated Care Fund – 60 cases
- Minor Adaptations – 570 works (covered in Template 1).

Unmet need and future needs

Current Care and Repair data does not include information about unmet needs, as the information provided is based on referrals and does not include any waiting list information. However, one of the main aims of Care and Repair is falls prevention. ISD data shows a reduction in the incidence of falls among the over 65s in East Ayrshire in recent years. In 2017, admission rates due to falls among the over 65s were down to 21.7 people per 1,000 compared with 22.2 in 2014 and 22.8 in 2015. Over Scotland during this period rates increased from 20.7 in 2014 to 21.1 in 2017[49]. Of course, good progress on falls prevention does not indicate that there is **not** unmet need and increasing the capacity of the Care and Repair service would likely have benefits in further reducing falls.

The total caseload of Care and Repair at the moment is 1,408 cases – the equivalent of around 6.6% of households headed by someone aged over 60 years old. If this level of caseload was projected forward, this would represent 1,685 cases by 2027 and 1,815 cases by 2037.

External stakeholder consultation & engagement

- Health and Social Care Partnership Strategic Planning Group
- Models of care programme board
- LHS Stakeholder events including workshop sessions on Specialist Provision and Independent living

Summary

The aging population will mean an increase in demand for home care for older people. If there was a further shift in the balance of care so that a further 1% people per 10-year period received home care rather than moving into residential/nursing care, the estimates of those requiring homecare would be 2,600 in 2027 and 3,400 in 2037**.**

Assuming that the current average of 9.9 hours of care continues, the increase in home care hours would be from 2016 rate of 18,200 hours to 25,740 hours of care in 2027 and 33,660 hours of care by 2037. These hours would increase if as a result of the shifting in the balance of care, we see an increase in the average amount of care received per person at home.

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49 http://www.isdscotland.org/Health-Topics/Emergency-Care/Publications/data-tables2017.asp?id=1916#1916

Similarly the demand for telecare/community alarms will increase – from current 3,500 households to 4,200 households by 2027 and 4,500 households by 2037, with greater numbers with shift in care.

If Care and Repair caseloads increase in line with the population trends, we would expect to see caseloads increase to 1,685 by 2027 and 1,815 by 2037.

7.10 **Template 6. Site provision**

National policies

Key documents/policies in relation to Gypsy/Travellers and Travelling Show People include:

- Scottish Government Equality Outcome (Equality Act 2010)
- Scottish Social Housing Charter & Annual Return on the Charter (ARC)
- Equal Opportunities Committee inquiries
- Scottish Planning Policy Guidance[50]

The Equality Act 2010 identifies Gypsy/Travellers as being an ethnic minority group and the Scottish Government encourages everyone to recognise this status which is open to the same rights and protection as other ethnic groups included in the Act.

The Scottish Parliament's Equal Opportunities Committee completed two reports on the subject of Gypsy/Travellers - 'Gypsy/Travellers and Care" (2012) and 'Where Gypsy/Travellers Live" (2013). The recommendations arising from those reports included a required standard for Gypsy/Traveller site facilities.

The Scottish Government, through the Scottish Social Housing Charter (the Charter), set out the standards and outcomes that all social landlords should aim to achieve when performing their housing activities. The Charter took effect from 1 April 2012 and requires that *"local councils and social landlords with responsibility for managing sites for Gypsy/Travellers should manage the sites so that sites are well maintained and managed."* ARC data captures information on the number of pitches and average weekly rent for permanent Gypsy/Traveller sites as well as levels of satisfaction with site quality among site residents.

Gypsy/Travellers are also considered in national land use – planning guidance which identifies Gypsy/Travellers as having specific housing needs, often requiring sites for caravans and mobile homes. It makes reference to the accommodation needs of Gypsy/Travellers and how these should be considered as part of the housing need and demand assessment and local housing strategies. There is also strong encouragement for Gypsy Travellers to be included in any decisions that would affect the use of their sites.

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50 http://www.pas.org.uk/wp-content/uploads/2015/03/GypsyTravellers-and-the-Scottish-Planning-System-A-Guide-for-Local-Aut....pdf

The data for Gypsy/Travellers is not disaggregated to separate out Travelling Show-people. This is an area where further local data gathering may be beneficial.

Local policies/strategies

Currently there is no permanent site provision for Gypsy/Travellers in East Ayrshire. In 2008 Craigforth undertook an Accommodation Needs Assessment of Gypsy/Travellers for West Central Scotland that identified key priorities for East Ayrshire and led to the development of a joint proposal to develop a transit site in conjunction with South Ayrshire. The Council established a short-life working group in 2010 which successfully implemented a policy for dealing with unauthorised encampments in the area and secured Cabinet approval to identify a suitable site to develop a transit site for Gypsy/Travellers moving through the area. This was included in the LHS Action Plan for implementation. Other relevant policies include Local Development Plan, and the Unauthorised Encampment Policy.

Land needs

The provision required is likely to include either permanent or temporary (transit) sites and pitches, for caravans and mobile homes, with communal facilities, that may be required to address the accommodation needs of Gypsy/Travellers and/or Travelling Show People.

Other things to consider are the need to ensure that the site has appropriate vehicular access, with space for residential and working/storage areas. Provision is commonly through local authority management or other public sector provision but private sector sites are also possible.

Care and support needs

Family support is very important in the Gypsy/Traveller community, with extended families often living, working and travelling together. To be of practical use to families, sites need to be large enough to be able to accommodate these larger groups.

Families with children will need access to education and the community will also need access to healthcare and other local services.

There is also likely to be a need to consider medium and longer term housing needs as some site residents, particularly older residents, may look towards housing in future.

Suitable for

The Gypsy/Traveller community is a diverse group and there is a need to understand the nature and scale of the provision required in East Ayrshire. While Gypsy/Travellers are a recognized ethnic group, Travelling Show-people are not (though they have a distinctive cultural identity).

Evidence

The size of the Gypsy/Traveller population in Scotland is contested. In the 2011 Census, 4,200 people in Scotland identified themselves as 'White: Gypsy/Traveller'. However, not all Gypsy/Travellers are willing to be identified as such. Organisations working with the

Gypsy/Traveller community in Scotland have estimated the true figure to be in the order of 15,000-20,000 people, which may itself be an underestimate[51].

Arriving at a local-authority level estimate is also difficult, as this relies on the 2011 Census figures, which are a matter of dispute. The 2011 Census shows 60 people across East Ayrshire, enumerated according to the locations shown in Table 60. However, if the Census estimate is too low, as suggested above, the true figures could be 4-5 times this.

Table 60: People described as White: Gypsy/Traveller in the 2011 Census, by Ward

Electoral Ward 2007	White: Gypsy/Traveller
Annick	8
Ballochmyle	3
Cumnock and New Cumnock	7
Doon Valley	3
Irvine Valley	12
Kilmarnock East and Hurlford	13
Kilmarnock North	2
Kilmarnock South	2
Kilmarnock West and Crosshouse	10
EAC	**60**

Source: Census 2011

Current unmet needs

The estimated 60 Gypsy Travellers found in the 2011 Census provides a starting point from which to estimate current unmet needs. The latest Scottish Government Gypsy Traveller count found and estimated 684 households across Scotland representing 2,120 people[52]. This average household size (3.1 people per household) would give an estimated number of Gypsy Traveller households in East Ayrshire of 20 households in 2011.

The 2009 Gypsy Traveller Count found –

- 16 households in East Ayrshire in 2009
- 11 households in 2008
- 7 households in 2007
- 13 households in 2006.

[51] http://www.pas.org.uk/wp-content/uploads/2015/03/GypsyTravellers-and-the-Scottish-Planning-System-A-Guide-for-Local-Aut....pdf

[52] Gypsies/Travellers in Scotland: The Twice Yearly Count - No. 16: July 2009

Looking across these estimates, the estimated range of Gypsy Traveller households in need is between 13 and 20 households.

More recent East Ayrshire Council data on unauthorised encampments indicate that the range of encampments has been between 14-23, so broadly in line with the earlier estimates.

Table 61: Encampments 2011-2017

Year	Number of Encampments
2011	23
2012	16
2013	10
2014	22
2015	15
2016	14
2017	17 to date

Source: EAC Housing Options team

Future needs

There is no site provision for travelling people in East Ayrshire but the most recently available data suggest the need for site provision to accommodate up to 23 households. This indicates the need for at least one site, or two or more smaller sites.

The latest Gypsy Traveller count information, for 2006-2009, indicate that the unauthorised encampments were across one or two sites.

There is a lack of information about Travelling Show People and sourcing information on their likely needs should be a priority for future. East Ayrshire Council licensing records show there were 2 applications from circuses in 2017 and 3 applications from fun fairs, similar numbers to previous years. No information is recorded on the number of caravans accommodated. However, consultation with an academic specialist in gypsy travellers and travelling show-people indicated that most travelling show-people now commute to fairs and reside in Glasgow, although there are Showmen's yards in Stirling and Edinburgh (with 50 in Glasgow).

External stakeholder consultation & engagement

The recent Scottish Housing Regulator Thematic Inquiry into Gypsy/Travellers in 2015 suggested that social landlords should apply the relevant Charter standards and outcomes to residents of official Gypsy/Traveller sites.

Although the thematic inquiry relates to existing provision, there are suggestions that would be beneficial to consider in setting up a site. That includes understanding needs in order to deliver responsive services, look at the feasibility of barrier-free building provision and engaging with potential residents.

There have been a range of consultation and engagement forums including:

- Gypsy/Traveller Site short life working group
- Gypsy/Traveller Community Led Action Plan – Community of Interest
- Gypsy/Traveller Strategic Working Group

Summary

There is currently no Gypsy/Traveller site in East Ayrshire and this has been a continuing consideration by the Council. According to the 2011 census there may be around 60 Gypsy/Travellers in the East Ayrshire area, mainly concentrated in Kilmarnock HMA.

There is an estimated need for at least one site to accommodate between 13-23 gypsy traveller households.

There is also the need to build intelligence about the needs of Travelling Show People.

7.11 Specialist provision - key issues

LHS	**Specialist Provision - Key issues identified in the HNDA**
Accessible and adapted housing	3. Adaptions will increase as households get older – the projected total need for adaptations is up to about 2,000 in 2037. 4. Careful use and allocation of housing that has already been adapted will contribute to maximising of resources for adaptations in future.
Wheelchair housing	4. Across existing stock, adaptions and new-build, there is estimated up to 350 fully wheelchair-accessible properties. It is difficult to determine the exact number of wheelchair adapted housing due to limitations in data, especially in the private sector. 5. Supply is probably fewer than required, and there is an estimated 147 wheelchair users in housing need in East Ayrshire and 87 wheelchair users on the waiting list. 6. A local stock condition survey would provide useful information to capture cross-tenure information on adaptations and accessibility.
Non-permanent housing e.g. for students, migrant workers, asylum seekers, refugees	6. Permanent tenancies are generally used to house homeless households rather than temporary accommodation. Periods in temporary accommodation are typically short and the vast majority rate it as satisfactory. 7. The numbers in temporary accommodation have increased. In future the Council's HAMF strategic asset management process may put further pressure on the availability of temporary lets through this route. Recent trends suggest

	the need for 11 additional units a year up to 2022. 8. Despite the recorded increase in domestic abuse, the demand on women's refuge accommodation has remained fairly constant. This demand on refuge accommodation is unlikely to increase. 9. There has been no specific need identified for student accommodation across East Ayrshire. 10. The number of migrants and asylum seekers are relatively small and will continue to be housed in the Council's or RSLs' housing stock.
Supported provision e.g. care homes, sheltered housing, hostels and refuges	6. With a shifting balance of care, the current level of care home provision would be adequate to cover need, as long as there was a 1% increase per 10-year period in alternative provision through supported housing, or suitable housing with care packages. 7. The number of people with dementia will increase, and due to the complexity of the disease the prevalence rates requires ongoing analysis on an ongoing basis through health and social care strategic planning. 8. The current provision of homeless hostels is sufficient to meet projected needs of homeless people. 9. There is adequate provision now and projected for supported accommodation for women fleeing violence. There is a shortfall of supported accommodation for people with learning disabilities, with geographic disparities across East Ayrshire. The Assisted Living model is a key model for the Health and Social Care partners in provision of supported accommodation for those with learning and physical disability with additional 56 spaces planned. 10. There is insufficient supported accommodation to meet the needs and requirements of young people moving on from care. Recent trends suggest that 20-25 new supported accommodation places are needed.
Care/support services for independent living	5. The aging population will mean an increase in demand for home care for older people. 6. If the current average of 9.9 hours of home care continues, the increase in home care hours would be from 2016 rate of 18,200 hours to 33,660 hours of care by 2037. 7. The demand for telecare/community alarms will increase – from current 3,500 households to estimated 4,500 households by 2037, with greater numbers with the shift in care. 8. Demand for Care and Repair will increase to 1,685 cases by 2027 and 1,815 cases by 2037.

Site provision e.g. sites/pitches for Gypsy/Travellers and sites for Travelling Show-people	3. There is currently no Gypsy/Traveller site in East Ayrshire and this has been a continuing consideration by the Council. According to the 2011 census there may be around 60 Gypsy/Travellers in the East Ayrshire are, mainly concentrated in Kilmarnock HMA. 4. There is need for at least one site to accommodate 13-23 households.
Development Plan	
Strategic planning for housing for Specialist Provision	2. There are no additional locational / spatial considerations in relation to specialist provision
Site provision	4. The requirement for additional Assisted Living developments will require land for new build. These are planned with the SHIP, and sites have already been identified in the SHIP 2017-2022. 5. There is a requirement for new supported accommodation housing options for young people leaving care which may require new build options. 6. There is a requirement for 1 site, or 2 smaller sites for Gypsy/Travellers

Annex 1: Household projections

Annex Table 1: Comparison of household projections by household type – principal, high migration and low migration

	Principal household projection (2012 based)						% change
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
1-person male	7,835	8,683	9,473	10,148	10,759	11,295	44%
1-person female	9,666	10,195	10,682	11,051	11,341	11,605	20%
1 adult, 1+ child	3,723	3,907	4,071	4,223	4,392	4,559	22%
2 person all adult	16,943	17,801	18,510	18,985	19,231	19,202	13%
2+ adult 1+ children	11,015	10,168	9,421	8,824	8,334	7,896	-28%
3+ person all adult	4,961	4,871	4,658	4,345	4,019	3,808	-23%
All households	54,143	55,625	56,814	57,577	58,076	58,364	8%
	High migration household projection (2012 based)						**% change**
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
1-person male	7,835	8,690	9,517	10,237	10,900	11,492	47%
1-person female	9,666	10,199	10,713	11,116	11,445	11,753	22%
1 adult, 1+ child	3,723	3,917	4,118	4,312	4,523	4,730	27%
2 person all adult	16,943	17,811	18,564	19,087	19,390	19,428	15%
2+ adult 1+ children	11,015	10,184	9,506	8,977	8,547	8,161	-26%
3+ person all adult	4,961	4,873	4,672	4,373	4,064	3,872	-22%
All households	54,143	55,676	57,090	58,103	58,871	59,436	10%
	Low migration household projection (2012 based)						**% change**
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
1-person male	7,835	8,670	9,429	10,066	10,629	11,107	42%
1-person female	9,666	10,183	10,645	10,989	11,238	11,459	19%
1 adult, 1+ child	3,723	3,894	4,026	4,142	4,271	4,396	18%
2 person all adult	16,943	17,783	18,452	18,882	19,067	18,966	12%
2+ adult 1+ children	11,015	10,143	9,343	8,690	8,147	7,659	-30%
3+ person all adult	4,961	4,867	4,645	4,320	3,979	3,753	-24%
All households	54,143	55,541	56,540	57,089	57,331	57,340	6%

Source: NRS - 2012-based principal, low and high migration household projections, 2012 to 2037, East Ayrshire

Annex Table 2: Comparison of household projections by age of head of household – principal, high migration and low migration

	Principal household projection (2012 based)						% change
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
16-29 years	5,265	5,312	5,011	4,593	4,655	4,861	-8%
30-44 years	13,186	12,208	12,543	12,890	12,688	12,167	-8%
45-59 years	15,884	16,804	16,060	14,610	13,572	13,872	-13%
60-74 years	12,738	13,473	13,988	14,920	15,446	14,431	13%
75+ years	7,070	7,827	9,211	10,563	11,716	13,033	84%
Total	54,143	55,625	56,814	57,577	58,076	58,364	8%
	High migration household projection (2012 based)						**% change**
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
16-29 years	5,266	5,336	5,079	4,684	4,767	5,003	-5%
30-44 years	13,187	12,226	12,672	13,140	13,057	12,618	-4%
45-59 years	15,950	16,882	16,195	14,823	13,885	14,309	-10%
60-74 years	12,728	13,472	14,020	14,980	15,544	14,598	15%
75+ years	7,013	7,763	9,127	10,474	11,619	12,906	84%
Total	54,143	55,676	57,090	58,103	58,871	59,436	10%
	Low migration household projection (2012 based)						**% change**
East Ayrshire	**2012**	**2017**	**2022**	**2027**	**2032**	**2037**	**2012-2037**
16-29 years	5,266	5,295	4,954	4,503	4,531	4,693	-11%
30-44 years	13,187	12,165	12,423	12,666	12,368	11,754	-11%
45-59 years	15,950	16,863	16,089	14,600	13,490	13,725	-14%
60-74 years	12,728	13,464	13,981	14,905	15,427	14,409	13%
75+ years	7,013	7,755	9,093	10,412	11,515	12,761	82%
Total	54,143	55,541	56,540	57,089	57,331	57,340	6%

Source: NRS - 2012-based principal, low and high migration household projections, 2012 to 2037, East Ayrshire

Annex 2: Map of SIMD 2016 – the most deprived areas in East Ayrshire (lowest 3 vigintiles - most deprived 15%)