

## Involvement and preparation of the TAYplan-wide Joint HNDA 2013

### Introduction

The TAYplan-wide HNDA inception process began during 2011. Early meetings of the Operational Group – the officer group preparing the HNDA (see Appendix 3) – were held to learn the lessons from the previous exercise and to begin scoping out a new project plan. During this time and running to summer 2012 partnership working arrangements (explained in Appendix 3) were established.

During this time period the Scottish Government's Centre for Housing Market Analysis (CHMA) commenced work on a guidance refresh to include a spread sheet tool for undertaking the majority of the HNDA calculations, this became the CHMA's HNDA Tool. This altered some of the programmed work timescales so that the CHMA's HNDA Tool could be tested and used.

### Operational Framework

As described in Appendix 3 the majority of the work was undertaken by the Operational Group made up of housing and planning officers from the four councils and TAYplan. The Executive, made up of housing and planning leads from TAYplan and the four councils, were responsible for signing off key stages of work. The wider housing market partnerships for each of the four councils were invited to comment at key stages, as described here.

### Broad activity timeline

The table below sets out the broad activities including times at which the wider housing market partnership (See appendix 3) was involved.

May to Aug 2012	Housing Market Areas Defined
Sept 2012 to April 2013	Preparatory work and methodological work for main HNDA
April 2013	Consult on methodology
Jan to June 2013	Testing CHMA Tool
Feb to Nov 2013	Undertake elements of HNDA
Nov 2013	Seeks Comments on Draft HNDA from Housing Market Partnership
Dec 2013	Consider feedback on Draft HNDA
Dec 2013	Submit HNDA to Centre for Housing Market Analysis

### Housing Market Areas (Summer 2012)

The first stage of the HNDA was to analyse and conclude where the region's housing market areas are located. In June 2012 a methodology was prepared and consulted upon with the wider housing market partnership. Comments welcomed the proposed approach to examining sasines data but advised against using 2001 Census data given its age. This advice was welcomed and 2001 Census data was not used. The Housing Market Areas analysis was then completed over summer 2012 and signed off by the HNDA Executive in September 2012 (See Appendix 5).

### Main HNDA (2012 and 2013)

The project planning work for the HNDA commenced in full during autumn 2012. Preparatory work, including a methodology was undertaken in the early part of 2013 as well as the assembly of data sources. Some elements of this were dependent on the timescales for preparing the CHMA's HNDA Tool which was being developed at that time.

A draft methodology was consulted upon for 3 weeks during April 2013. This draft methodology followed the 2008 guidance and sought to give clarity about the data sets and processes that would be followed. In particular it set out how the CHMA's HNDA Tool would

assist. Views were sought from the housing market partnerships and Scottish Government. Views were also sought from the other three Strategic Development Planning Authorities (SDPAs) because all four SDPAs had been working together to try and develop consistency. Feedback was helpful and minor amendments were made to reflect the comments. The amendments did not fundamentally affect the approach taken but did help to clarify the approach to be taken. Overall there was satisfaction with the proposed approach and the data and processes proposed. This was signed off by the Executive in June 2013.

By late May 2013 the CHMA's HNDA Tool was complete and ready for use. The Operational Group had been considering the most practical way to evaluate and construct scenarios using the CHMA's HNDA Tool. This is covered in more depth in Chapter 2: *Future Market*. Given the thousands of possible scenario combinations it was decided that the best approach would be to construct the scenarios that were of interest rather than to understand every scenario that could be created. After some preliminary work by the Operational Group the Executive agreed the scenarios to be run using the tool in June 2013 and the main part of the HNDA work was then carried out over the summer and autumn of 2013.

In November 2013 the Executive approved a draft HNDA for a comments period. This involved the invitation of comments from all members of the housing market partnerships of each of the four councils covering the TAYplan area. A specific meeting was also held with Homes for Scotland staff and the committee covering the TAYplan area during November 2013.

The comments period enabled the housing market partnerships to consider the workings and conclusions of all parts of the HNDA. In particular it enabled them to consider the justification for scenario construction and to see the outputs for this.

### **Comments on the Draft HNDA November/December 2013**

Comments were received from Homes for Scotland and from Kingdom Housing Association. Both responses shared the same point of view on almost identical issues. The comments principally related to Chapter 2: *Future Market* and Chapter 5: *Joining up the Evidence*.

The responses proposed greater explanation in Chapter 2 of where hidden households may have contributed to an increase in or a smaller than estimated fall in average household sizes. The comments also suggested that an improving economy may see some of these hidden households become able to meet their own needs and therefore become 'unhidden' households in the future. It was agreed that it was sensible to make this point but it was also felt important to qualify this with a recognition that average household sizes have also been, and will continue to be, influenced by demographic as well as economic factors. Similarly some difficult to quantify factors such as welfare reform may also mean that not all hidden households are able to change their circumstances as a result of a wider economic upturn.

The responses welcomed elements of Chapter 5 which considered the outputs of the CHMA's HNDA and reflected upon the implications for delivering affordable housing using Scottish Planning Policy (2010) 75:25 ratio as a proxy.

Further comments on Chapter 5 noted points at which the types of conclusion or debate would be more appropriately covered in Main Issues Reports. It was agreed that these points could be considered in this way and they were replaced with text which recognised that the issues raised would need to be considered in Main Issues Reports alongside wider social, economic, environmental and physical factors; as indicated in Scottish Planning Policy.

These amendments were helpful to the structure and tone of the HNDA but did not affect its conclusions.

## Quality Control Measures

With a large piece of work such as a HNDA it is necessary to put in place quality control measures.

Data sets have been sourced from official sources such as National Records of Scotland and the 2011 Census. Other sources have been triangulated, as described in Chapter 4: *Current Housing Need*. Furthermore following the identification of backlog housing need in Chapter 4 the Operational Group met to undertake a peer review exercise that challenged data assumptions and sources of information. This was useful in resolving inconsistencies and identifying variations.

From a qualitative perspective this involved checking and proof reading first by individual authors and then by the Operational Group. When chapters were brought together into the full document a full proof read and quality check took place by the lead author and then by the wider Operational Group. The comments periods, described above, served to identify any further inconsistencies or issues. In the early stages this helped to avoid issues further down the line. Later on this assisted in correcting issues that arose.

Overall the qualitative and quantitative quality control measures were successful although some drafting errors were subsequently identified and resolved.

The absence of data for tenure below local authority level information has been provided by the councils from their records and the explanations for the calculations process has been explained in the relevant places in Appendix 1.

There have also been some significant changes observed in the population living in different quintiles of the Scottish Index of Multiple Deprivation (SIMD). It is unclear whether the driver for these changes has been due to data zones being ranked differently in different years or whether this has been down to specific local circumstances.

## Submission to the Centre for Housing Market Analysis (December 2013)

Following the minor amendments above the revised copy was submitted to the Scottish Government's Centre for Housing Market Analysis on 19 December 2013. The Centre for Housing Market Analysis made 6 recommendations for change in January 2014:

CHMA's Recommendation	Action taken
1. <b>Correction of some drafting errors, particularly in Chapter 1: <i>Current Market</i>.</b>	Spellings, grammatical and other errors and consequential amendments made to all chapters including Chapter 1 and Appendix 1.  Discussions about the quality control approach have been added to Appendix 4.
2. <b>Provide web links or clarity regarding the information provided in Local stock condition surveys.  Also triangulate the Below Tolerable Standard (BTS) stock with the Scottish House Conditions Survey.</b>	Information on stock condition surveys added to Chapter 1 and Appendix 1.  Clarity on source information and BTS from SHCS provided in Chapter 1 and appendix 1.  Triangulation with BTS provided in Chapter 4 along with explanations of 0.195 factor applied to Fife.
3. <b>Provide additional information on the affordability of private rented sector and what this</b>	Private rental and times series income data has been added to chapter 2: <i>Future Market</i> . Explanations of potential impact and relationship

	<b>may mean for the demand for intermediate rent.</b>	with scenarios have been provided. Consequential changes have been made to paragraph and figure numbers.
<b>4</b>	<b>Provide a web link to the TAYplan-wide Housing Market Area Refresh (2012) or add it as an appendix.</b>	Added as new Appendix 5
<b>5.</b>	<b>Include details of organisations involved in the consultation network (wider housing market partnerships) and how their views have been considered</b>	Added to Appendix 3 – this describes operational matters.  Consideration of views added to Appendix 4 – this covers involvement.
<b>6.</b>	<b>Set out a pro-active timetable for monitoring and review.</b>	Amendments made to Chapter 6: <i>Monitoring</i> to clarify the timescales in light of statutory review periods for Development Plans and some of the activities required for the next HNDA.

The requisite amendments were made and the amended document was resubmitted to the Centre for Housing Market Analysis on 31 January 2014.