

HIGHLAND COUNCIL
HOUSING NEED AND DEMAND ASSESSMENT 2020

This Housing Need and Demand Assessment has been developed in consultation with the Highland Housing Strategy Group.

Signed on Behalf of the Highland Housing Market Partnership:



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Preface - Key Findings

The Housing Need and Demand Assessment (HNDA) is a technical document that aims to give long run estimates of housing need and provides an evidence base for both the Local Housing Strategy and Local Development Plans. It is largely analytical and uses quantitative information wherever it is available, supplemented by qualitative information when it is not available, or to give context. The result is that the HNDA is detailed and complex and many readers may not be interested in the level of detail that it contains. This preface therefore presents the key findings in advance of the main text, arranged by Chapter in the main report. These key findings are the headlines that will be particularly important when we finalise our Housing Strategy and Local Development Plans.

Housing Market Drivers (Covered in Chapter 2)	
LHS and Development Plan	Key Issues Identified in the HNDA
Demographic issues for the local housing market(s)	<ol style="list-style-type: none"> 1. The population of the Highland Council Area has seen continued steady growth. 2. The percentage of households age 65+ has increased since the 2011 census 3. The proportion of working age population (aged 16-64) is falling in all Housing Market Areas. 4. There are very different population profiles across the 10 Highland Housing Market Areas. 5. Increasing numbers of people are living in single person households 6. Highland is dependent on inward migration for its population growth. 7. All three migration-based Household Projections forecast significantly lower Need than recent housebuilding figures have delivered. 8. The Highland Housing Market Partnership has decided to adopt the high migration scenario as the baseline for our LHS and LDP
Affordability issues for the local housing market(s)	<ol style="list-style-type: none"> 1. Affordability (for house purchase) is identified as major issue for those on lower quartile and even median level incomes. The multiplier of household income required to purchase in the Highland housing market continues to increase preventing access to many. 2. With rental costs as a proportion of incomes also increasing in all tenures the additional “in year arising need” is seen as an important (and hidden element) in assessing the level of housing need.

	<ol style="list-style-type: none"> 3. Highland wide wages appear to have stagnated at a time when both house prices and rental costs have increased. Differences across Housing Market Areas (HMAs) exist however the locations with the largest number of households have seen static incomes or falls. 4. Affordability is moving further out of reach for many due to this disparity increasing still further between incomes and housing costs.
Economic issues for the local housing market (s)	<ol style="list-style-type: none"> 1. Highland in the most recent years has reported a slightly higher economic output than Scotland as a whole (variations between the three components) 2. The employment sector in Highland shows a slightly lower unemployment rate than Scotland. There is a high dependency on tourist related employment, and a higher proportion of self-employed people and part time roles. 3. Since the last HNDA in 2014/5 – average house sale prices have risen at just over 3% per year for 6 years (18.47% over 2015-2020). 4. Highland incomes have in recent years aligned much closer to the Scottish Average. This has been due to static income levels locally and falls nationally. 5. There is a wide variation in the origin of buyers across the different HMAs in the area with some very high proportions of sales to out of area buyers.
House prices	<ol style="list-style-type: none"> 1. Since the last HNDA in 2014/5 average house prices across the Highland Council area have risen from £162,867 for 2014 to £192,955 for 2020. This an increase of 18.5% over 6 years. 2. The average house price in Highlands is now 2% higher than the Scottish average 3. Residential sales have averaged 4300 per year in the same 6 years, an increase from 3361 per year in the previous 6 years.

Stock Profile, pressures (Covered in Chapter 3)	
LHS and Development Plan	Key Issues Identified in the HNDA
Ineffective Stock	<ol style="list-style-type: none"> 1. 6.9% of Highland Council area council tax registered stock is ineffective (vacant plus second / holiday homes) however this varies between 4% and 14.6% by HMA. In addition to this – stock not registered for Council Tax used for short term lets makes up additional ineffective stock. This will be taken into account when we calculate housing and land supply targets in our Local Housing Strategy and Local Development Plans. 2. This combination is estimated as 8.9% of total potential housing stock.
Housing quality	<ol style="list-style-type: none"> 3. Overall, the condition of the Housing Stock in Highland tends to be comparable with the national average on key indicators of building conditions but lower than the national average in relation to energy efficiency measures. 4. There is a higher proportion of pre-1919 housing stock across all tenure, and less interwar and post-war properties, reflecting historic population / migration / economic patterns over the 20th Century. 5. Highland has a higher proportion of adapted properties in the public sector and a lower proportion of adapted properties in the private sector than Scotland as a whole. 6. There is considered to be a concentration of poor housing conditions in the Private Rented Sector. 7. There are challenges for social landlords in meeting the Energy Efficiency Standard for Social Housing due to cost and technical difficulty in off-gas areas.
Housing stock pressures	<ol style="list-style-type: none"> 1. Demand for housing is high and there is a fairly consistent demand by property size across Housing Market Areas with on average 60% of applicants requiring a 1-bedroom property; 22% a 2-bedroom property; 12% a 3 bedroom property and 5% a 4+ bedroom property. 2. There are variations in social rented stock by house size across Housing Market Areas, with particularly low proportions of 1-bedroom properties in Lochaber and East Ross and a low proportion of 2-bedroom properties in East Ross and Sutherland.

	<ol style="list-style-type: none"> 3. Overall housing pressure varies significantly across Housing Market Area, with Nairn and Inverness, and Skye and Lochalsh having the greatest pressure, and Caithness low pressure. 4. There is a mismatch between supply and demand for different property sizes, which varies across Housing Market Area. 5. There is a considerable pressure for 1-bedroom properties, and this is likely to continue given demographic trends. The balance between 1 and 2 bed properties for new builds will be reviewed as part of the LHS. 6. There is a high proportion (from Council Tax records 6.9% but certainly higher) of ineffective stock due to popularity of holiday/second homes and short-term lettings in certain areas. Sutherland, Badenoch and Strathspey and Ross and Cromarty West are particularly affected by this issue. 7. Overcrowding is recorded against 22% of Highland Housing Register applicants with extreme overcrowding in 2% of cases. This shows a wide variation across HMAs with the highest levels in Inverness then Badenoch and Strathspey followed by Mid and East Ross and Lochaber.
<p>Size, type, tenure and location of future social housing supply</p>	<ol style="list-style-type: none"> 1. There is a lower proportion of social rented housing in Highland than in Scotland as a whole. This contributes to housing pressure across most Housing Market Areas. 2. The percentage of private renting increased from 8.1% (Census 2011) to 10.7% of all Council Tax registered stock in 2018. 3. There are some significant variations in house size across Housing Market Area, where some, mainly rural, areas have a lower proportion of smaller houses. 4. In the social rented sector, there is a predominance of houses rather than flatted property. 5. Owner occupation and private rentals are both higher in the Highland Council area than the national average. 6. Affordable housing delivery has averaged around 500 per year since the last HNDA – approximately half of the total completions across the Highland Council area.

	<ol style="list-style-type: none"> 7. Social rented stock is of quite different profiles in the 10 HMAs with very low proportions of 1 bed properties in East and Mid Ross and Lochaber and 2 bed properties in East Ross. 8. With the COVID pandemic in the year from 1st April 2020 applications to the Highland Housing Register increased by 28%.
Sustaining communities tenure diversification / regeneration	<ol style="list-style-type: none"> 1. There are no major demolitions planned and only limited infill opportunities, but we will continue to work with communities to identify opportunities, particularly in Caithness and Mid Ross. 2. Affordable housing can help make “fragile” communities more sustainable.

Estimating Housing Need and Demand (Covered in Chapter 4)	
LHS and Development Plan	Key Issues Identified in the HNDA
Existing need	<ol style="list-style-type: none"> 1. We estimate that existing need (backlog) in Highland will require 2236 stock additions to eradicate. This figure was taken from analysis of the Highland Housing Register and it differs significantly from the figure of 840 supplied as default within the HNDA tool 2. We have identified an additional factor arising each year that is not accounted for in the trend-based projection. This is further arising need due to increasing levels of unaffordability and due to the inability to reduce the backlog of need in recent years. This figure of 194 additional applicants each year is included in the overall HNDA total and is allocated to relevant HMAs.
Future Demographic Scenario	<ol style="list-style-type: none"> 1. The default 2018 household projection scenarios are used. The High Migration projection is used, due to the continuing recent evidence of a net inward migration of 1000+ per year into the Highland Council area. 2. Our HMP considers that, of the three, the high migration scenario is the closest to the likely future growth of Highland, but this is a lower rate of household growth than we have seen historically.
Household growth headlines (all using the “high migration scenario”)	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 4,996 households will require additional housing. (5-year HNDA output Highland Wide 2019/20 to 2023/24). 2. Over the 10-year Local Development Plan periods from 2019/20 to 2028/29 a need and demand of 9038 is identified. 3. A slowing of population growth and therefore need and demand figures is seen after this period due to the impact of falling birth rates and underlying age profile changes.
Owner occupation	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 763 additional households are expected to be able to afford to become owner occupiers. 2. Over the lifetime of the Local Development Plan (10 years 2019/20 to 2028/29), 1215 additional households are expected to be able to afford to become owner occupiers.

Private rent	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 841 additional households are expected to be able to afford to become private renters. 2. Over the lifetime of the Local Development Plan, 1362 additional households are expected to be able to afford to become private renters.
Social and Below Market Rent	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, there is potential for 3392 households to take up social and below market rent. 2. Over the lifetime of the Local Development Plan, there is potential for 6461 households to take up property at social and below market rent.

Specialist Provision (Covered in Chapter 5)	
LHS and Development Plan	Specialist Provision - Key Issues Identified in the HNDA
Wheelchair liveable and adapted housing	<ol style="list-style-type: none"> 1. There is a relatively high proportion of adapted stock in Highland, particularly in the social rented sector. 2. The lowest proportion of adapted stock is in the private rented sector. 3. There is evidence of the need for accessible / adapted property, with a particular need for ground floor / level access housing. 4. The profile of the housing stock in Highland, where there is a greater proportion of houses / bungalows, provides the opportunity for in-situ solutions. 5. There is relatively good turnover of adapted property in the social rented sector with 46% of needs met through annual turnover. 6. Current needs are being met within current turnover and capacity to carry out adaptations. 7. Given population and demographic projections future needs are likely to require additional provision of new build, adaptations and related care at home / Telecare services. 8. There are significant numbers of people who require Wheelchair Liveable housing. 9. Need and current provision are currently concentrated in the social rented sector. 10. Demand can currently be met through adaptations and new build, with a high proportion delivered through by social rent tenures

	<p>11. Future new build will increasingly include design features that make property easier to adapt to future needs.</p> <p>12. Most people requiring wheelchair liveable housing are under 60.</p> <p>13. Long term demographic and health changes are likely to require additional provision of wheelchair liveable housing.</p>
<p>Non-permanent housing</p> <p>e.g. for students, migrant workers, homeless people, refugees, asylum seekers</p>	<ol style="list-style-type: none"> 1. The University of the Highlands and Islands (UHI) is the largest higher education provider within Highland. 2. The focus will continue to be on flexible and distance learning and UHI are building dedicated student accommodation to cope with increased numbers of residential students. 3. There will be a requirement to provide housing for seasonal/key workers associated with economic growth or providing essential public services in rural areas is an ongoing need to provide essential public services in rural areas. 4. There is an ongoing need to provide temporary accommodation for single homeless people. The number of applications from homeless people is relatively stable.
<p>Supported Provision</p> <p>e.g. care homes, sheltered housing, hostels and refuges</p>	<ol style="list-style-type: none"> 1. The profile of care home residents is similar to Scotland as a whole, but the average age of admission is lower than the national average. 2. Of those in long term care 49% are assessed as requiring long term nursing care, however there are lower proportions of current long-term residents with conditions such as mental health, learning difficulties and acquired brain injury where different models of accommodation may be required. 3. Additional specialist housing provision and related care at home services are required in order to prevent unnecessary care home admissions. 4. With the increase in older person population projected resulting in much higher numbers of people aged 75+, demand for sheltered housing and specialist accommodation models is likely to increase. 5. Increasing numbers of people with challenging behaviour at any age, and dementia among the elderly, will require more cluster or multiple occupancy arrangements. 6. There will be an ongoing need to provide both temporary and permanent accommodation for women suffering from domestic abuse. 7. Inevitably there will be insufficient client numbers to sustain area-based services for all client groups in all areas, but this does have implications for clients and

	<p>their families who will often have to move out of their local area to access services.</p>
<p>Care/ support services for independent living at home</p> <p>e.g. home care, Handyperson, Telecare</p>	<ol style="list-style-type: none"> 1. Increasing Telecare provision could impact on care home admission and the proportion of people with long term conditions living at home. 2. The combined effect of an aging population, increased care at home / Telecare provision and a desire to shift the balance of care from care homes to care at home is likely to have significant implications for housing and home-based care and support services.
<p>Site provision</p> <p>e.g. sites/ pitches for Gypsy/ Travellers and sites for Travelling Showpeople</p>	<ol style="list-style-type: none"> 1. The Highland Council owns and manages four Gypsy / Traveller sites providing a total capacity of 47 pitches. Many site residents are long-term tenants. Two of the sites have few vacancies and low turnover. A number of Gypsy/Travellers live in settled 'bricks and mortar' housing across the area. 2. Travelling is an established part of the Gypsy / Traveller culture. In recent years, on average around 42 roadside camps are reported to the Council - a drop from previous travelling trends and in line with national trends. Camps are generally small (e.g., 3 caravans or less). 3. Improving the lives and outcomes of Gypsy/Traveller communities is now an explicit equality outcome for the Highland Council. Our activities will reflect the ambition and priorities set out in the National Action Plan. 4. We are working with Gypsy / Travellers to: <ul style="list-style-type: none"> • ensure they have better and safer accommodation. We will invest in our sites to make them better places to live and bring up children and to reduce the risk of serious fire. • Give Gypsy / Travellers more, and better, opportunities to be listened to and engaged in decisions which affect them and their families. • Deliver, across Highland, positive approaches to supporting people living roadside and responding to roadside camps • Improve educational and health outcomes.

HOUSING NEED AND DEMAND ASSESSMENT				
Key Findings Template: Estimate of Additional (New) Future Housing Units Financial Years 2019/20 to 2023/24 (inclusive) for Local Housing Strategy				
Number of years to clear existing need				
Total households with existing need (net)	2,236	10		
Household Projection Period				
Financial Years 2019/20 to 2023/24				
	Scenario 19 - High Migration - 2018 Projection based	Scenario 20 - Low Migration - 2018 Projection based	Scenario 21 - Principal Projection - 2018 Projection based	Sc 22 -(Scenario 19) with "In year need" as used in this HNSA 2020
Total number of new households over the projection period	2,908	2,458	2,660	2,908
HNSA Projection Period				
Financial Years 2019/20 to 2023/24				
5 year Totals - FY 2019/20 to 2023/24				
Total households over the projection period who <i>may</i> afford:	Scenario 19	Scenario 20	Scenario 21	Scenario 22
OWNER OCCUPATION	785	646	699	763
PRIVATE RENT	798	711	769	841
BELOW MARKET RENT	761	637	689	1,049
SOCIAL RENT	1,681	1,582	1,621	2,343
Total additional future housing units	4,025	3,576	3,778	4,996

HOUSING NEED AND DEMAND ASSESSMENT				
Key Findings Template: Estimate of Additional (New) Future Housing Units Financial Years 2019/20 to 2028/29 (inclusive) - 10 Years for Local Development Plans				
Number of years to clear existing need				
Total households with existing need (net)	2,236	10		
Household Projection Period				
Financial Years 2019/20 to 2028/29 (10 years)				
	Scenario 19 - High Migration - 2018 Projection based	Scenario 20 - Low Migration - 2018 Projection based	Scenario 21 - Principal Projection - 2018 Projection based	Sc 22 -(Scenario 19) with "In year need" as used in this HNSA 2020
Total number of new households over the projection period	4,861	3,726	4,266	4,861
HNSA Projection Period				
Financial Years 2019/20 to 2028/29 (10 years)				
10 year Totals - FY 2019/20 to 2028/29				
Total households over the projection period who <i>may</i> afford:	Scenario 19	Scenario 20	Scenario 21	Scenario 22
OWNER OCCUPATION	1,215	940	1,070	1,215
PRIVATE RENT	1,362	1,050	1,198	1,362
BELOW MARKET RENT	1,291	985	1,131	1,881
SOCIAL RENT	3,230	2,987	3,103	4,580
Total additional future housing units	7,098	5,962	6,502	9,038

HOUSING NEED AND DEMAND ASSESSMENT				
Key Findings Template: Estimate of Additional (New) Future Housing Units Financial Years 2019/20 to 2033/34 (inclusive) - 15 Years				
Number of years to clear existing need				
Total households with existing need (net)	2,236	10		
Household Projection Period				
Financial Years 2019/20 to 2033/34 (15 years)				
	Scenario 19 - High Migration - 2018 Projection based	Scenario 20 - Low Migration - 2018 Projection based	Scenario 21 - Principal Projection - 2018 Projection based	Sc 22 - (Scenario 19) with "In year need" as used in this HNDA 2020
Total number of new households over the projection period	4,861	3,726	4,266	4,861
HNDA Projection Period				
Financial Years 2019/20 to 2033/34 (15 years)				
15 year Totals - FY 2019/20 to 2033/34				
Total households over the projection period who <i>may</i> afford:	Scenario 19	Scenario 20	Scenario 21	Scenario 22
OWNER OCCUPATION	1,501	1,069	1,276	1,501
PRIVATE RENT	1,715	1,208	1,452	1,715
BELOW MARKET RENT	1,712	1,173	1,434	2,672
SOCIAL RENT	3,617	3,159	3,381	5,567
Total additional future housing units	8,545	6,609	7,543	11,455

HOUSING NEED AND DEMAND ASSESSMENT				
Key Findings Template: Estimate of Additional (New) Future Housing Units Financial Years 2019/20 to 2038/39 (inclusive) - 20 Years				
Number of years to clear existing need				
Total households with existing need (net)	2,236	10		
Household Projection Period				
Financial Years 2019/20 to 2038/39 (20 years)				
	Scenario 19 - High Migration - 2018 Projection based	Scenario 20 - Low Migration - 2018 Projection based	Scenario 21 - Principal Projection - 2018 Projection based	Sc 22 - (Scenario 19) with "In year need" as used in this HNDA 2020
Total number of new households over the projection period	4,861	3,726	4,266	4,861
HNDA Projection Period				
Financial Years 2019/20 to 2038/39 (20 years)				
20 year Totals - FY 2019/20 to 2038/39				
Total households over the projection period who <i>may</i> afford:	Scenario 19	Scenario 20	Scenario 21	Scenario 22
OWNER OCCUPATION	1,748	1,162	1,444	1,748
PRIVATE RENT	2,051	1,335	1,681	2,051
BELOW MARKET RENT	2,164	1,343	1,740	3,444
SOCIAL RENT	4,080	3,333	3,695	6,680
Total additional future housing units	10,043	7,173	8,560	13,923

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CHAPTER 1: Introduction

1.1 Purpose of Document

- 1.1.1 This document provides estimates of future housing need and demand in Highland over the 5 years to 2024 and 10 years to 2029, based on looking at a range of evidence to inform projections on new household formation and the existing needs experienced by current households.
- 1.1.2 Specifically, this document estimates the additional housing units required through new build and changes to the existing housing stock and provides the evidence base to inform:
- The Council's Local Housing Strategy (LHS), and specifically targets for affordable housing supply to be met through annually updated Strategic Housing Investment Plans.
 - The Highland Council Area Local Development Plans (LDP), and specifically the Housing Supply Target for overall new build provision.
 - The Highland Strategic Commissioning Plan, which involves considering the need for specialist housing provision and related care and support services.
 - The Cairngorm National Park Development Plan (CNP), which requires to set out an approach to meeting housing need within the park.
- 1.1.3 This Assessment has been prepared in accordance with Scottish Government Guidance. A range of information is available [here](#) and includes a Managers' Guide (which gives a simple summary of the process), and a Practitioners' Guide which gives more detail. For part of the analysis, allocating household growth to housing units by tenure, we have used the 2018 issued Housing Need and Demand Assessment (HNDA) Tool.

1.2 Evolution of this HNDA

- 1.2.1 In February 2019 we initiated the formation of a Housing Market Partnership with a meeting between senior planning and housing staff. The aim for the latest HNDA is to utilise the standard tool supplied by CHMA as the HNDA Tool.
- 1.2.2 Work to complete the HNDA was interrupted by the COVID pandemic outbreak in February 2020 diverting resource and delaying delivery of this assessment.
- 1.2.3 The initial work involved investigating the data sources to identify whether any more recent or suitable data was available to improve upon the default data supplied within the tool
- 1.2.4 An initial suggestion from the HMP was the use of the High Migration Scenario as this is considered a more realistic representation of the position in Highland Council Area. A summary of the meeting dates and overview off discussion areas

- 1.2.5 A number of Scenarios were explored through the process of developing this HNDA. Initially these were to see the default outputs using the supplied data and to understand the working of the tool. This improved understanding of how the tool used the input data to deliver the output figures. Due to the extended timescale for delivery, these were explored using the latest available version of the HNDA Tool available at the time. This was V3.3 of the HNDA Tool with V4.0 becoming available only after this process in November 2020. Accompanying "Paper 4 Sensitivity and Scenario Analysis" contains a description of a selection of these scenarios and a description of reasons for their exploration.
- 1.2.6 Updated input data (specifically on updated Household Projections based upon 2018 population projection) became available as this HNDA was developed. This was incorporated into v3.3 of the HNDA Tool (before v4.0 became available). Scenarios from Scenario 18 onwards incorporated these updated projections data evolving to Scenarios 19-21 (Low/Principal and High migration population projections).
- 1.2.7 A comparison of outputs from v3.3 (incorporating the 2018 based Household projections) and v4.0 with the same default settings and existing need figures. This identified no difference in the totals output for the Highland Council area over 5-year periods and the 20-year totals. Differences were noted in the tenure splits which can be traced to different rental costs included in v4.0.
- 1.2.8 A separate paper accompanying this HNDA includes extensive information on updated rental costs in the Highland Council area.
- 1.2.9 Scenario 22 further contains the additional "in-year arising need" described in detail in **Paper 2 In Year Arising Need**.

1.3 Governance

1.3.1 This HNDA has been developed in consultation with the Highland Housing Strategy Group under the direction of the Highland Housing Market Partnership. This is the main partnership / stakeholder group for housing strategy and includes:

- Highland Council Planning and Development Service
- Highland Council Housing Service
- Registered Social Landlords
- Cairngorms National Park Authority (CNPA)

There is no active co-ordinating body for private sector developers in Highland.

1.3.2 The Council's Head of Housing, Head of Planning and Building Control, and Head of Property Partnerships fulfilled the role of Housing Market Partnership providing oversight for the whole process.

1.3.3 Housing and Property Committee – Target Date Sept 2021

1.4 Consultation

Consultations have been undertaken or are ongoing with key partners/groups on this Draft HNDA with the following groups. Some of these groups have fixed timescale meetings with which we have to work:

- Registered Social Landlords (via Housing Hub)
- Highland Health and Social Care Partnership
- Homes for Scotland
- Estate Agents
- Tenant Groups
- Scottish Forum for Landlords
- Housing Strategy Group
- Cairngorms National Park Authority

A very well attended, wide ranging developer workshop on the Main Issues Report for the "Inner Moray Firth Local Development Plan 2" was carried out in March 2021. This included a briefing on the emerging HNDA position and the underlying assumptions underpinning this assessment.

Table 1-1 Consultation and Actions		
Comment	Received from	Action taken
Methodology used in the HNDA Tool to allocate proportions of Household "Arising Need" to each HMA is inappropriate (uses Census 2011 counts of historic count of residential properties)	Practitioner	Approached CHMA with findings. Discussed with NRS Household Stats team. Explored a range of approaches using recent ability of market to deliver housing, using cohort of population who are likely to form new households. HMP agreed to utilise a 10-year average of delivery (using completions data by HMA) to better proportionately allocate Arising Need
Significantly different "Churn" of households in different HMAs	HMP – Housing	Detailed analysis of 5 years of letting data carried out to identify levels of moves between homes as opposed to new households.
Base tool contained 2016 based population and household forecasts. Updated 2018 based population and household projections now available	Practitioner	Updated data incorporated into Scenario Testing from Scenario 18 forwards
Existing Need Figures supplied in tool challenged by HMP	HMP	The figures supplied in the CHMA data in the tool appear to be very low. The sources used are considered unrealistic and therefore data derived (using a rules-based approach agreed by CHMA as viable in 2015 HNDA) locally by assessing Highland Housing Register applicants is used instead
"In year arising priority need" considered to be missing from figures	HMP	It was agreed that an estimate of additional "in year arising need" should also be included. Various approaches to identifying this were investigated. This could be presented within the HNDA figures – or considered separately as part of the Housing Land Requirement but referenced within the HNDA. A methodology to identify this "In year arising need" was used and these additional figures are estimated, and the methodology is described in supporting paper "Paper_2_In_Year_Need" incorporated into the later Scenarios with justification described in the write up.. The HMP considers this element is missing from the HNDA methodology and requested that the chosen Scenario (22) includes this additional "In Year Need" figure.
Request for submission of a Highland Council area NPF4 Minimum All Tenure Housing Land Requirement (March 2021)	Scottish Govt	As the methodology used and requirements were similar to those used in the HNDA – the figures used in this assessment were utilised in this submission

1.5 Quality Control and Quality Assurance

- 1.5.1 The Council's main mechanisms for quality control are monitoring and triangulation; this means comparing derived information and data with past and current measured data and trends.
- 1.5.2 Chapters 2, 3 and 5 present factual background information drawn from either recognised national sources or collected by the Council or Community Planning Partnership (CPP) partners as part of national data collection exercises, or locally to national standards wherever they exist. The source of the information used is given below each table, figure and map presented in this document.
- 1.5.3 With a reduction in available Council resources – some of the previously carried out detailed monitoring of socio-economic indicators in real time is no longer carried out. The data supplied in the SG CHMA data pack giving information on incomes, house prices and tenure splits are used in this HNDA.
- 1.5.4 Chapter 4 gives information on future housing need and demand. The analysis is a step-by-step process starting with population projections, household projections based on these and finally tenure split using the HNDA Tool provided by the CHMA. Full details of the way in which the Tool has been used are given in Section 4.
- 1.5.5 There is no national guidance on population and household projections, but the techniques used by NRS are well documented. The figures used for Population projections down to Housing Market Area level are supplied in the tool. Household projections are calculated by NRS only to the level of the whole Highland Council Area.
- 1.5.6 Paragraphs 4.2.6 forward describe a departure from the HNDA Tool method for allocating portions of the Household projections between HMAs based upon proportions calculated using existing dwelling counts in each HMA.
- 1.5.7 Within this HNDA where local data sources have been utilised these have been checked and cleaned to the satisfaction of the HMP. Where there are a number of competing sources of data, triangulation has taken place to ensure that only the most credible data are used in the HNDA.
- 1.5.8 Any non-prescribed sources from the HNDA practitioner guidance have been triangulated or justified where possible. Specifically, these include:
 - Locally maintained house completions information (Highland Council collected and quality assured data) as used in quarterly NB2 returns to Scottish Government. This data is subject to monthly update and a series of quality checking and assurance procedures applied before publication online. These processes include manual inspection of each new completion record (to ensure only new additional housing units are included) and a duplication check to ensure only one completion record can exist for each residential completion.

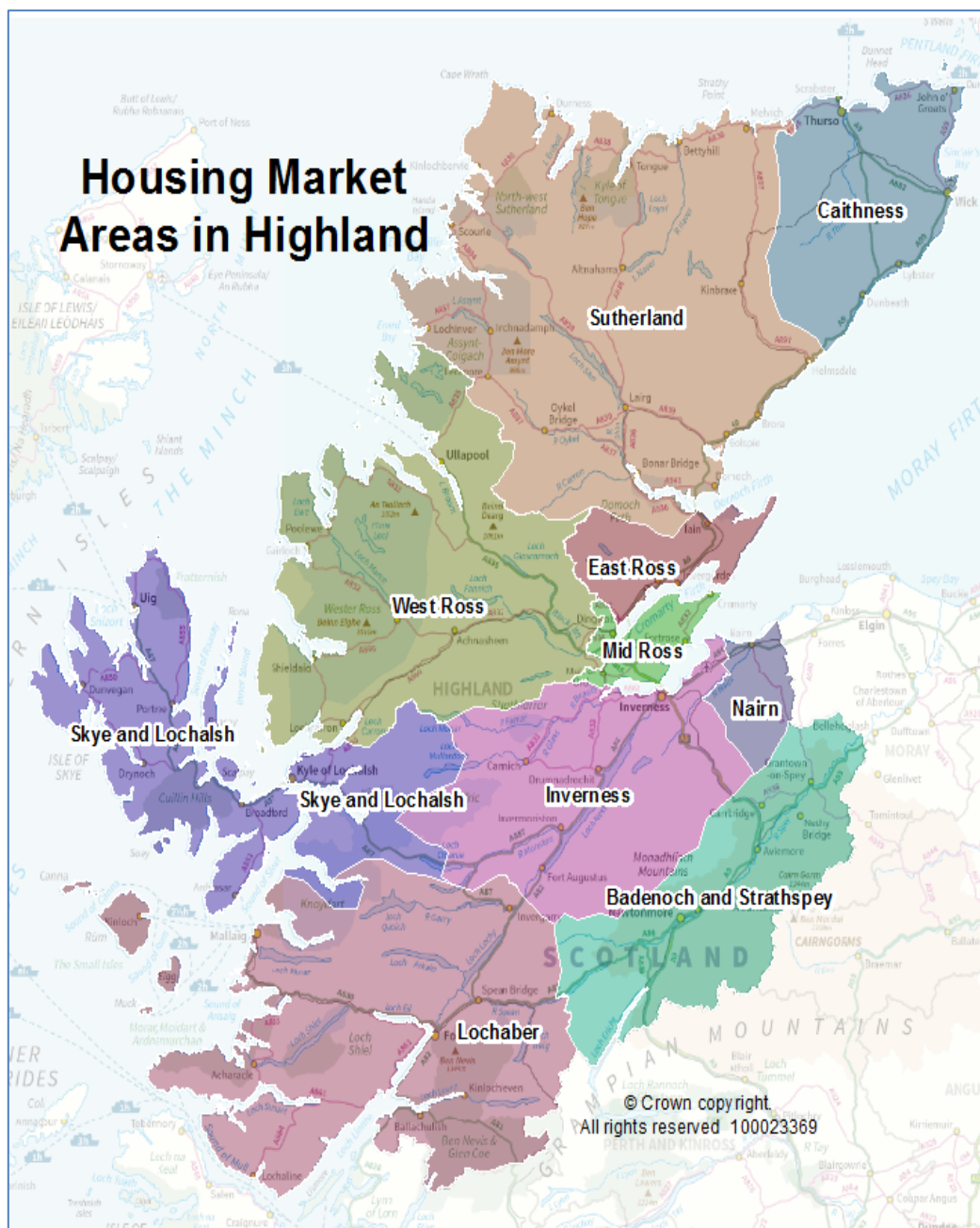
- Highland Housing Register (HHR) This dataset is a joint register, along with the Registered Social Landlords (RSLs) operating in the Highland Council area (see accompanying paper for full details).
- Social housing stock information supplied by Highland Council housing Team – this is an extract of the operational housing management data and is subject to appropriate quality assurance and continuous maintenance.
- Summarised council tax information is used to provide a calculation of ineffective stock. This was created from an extract of this Highland Council maintained dataset taken at the start of September each year for the purposes of supply to NRS and incorporated in Scottish statistics. Quality assurance procedures are carried out both before supply and by NRS on the submission made.

1.6 Defining Highland's Housing Market Areas

- 1.6.1 Scottish Planning Policy June 2014 sets out the Scottish Government's policy on the identification of housing requirements, the provision of land for housing and the delivery of homes through the planning system. Within this, the first steps are the identification of functional Housing Market Areas (HMAs).
- 1.6.2 A housing market area (HMA) is a geographical area where the demand for housing is relatively self-contained, i.e., where a large percentage of the people moving house or settling within the area have sought a dwelling only within that area. The Note 1 *HNDA Defining Highlands Housing Market Areas* in the accompanying information describes the work done in 2009 to identify our HMAs, with the principles described below.
- 1.6.3 For the purposes of strategic planning for housing it is necessary to undertake an assessment of housing need and demand at housing market area (HMA) level. This will provide, for each HMA an estimate of:
- Households living in housing need
 - Households requiring affordable housing now and in the future
 - Households requiring open market housing now and in the future
 - The shortfall of affordable housing now and in the future.
- 1.6.4 There is no single method for establishing Housing Market Areas and it is recognised that different approaches are required in different areas. Potential approaches include:
- Analysis of the origin and destination of house buyers.
 - Travel to Work Areas, mainly defined using census data.
 - Community boundaries such as Community Council areas.
 - Pre-defined boundaries such as Structure Plan boundaries.
 - Local knowledge, other recognised boundaries such as school catchment areas.
- 1.6.5 With the lack of more current data on Travel to Work patterns - The Housing Strategy sub-group and Highland Housing Market Partnership accepted that the existing HMAs (Shown in Figure 1) continue to be appropriate and that there would be limited value in attempting to update the exiting Housing Market Areas for Highland until after the 2022 Census collected information is made available.
- 1.6.6 The existing HMAs are supported by analysis carried out in line with recommended methods to identify Highland's Housing Market Areas. Analysis of travel to work information from the 2011 Census has shown that:
- 221 people travelled to work from Highland to Argyll & Bute in 2011, with 179 people travelling in the opposite direction: and
 - 1,010 people travelled to work from Highland to Moray, with 1,367 people travelling in the opposite direction.
- 1.6.7 The relatively low numbers and balance between inward and outward flows confirms Highland overall as a self-contained area for analysis

- 1.6.8 In 2019, further analysis of the supplied 2017 House Sales data was carried out to identify flows between and into HMAs (data for all sales to people in the Highland Council Area but outside the area was not supplied). This data reconfirmed the self-contained nature of Highland HMAs. For example, the Inverness HMA identified that almost 71% of sales were to people already living within the Inverness HMA.
- 1.6.9 With the lack of newly available travel to work area data since the last HNDA it was decided to await 2022 derived census data before carrying out a further comprehensive HMA modelling exercise and the existing HMAs were agreed as being representative.

Figure 1-1 Housing Market Areas in Highland



Source: Highland Council in-house analysis

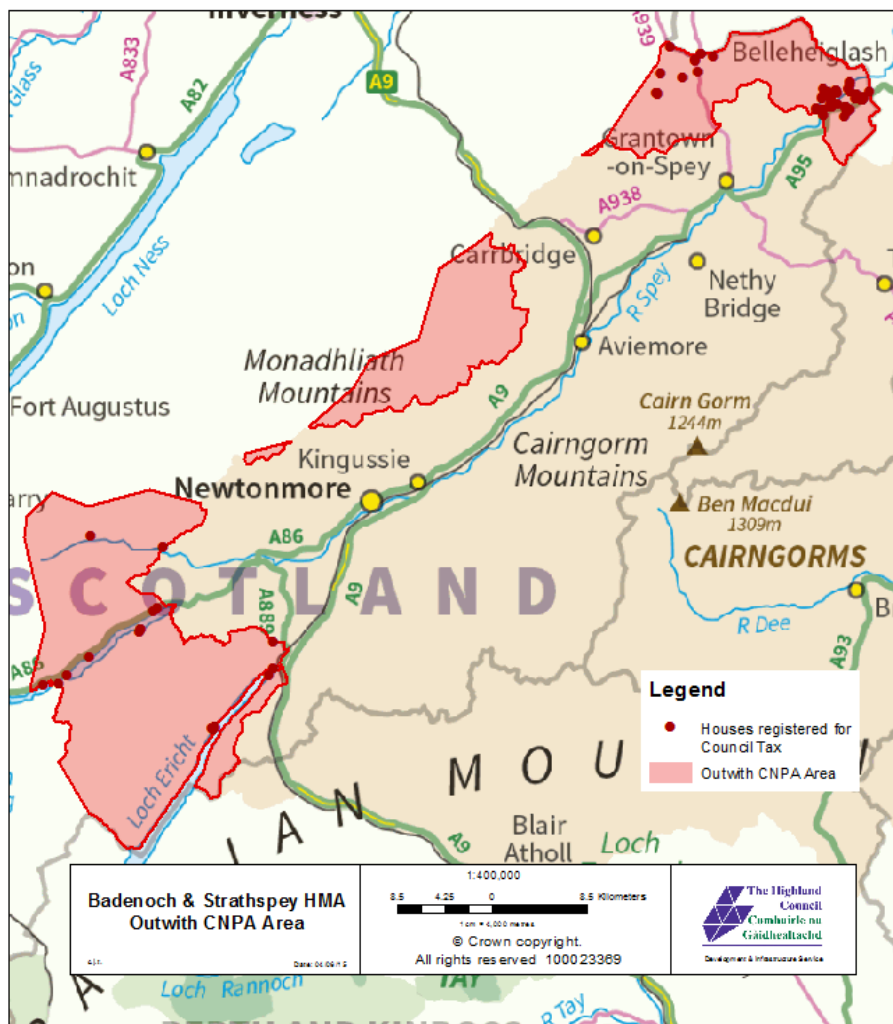
1.7 Relationship between the Cairngorm National Park and the Badenoch & Strathspey Housing Market Area

1.7.1 Figure 1-2 below shows (pink) the small parts of the Badenoch & Strathspey HMA that lie out with the National Park area. They comprise:

- The area around Advie in the North, area 153 sq. kms, containing 153 houses registered on our Council Tax database.
- Two areas in the Monadhliath Mountains, combined area 132 sq. kms, with no houses;
- The area around Laggan in the south, area 417 sq. kms, containing 20 houses.

97.6% of the housing stock in the HMA lies within the Park area and for most long-term planning purposes the two can be considered to be equivalent.

Figure 1-2 Parts of the Badenoch & Strathspey HMA that lie outwith the Cairngorm National Park



CHAPTER 2: Key Housing Market Drivers

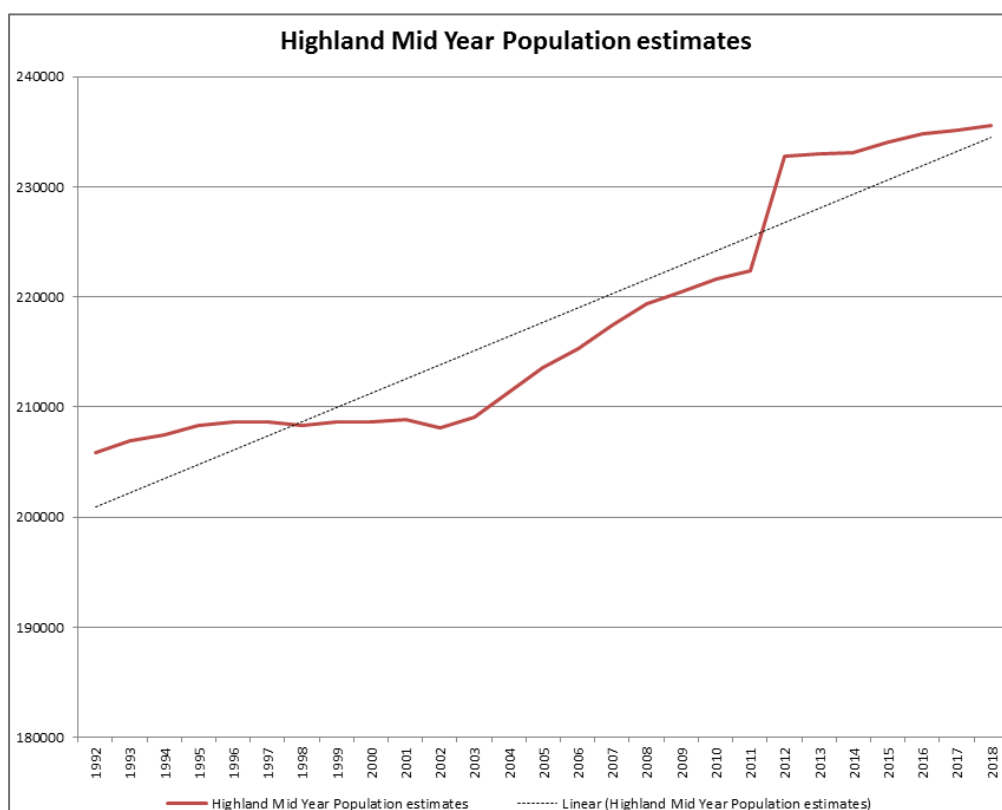
2.1 Summary

- 2.1.1 This chapter provides information on the key demographic and economic trends affecting local housing markets in Highland. These issues have been identified both through analysis of the data input to the Housing Need and Demand Assessment Tool and sourcing of local data where available. The outputs from this chapter help us understand the types of housing need and demand we are likely to face in future across housing market areas. This will inform the setting of Housing Supply Targets within the Local Housing Strategy and Highland Development Plan, and future prioritisation of investment and service development.
- 2.1.2 Since the commencement of work on this HNDA in late 2019 major events have occurred for which the impacts on the nationwide housing market are not yet known. Very limited data is available for use that measures the effects of the UK leaving the European Union (Brexit) whilst simultaneously suffering the ongoing (at the time of writing) impact of the COVID19 pandemic. Data that will become available covering permanent changes to working patterns (full or partial homeworking) are likely to have significant impacts upon the housing market. Popularity of residential properties in rural areas and in the more remote locations of the Highland Council area appears to be strong however this does not currently have data available to support this impression. Without demonstrable trends it has not been possible for this HNDA to incorporate these potentially significant emerging changes. Similarly, the economic outlook and migration patterns are based upon pre-Brexit and pre-pandemic data as more up to date data is not currently available.
- 2.1.3 As more data becomes available indicating the impacts of UK leaving the European Union (Brexit) and the COVID19 pandemic, Highland Council will review the Key Housing Market Drivers in the HNDA.
- 2.1.4 A supporting document “Paper 6 – Rental costs, house prices and affordability” has been prepared to provide additional information on these key issues affecting Highland Council area housing market.
- 2.1.5 As this assessment was being completed – further additional supporting information on the housing challenges businesses are facing in recruiting staff in the Highland Council area, specifically in the Lochaber and Badenoch and Strathspey Housing Market Areas. These two studies, published in late 2021 are included as reference papers.
- Paper_8_Badenoch_and_Strathspey_Housing_Needs_Survey_Dec2021.pdf
 - Paper_9_Lochaber_Housing_Needs_Dec2021.pdf

2.2 Recent Demographic trends

- 2.2.1 The population of Highland has risen steadily since the mid-twentieth Century, growing from 192,000 in 1981 to 235,540 in 2018. In line with the rest of Scotland this period has seen an ageing population with the percentage aged 16 to 44 falling from 40% in 1981 to 33% in 2011 and in 2018 further down to 31.6%. The percentage aged 65 and over rose from 14% in 1981 to 19% in 2011 and to 22.1% in 2018 (a figure of 51996 of 235540).
- 2.2.2 Figure 2-1 (below) shows the actual population growth since 1982, showing also the general trend in population growth. This shows that the population of Highland increased by 15.2% between 1991 and 2016 (Sources: Census and NRS Mid-Year Estimates of Population)
- 2.2.3 There are however significant variations in the direction of change of population between different Housing Market Areas in Highland, illustrated in Table 2-1 below. but with a wide range of local variation; with Inverness increasing by almost 30% and, Badenoch and Strathspey and Nairn growing by around a quarter but a small decline continuing in Caithness. (Sources: Census and NRS Mid-Year Estimates of Population)

Figure 2-1 Population of Highland Council Area 1992 to 2018



Source: National Records of Scotland Mid-Year Estimates

Table 2-1 Population Change by Housing Market Area

Housing Market Area (HMA)	2011	2018	% Change 2011 – 2018
Badenoch & Strathspey	13,588	13,909	+2.36
Caithness	26,486	25,413	-4.1
East Ross	21,810	21,661	-0.1
Inverness	78,419	81,575	+4.0
Lochaber	19,987	19,856	-0.7
Mid Ross	22,939	23,838	+3.9
Nairn	13,017	13,372	+2.7
Skye & Lochalsh	12,886	13,223	+2.6
Sutherland	13,844	13,480	-2.7
Ross & Cromarty West	9,156	9,194	+0.4
Highland	232,132	235,540	+1.5

Source: 2011 Census 2011 and MYE2018

2.2.4 Changes in the age profile from 2011 and 2018 are summarised in 2-2 below.

Table 2-2 HMA Population make up 2011 and 2018

	2011	2018	2011	2018	2011	2018	2011	2018	2011	2018
2018 (NRS Mid-Year Estimate)	0 to 15 %	0 to 15 %	16 to 64 %	16 to 64 %	65 to 74 %	65 to 74 %	75+ %	75+ %	All ages (Persons)	All ages (Persons)
Badenoch & Strathspey	17.3	15.3	63.3	61.3	10.8	13.9	8.6	9.4	13592	13909
Caithness	17.2	16.6	63.1	60.3	11.1	12.7	8.6	10.4	26533	25413
East Ross	19.3	18.4	62.7	59.2	10.6	12.8	7.4	9.6	21819	21661
Inverness	18.2	17.8	65.9	63.6	8.6	10.3	7.4	8.4	78773	81575
Lochaber	18.6	17.3	63.1	61.4	10.4	12.3	8.0	9.1	19988	19856
Mid Ross	17.6	16.7	62.9	60.3	10.8	13.3	8.7	9.7	23007	23838
Nairn	18.1	15.9	60.8	59.5	11.1	13.4	10.0	11.2	13041	13372
Skye & Lochalsh	16.7	14.7	63.6	60.3	11.3	15.2	8.4	9.7	12908	13223
Sutherland	15.2	13.0	59.7	57.1	13.8	16.9	11.3	13.0	13879	13480
Ross & Cromarty West	16.3	13.3	60.6	59.7	12.9	15.2	10.0	9.7	9190	9213
Highland Council Area Wide	17.8	16.7	63.6	61.2	10.3	12.5	8.3	9.6	232730	235540

- 2.2.5 Between 2011 and 2018 in the child age groupings the proportions of 0-15-year-olds in the Highland Council Area has fallen from 17.8% of the Highland Council area population to 16.7% with falls in the proportion in ALL housing Market Areas.
- 2.2.6 Most marked are the falls in percentages in Ross & Cromarty West HMA from 16.3% to 13.3%, Sutherland from 15.2% to 13.0% and Nairn from 18.1% to 15.9%. The smallest falls are in the Inverness HMA from 18.2 to 17.8%.
- 2.2.7 Working age population. In the 16-64 age group. The range is from 57.1 % of the population of Sutherland fall in this age group – to 63.6% in the Inverness HMA.
- 2.2.8 Elderly age groupings. In both the 65-74 and 75+ age groups the proportions of the population have risen significantly between 2011 and 2018 from 10.3% to 12.8% and from 8.3% to 9.6% Highland Wide. The variation in these older age groupings is significant. Age 65+ in Sutherland this has risen from 25.1% to 29.9% and in Ross & Cromarty West from 22.9 to 24.9%. In Inverness HMA the rise is from 16.0% to 18.7%. As the 65+ age group moves into their 70s and beyond the need for care and perhaps specialist housing increases.
- 2.2.9 The gender balance in Highland tends to mirror national trends of slightly more women than men (51.0% women in Highland, Scotland 51.3%). Working age and Under 16s are similar to the Scotland wide balance but Highland Males aged 65+ make up 46% (Scotland 44.8%). Age and gender profiles of migrants to and from Highland areas show that young women aged 15 to 19 are more likely to leave Highland, probably linked to the gender balance in higher education, and to move into Highland in their 20s.
- 2.2.10 The net result is that the more diverse population base in Inverness is more self-sustaining with a relatively consistent demand for housing through time whereas in the remoter areas population growth will slow and even decline locally, with a fall in the demand for housing and a marked increase in housing for the elderly.

2.3 Minority Ethnic Population

2.3.1 There are a lower proportion of people from minority ethnic backgrounds in Highland (1.4%) compared to Scotland as a whole (4%), with the proportions of people for Asian, Chinese and African ethnic origin particularly underrepresented. Proportions of people from different ethnic origins are similar across all Highland Housing Market Areas with the exception of people identifying as Polish where the proportions of households are significantly higher in Badenoch and Strathspey and Inverness (2.4%) compared to 1.5% in Highland as a whole and 1.2% in Scotland (all figures 2011 census).

2.4 Components of Population Change

2.4.1 Data is sourced from: <https://www.nrscotland.gov.uk/files//statistics/council-area-data-sheets/highland-council-profile.html>

2.4.2 Births have fallen from 2451 in 1998 down to 2005 in 2018. Deaths in the same period have risen from 2405 up to 2666 by 2018. The 2018 based forecast suggests by 2028 a decrease due to natural change of 2.6% - however this is more than compensated for by an increase of 3.2% through net inward migration.

2.4.3 Life expectancy has risen from 79.4yrs to 82.4yrs (Female) and 74.yrs% to 77.8yrs (male) for those born in 2001 to 2003 to 2016-2018 over the same period. This compares well with the Scotland average typically between 0.5 and 1 year higher in the Highland Council Area.

2.4.4 The household projections produced by NRS are based upon the continuation of recent trends. With a consistent net inward migration figure of around +1000 per year being a major component of population change in the Highland Council Area for each of the last 4 years 2014/5 to 2017/8.

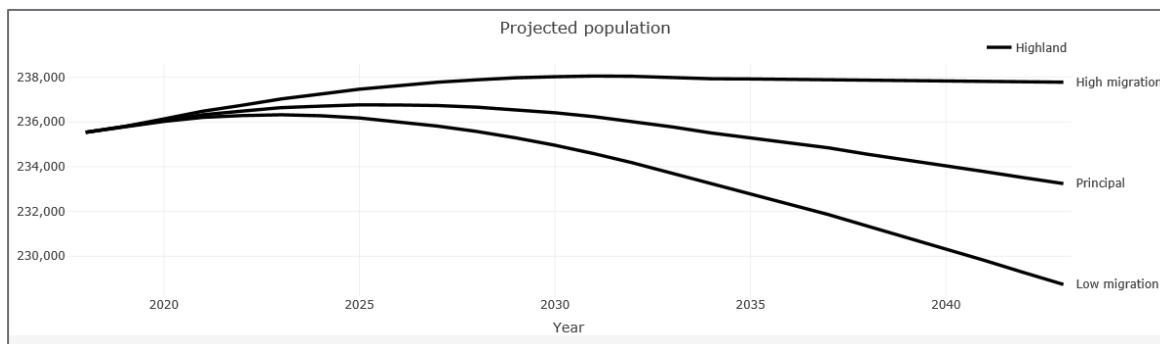
2.4.5 Careful attention is being paid to this component since the referendum and vote to leave the European Union in 2016. There has not been any sign of a fall in migration to the Highland Council area in the most recent years since this decision with a continuing net inward migration from a range of locations.

2.4.6 Migration from Highland is negative (i.e., more leave than enter) in the 15-19 and 65 to 79 age groups. In all other ages a positive net figure is seen. The highest numbers in any 5-year age group are in 30-34 and 55 to 59.

2.5 Future Demographic Scenarios

- 2.5.1 Low, Medium and High Migration Population projections created nationally for Scotland are a net inward migration figure of 15.9k, 19k and 22.2k per year. A key feature of the population and household projections produced by National Records of Scotland is that they are based on the continuation of recent trends and, for the key parameter of migration, they are based on the average of the five years prior to the projection base year. For the 2018 projections this is the period mid-2013 to mid-2018.
- 2.5.2 Our 2010 HNDA was based on a 2006 high migration scenario of +1,650 net migration per year and the 2015 HNDA also used the High Migration Scenario – this time from the 2012 population projection (trend based on data from 2007 to 2012).
- 2.5.3 The 2018 Principal Population Projection for Highland Council Area includes an assumed net inward migration of 748 per year for the next 10 years. These figures for migration in Highland Council Area are used in the supplied trend-based “migration led” population projections. The average population migration figure over the 5 trend forming years is +868.
- 2.5.4 2018 based 25 Year population projections for the different migration scenarios for Highland are as follows. All three scenarios show rises in population initially however within 12 years (by 2030) all projections are falling or level (High Migration only).

Figure 2-2 Comparison of Low/Principal and High Migration Population Projections



Source: <https://scotland.shinyapps.io/nrs-sub-national-population-projections/>

Table 2-3 Historic Net Migration to Highland

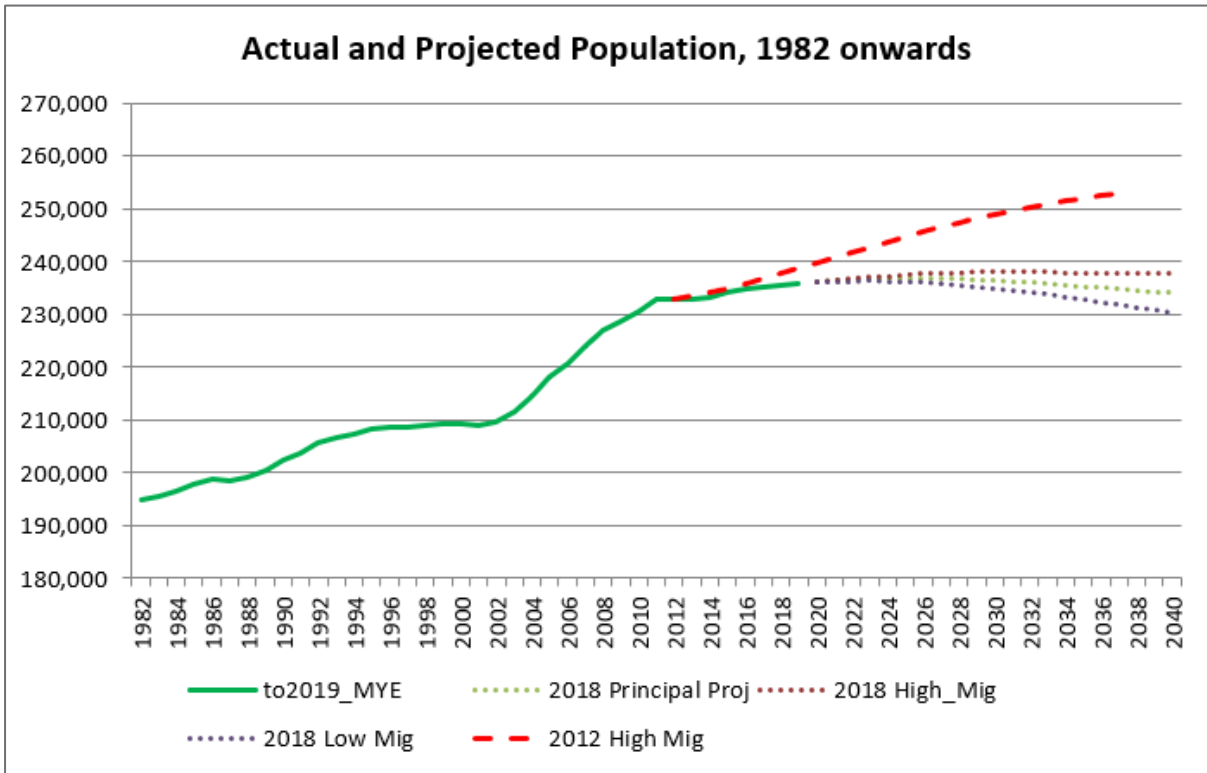
Year	Net Migration
2011/2	+120
2012/3	+90
2013/4	+240
2014/5	+1120
2015/6	+1200
2016/7	+810
2017/8	+970
2018/9	+980

- 2.5.5 Table 2-3 gives the historic rates of net inward migration for the Highland Council Area to Mid 2019 for comparison with Figure 2-2 above. The 2018 based principal projection uses an average figure of +748 per year. The 5-year average from 2013/4 to 2017/18 shows an average of +868 per year and the following year (2018/2019) – the first year of a 2018 based projection showed +980 net inward migration.
- 2.5.6 The arising need on a 2020 base year calculated in the Principal Projection is 6324 additional households over 20 years. Using the High Migration projection, we see an additional 7806 households over 20 years as arising need.
- 2.5.7 The use of +748 per year is considered an underestimate in the migration position in Highland given our generally positive economic outlook (described in detail in 2.8 below). The High Migration population projection uses a figure for net migration averaging +934 per year over the forthcoming 25 years which, when compared to the recent historic inward net migration figures (Table 2-3) appears much more realistic. This is split between a small net outward figure to the rest of Scotland, and a small inward net figure from overseas. The largest component is a net inflow from the “Rest of the UK”.
- 2.5.8 The HMP therefore believes that, of the three NRS scenarios, the high migration scenario is the most appropriate for use as a baseline for use in long term planning for this HNDA.

2.6 Population Projections

- 2.6.1 The population projections resulting from the three migration scenarios are given in Figure 2-3 (below), which shows that all 2018 projections are either for a steady population (in the High Migration projection) or starting to fall slightly year on year after 2022.
- 2.6.2 These latest projections differ considerably from those used in the last HNDA 2015 which used figures from the 2012 High Migration Scenario to underpin housing figures.
- 2.6.3 The latest available 2018 NRS population projections provide three potential base population scenarios with different migration assumptions going forward. These projections are shown in Figure 2-3 and are added to the NRS mid-year population estimates and the High Migration population projection (solid line) from 2012. This shows that all 2018 projection scenarios are projecting significantly lower populations going forward than the 2012 (used in the last HNDA) projected.

Figure 2-3 Actual and Projected Population

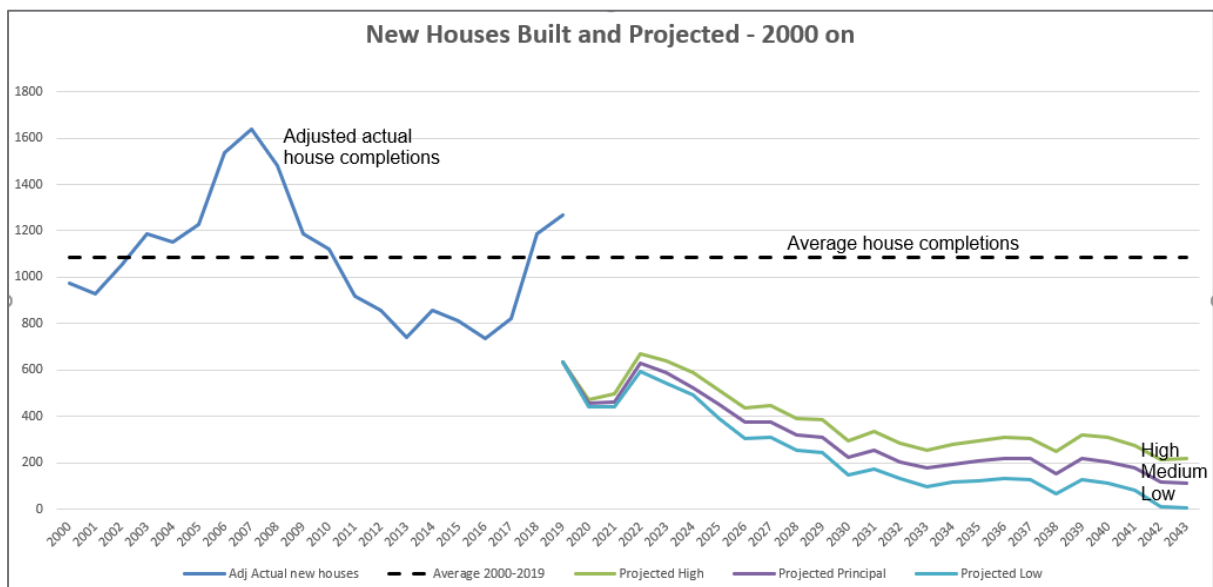


Source: National Records of Scotland Components of Population Change and 2012/2018 Population Projections

2.6.4 Household projections are produced by NRS every 2 years based upon underlying population projections, household estimates Census data and use a household reference person (HRP) approach. Three household projections based on the population projections using the 2018 National Records of Scotland figures are summarised in 4 below. Note that the number of new houses includes an allowance for ineffective stock (Second Homes and Self-Catering properties approximately 7% of stock Highland Wide) to make the figures comparable.

2.6.5 House completions are monitored closely by the Highland Council through tracking the issuing of “completion” and “temporary occupation” certificates. This monitor is available in dashboard form here: <https://www.arcgis.com/apps/opsdashboard/index.html#/f827c80f82364d7b82ba5eca454f9f5e> . In recent years House Completions monitored from this source show significantly higher counts than the identified “arising need” figures in the latest available 2018 Highland Council area Household projections provided by NRS.

Figure 2-4 Historic House Building and NRS Household Projections, 2000 on



Sources: Highland Council house completions monitor and NRS 2018 based Household Projections

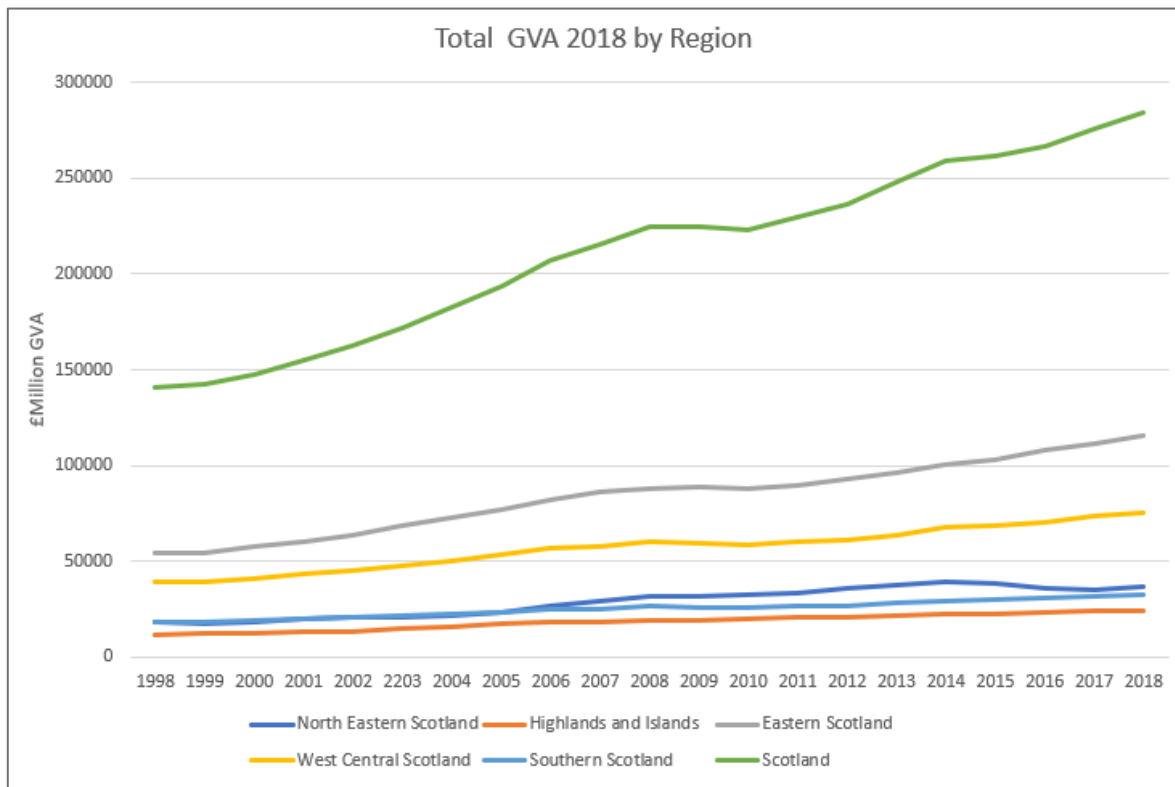
2.7 Household composition and tenure

- 2.7.1 The current (2011 Census) household composition in Highland shows that, although there is a general level of consistency across Housing Market Areas in terms of overall numbers, the different age structures have resulted in some significant differences, in particular the percentage of one person age 65+ households in Sutherland is much higher than in Inverness (18.7% and 11.8% respectively).
- 2.7.2 The 2018 based household projections show that Scotland wide the number of households is projected to increase by 120,000 (5%) with an average of 12,000 more households per year. Households will increase faster than the underlying population as more people live alone or in smaller households. This 5% projected increase in households will come parallel with a 2% increase in population. The biggest increase will be in one person households driven by the growth in the number of older people. Source:(<https://www.nrscotland.gov.uk/files//statistics/household-projections/18/household-proj-18-report.pdf>)
- 2.7.3 One person and two adults (no dependent children) households are much of the projected growth. Average Household Size in 2009 was 2.18 and is projected to decrease from 2.15 people per household in 2018 to 2.12 in 2028 and 2.00 in 2043.
- 2.7.4 In September 2020 over 40,000 households claimed the single occupancy discount. When compared with September 2014 figures this is an additional 5300 households in the Highland Council Area. This now makes up 33.5% of the total of 119,919 Council Tax residential properties. (Table 5-4).
- 2.7.5 The Cairngorm National Park is expected to see a rise from 8700 households in 2018 to 9400 in 2028 (+8%). In Highland projections are for increases but at a rate below the Scottish average.
- 2.7.6 In comparison with the 2016 based projections – the 2018 based version projects lower figures throughout the 25-year projection period.

2.8 Economic Opportunities

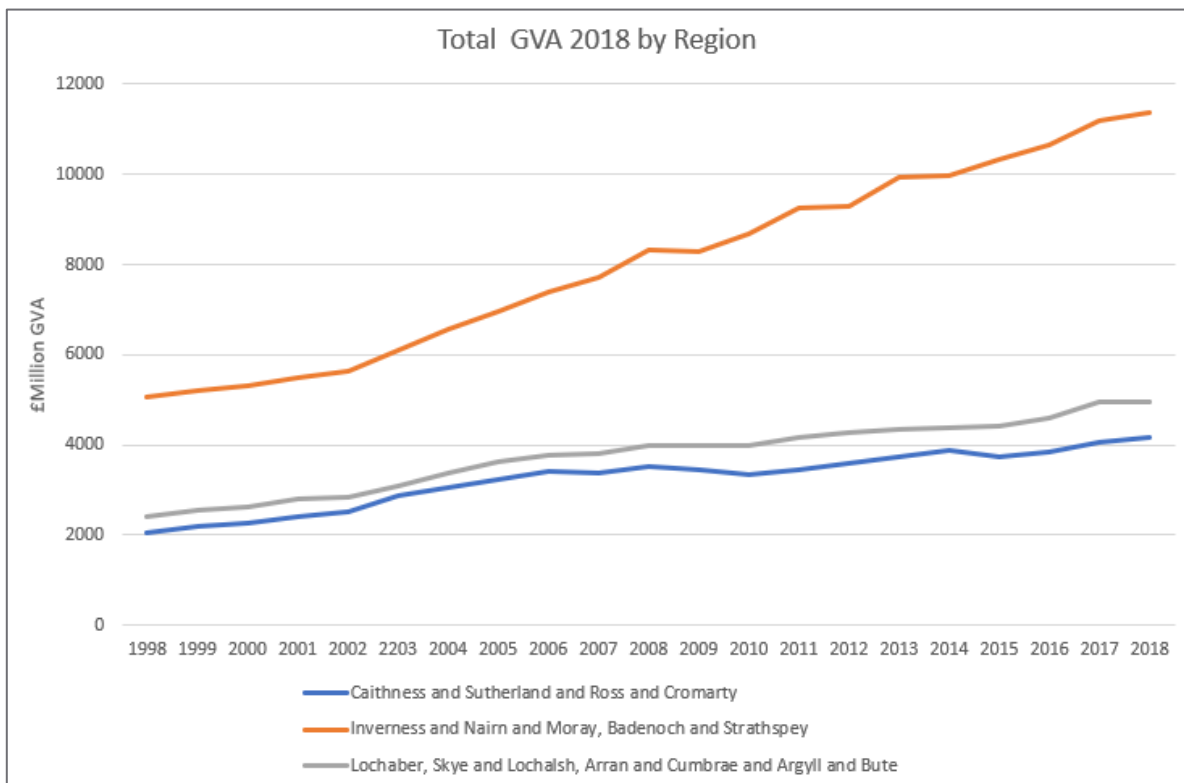
- 2.8.1 Gross Value-Added measures the contribution to the economy of each individual producer, industry or sector in the United Kingdom and is used in the estimation of gross domestic product (GDP). Gross Value is measured at a regional level which is not consistent with Local Authority areas or Highland Housing Market Areas but still provides a good indication of relative economic performance.
- 2.8.2 All regions (at NUTS2 level) in Scotland show increasing GVA over the period (except 2014 – 2017 in NE Scotland due to the Oil Industry downturn). The Highlands and Islands shows a steady increase that can be explored in more detail in the Figure 2.6 below.

Figure 2-5 Economic Performance (Gross Value Added) NUTS2 Areas



Source: Office of National Statistics Regional GVA

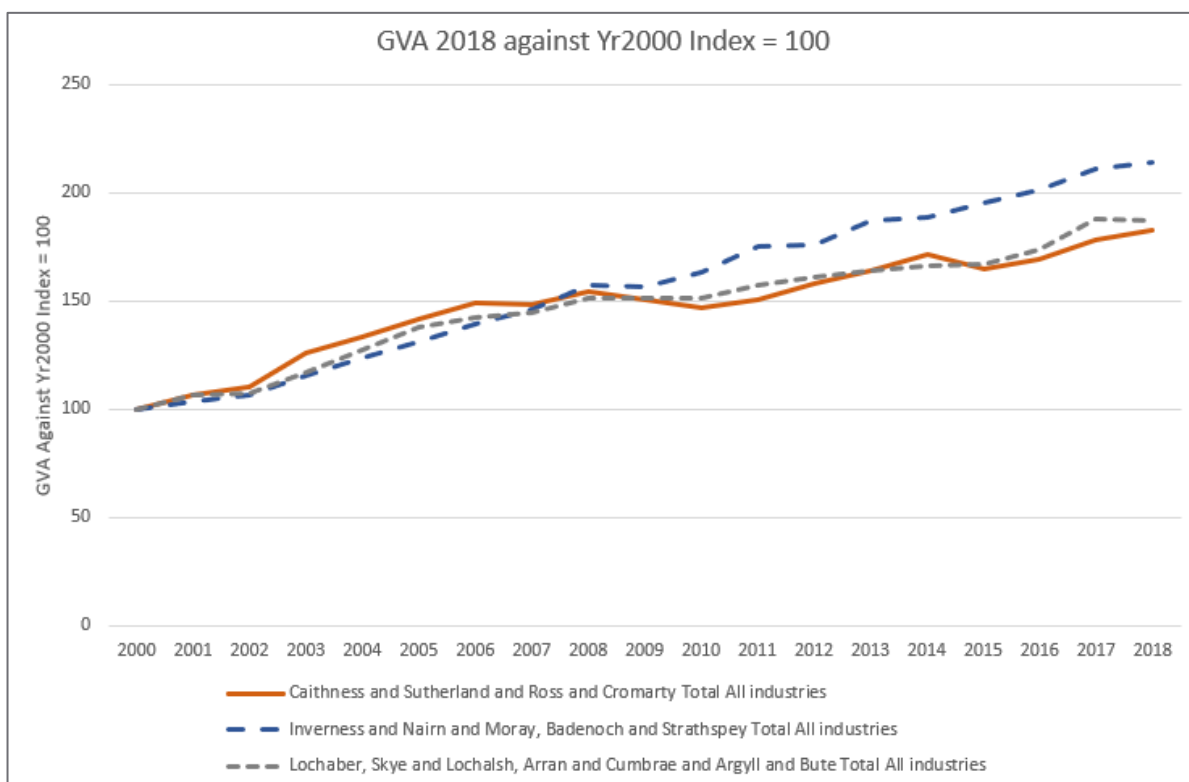
Figure 2-6 Economic Performance (Gross Value Added) 2018 by NUTS3 Areas



Source: Office of National Statistics Regional GVA

2.8.4 The simple aggregated value figures don't necessarily show the whole story. Using a baseline of Year 2000 (index =100) we can see the relative changes in GVA in the three areas covering the Highland Council Area. From Year 2000 growth in the three areas was relatively consistent however from 2006 to 2010 Inverness & Nairn and Moray, Badenoch & Strathspey continued strongly (with growth in the North and West of the area slowing significantly, but not falling). After this point growth around Inverness and East occurred more strongly than the other two areas covering the Highland Council Area, and this has continued in recent years to 2018.

Figure 2-7 Gross Value Add 2018 against Index (Yr 2000 = 100) - NUTS3 Areas



Source: Office of National Statistics Regional GVA and HC Analysis

2.9 Employment and GDP

2.9.1 The latest available information on employment at detailed level is detailed below in Table 2-4.

Table 2-4 Employment and Unemployment - 2019 – NUTS3 Areas

Period	Area	Employment	Unemployment	Claimants
Jan to Dev 2019	Caithness & Sutherland and Ross and Cromarty (CSRC)	75.2%	3.1%	3.0%
Jan to Dev 2019	Inverness & Nairn and Moray, Badenoch & Strathspey (INMBS)	78.7%	3.3%	2.3%
Jan to Dev 2019	Lochaber, Skye & Lochalsh, Arran & Cumbrae and Argyll & Bute (LSLACAB)	75.9%	1.9%	2.6%
Jan to Dev 2019	UK	75.6%	3.9%	2.7%
Jan to Dev 2019	Scotland	74.8%	3.5%	3.1%

Source: NOMIS Data 2019

2.9.2 There are a number of areas where the economy of Highland differs from the rest of Scotland:

- Highland has a much lower “Workless Households” percentage (13.9%) than the 17.7% Scotland rate (amongst households with at least one person aged 16-64.)
- Other than common sectors such as retail and the motor trade, a significant number of jobs are in tourism related activities such as accommodation, food services and transport.
- A higher proportion of Highland residents are Economically Active (of 16-64-year-olds) with 81.7% compared to 76.8% for Scotland.
- More people in Highland are self-employed: 12.2% in Highland compared with 8.8% in Scotland (June 2020 – ONS APS).

2.9.3 Highland in 2019 identified 113,000 employee jobs. A higher than Scotland and GB rate of 38.9% of these are part time jobs (compared with 33.7% and 32.2%).

2.9.4 In “Accommodation and food services” categories – Highland has almost double the GB wide figure with 13.3% of the job market. This is also significantly higher than the 8.3% recorded for Scotland. “Water supply; Sewerage, waste management and remediation” employs relatively low numbers but in Highland more than double the proportions of Highland Jobs for this category than in Scotland or GB.

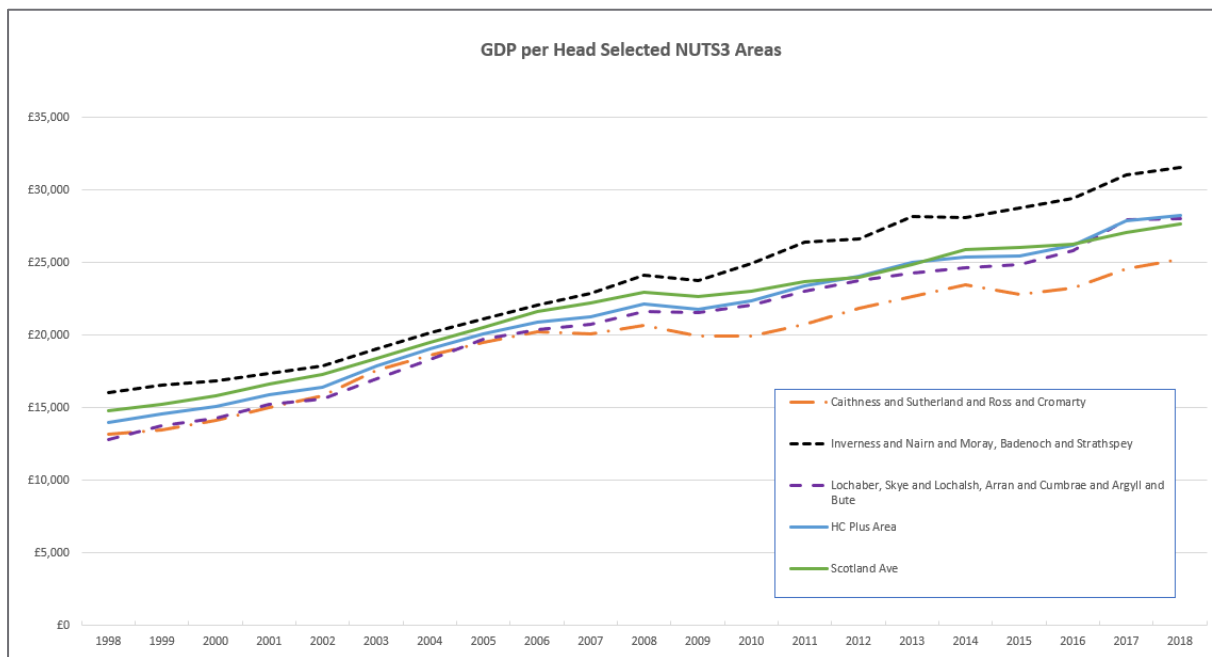
Table 2-5 Comparison of Job Types – 2019 – Highland/Scotland/GB

Employee jobs (2019)				
	Highland	Highland	Scotland	Great Britain
	(Employee jobs total)	(%)	(%)	(%)
Total employee jobs	113,000	-	-	-
Full-time	69,000	61.1	66.3	67.8
Part-time	44,000	38.9	33.7	32.2
	Employee jobs by industry	(%)	(%)	(%)
B. Mining and quarrying	500	0.4	1.1	0.2
C. Manufacturing	6,000	5.3	6.8	8
D. Electricity, gas, steam and air conditioning supply	900	0.8	0.7	0.4
E. Water supply; sewerage, waste management and remediation activities	2,000	1.8	0.8	0.7
F. Construction	7,000	6.2	5.5	4.9
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	16,000	14.2	13.5	15
H. Transportation and storage	5,000	4.4	4.2	4.9
I. Accommodation and food service activities	15,000	13.3	8.3	7.7
J. Information and communication	2,250	2	3.4	4.3
K. Financial and insurance activities	1,000	0.9	3.4	3.5
L. Real estate activities	1,500	1.3	1.5	1.7
M. Professional, scientific and technical activities	6,000	5.3	7.2	8.8
N. Administrative and support service activities	6,000	5.3	8.2	8.9
O. Public administration and defence; compulsory social security	6,000	5.3	6.3	4.4
P. Education	9,000	8	8.3	8.7
Q. Human health and social work activities	21,000	18.6	16	13.1
R. Arts, entertainment and recreation	4,000	3.5	2.8	2.5
S. Other service activities	1,250	1.1	1.7	2

Source: NOMIS Data 2019

- 2.9.5 Highland has a small number and proportion of large employers in both Enterprises and Local Units (businesses employing 250 or more people. This is 0.1% of all businesses (compares with 0.5% of Scottish businesses).83% (11515) employ 0-9 people compared to 81.2% across Scotland
- 2.9.6 GDP in the three NUTS3 areas covering the Highland Council Area is lower than the Scottish average in “Caithness and Sutherland Ross and Cromarty”. For the “Lochaber, Skye and Lochalsh” area the GDP figure is similar to the Scotland-Wide figure and in “Inverness and Nairn, Moray, Badenoch and Strathspey”.
- 2.9.7 The average across the three areas covering Highland Council area had consistently been slightly lower than the Scotland Average from 1998 until 2016 In 2017 and 2018 (the latest available figures) – the average GDP per head of population has been £27842 (Scotland £27033) and £28256 (Scotland £27659). These aggregated Highland Council (plus a wider area) figures are both a little higher than the UK overall average – and significantly higher than Wales (£22937 in 2018) and Northern Ireland (£24128 in 2018) average per head by lower than the England wide figure of £34454 in 2018.

Figure 2-8 GDP Per Head 1998 to 2018 - NUTS3 Areas



Source: ONS GDP Data

2.10 Incomes

- 2.10.1 The HNDA Tool is supplied with Household income estimates based upon 2014 data and provided as a median and 25th percentile value for each Housing Market Area and a Highland Council area median and 25th percentile figure. These figures are intended to estimate total household income from both benefits and job-related earnings and are potentially a more useful indicator of any household incomes than changing earnings.
- 2.10.2 The same data provided by CHMA with a 2018 base and contained in v4.0 of the HNDA tool suggests that Highland Council area annual median household incomes have remained unchanged in the 4 years from 2014 to 2018 at £30680 (at £590 per week) whilst the 25th percentile figure has risen slightly from £18200 to £18720 per annum. The similar comparable figures at Housing Market Area level are included in Table 2-6 and show, as expected, significant differences across different Housing Market Areas ranging from an increase of 10% in the period in Badenoch and Strathspey HMA to a fall of 1.8% in Caithness. Inverness HMA contains around 33% of the households of the Highland Council area and demonstrated no change in household income over this period.
- 2.10.3 A caveat about comparing different years of data for small areas are made in the supporting information for this income data. Specifically, it states “We urge caution when comparing estimates for different years for small areas. Whilst there may be genuine changes in income, the differences may also reflect refinements to the methodology.” This caution should be applied to any comparisons between the Highland Council HMA level income estimates. We include this data in the table for information only.
- 2.10.4 When compared against changes across Scotland in the same period – the Scottish median figure is also showing the same figure of £28,600 per household in both 2014 and 2018. The biggest falls are in Shetland (-17.2% over 4 years) and Eilean Sair (-12.5%). The adjoining Local Authority areas of Moray and Argyll and Bute both show a similar 0% change whereas Perth and Kinross indicates a 10.3% rise and the biggest change is in East Renfrewshire with a 12.1% rise over the same period.

Table 2-6 Local Household Income Estimates 2014-2018

Housing Market Area	Median Income Estimates		Change	4 year change %	Annual change %
	2018 based	2014 based			
Badenoch & Strathspey	£34,320	£31,200	£3,120	10.0%	2.5%
Caithness	£26,520	£28,600	-£2,080	-7.3%	-1.8%
East Ross	£27,560	£28,600	-£1,040	-3.6%	-0.9%
Inverness	£32,240	£32,240	£0	0.0%	0.0%
Lochaber	£31,200	£29,640	£1,560	5.3%	1.3%
Mid Ross	£33,280	£32,760	£520	1.6%	0.4%
Nairn	£28,080	£30,160	-£2,080	-6.9%	-1.7%
Ross and Cromarty West	£30,680	£29,120	£1,560	5.4%	1.3%
Skye & Lochalsh	£30,160	£29,640	£520	1.8%	0.4%
Sutherland	£28,080	£27,040	£1,040	3.8%	1.0%
Highland Council Area	£30,680	£30,680	£0	0.0%	0.0%

Source: Banded Income Statistics and CHMA

2.10.5 From the In 2019 ASHE earnings data the median weekly wage for a full time worker in the Highland Council area of £575.70 (£466.50 in 2013) compared with £578.30 (£508.70 in 2013) for Scotland and £587.50 (£517.4 in 2013) for Great Britain. Highland weekly wages on this measure are 96% of the Scotland Median – and 97.6% of the UK median. Over these 7 years although the actual figure has barely increased – the gap to median earnings across Scotland and UK wide has closed significantly.

Source:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/placeofresidencebylocalauthorityshetable8>

2.10.6 Scottish Index of Multiple Deprivation 2020 Data suggests income inequality is not evenly distributed within Highland with 23 data zones ranked as income deprived in the national context. These are spread across 6 different Housing Market Areas.

- 9 data zones in Inverness (Inverness HMA)
 - Merkinch (4)
 - Hilton, Drummond, Balifeary and Dalneigh, Central, Raigmore and Longman, Muirtown
- 4 in Alness (East Ross HMA)
- 2 in Invergordon (East Ross HMA)
- 1 in Seaboard (East Ross HMA)
- 4 in Wick (Caithness HMA)
- 1 in Dingwall (Mid Ross HMA)
- 1 in Fort William (Lochaber HMA)
- 1 in Nairn (Nairn HMA)

2.10.7 Within these data zone areas there are 191 housing units programmed for completion in the 5 years from 2020/1 to 2024/5 in the latest Housing Land Audit (2020). There are however sites in these income deprived datazones with capacity for housing identified in the current Local Development Plans for 523 in East Ross HMA, 125 in Caithness HMA, 39 in Mid Ross HMA This offers significant scope to regenerate the areas through tenure diversification.

2.10.8 Taking these 23 most income deprived data zones together they contained 7514 Households and 16176 residents (both Census 2011 figures). Since the 2011 Census and additional 210 houses have been completed in these datazones – almost all of which were built as Affordable Housing.

2.10.9 The population counts and proportions in these income deprived datazones are shown in Table 2-7 below (Census 2011 population figures). Almost 7% of the Highland Council population fall in Datazones identified as income deprived in the SIMD2020. Over 23% of the population of East Ross HMA fall in similarly identified datazones.

Table 2-7 The Most Income Deprived Data Zones in Highland

Housing Market Area	Number of Data Zones in the 15% most income deprived in Scotland	Population of these Datazones	Total Population in HMA	% of HMA population in the 15% most income deprived datazones in Scotland
Badenoch & Strathspey	0	0	13838	0.0%
Caithness	4	2497	25615	9.7%
East Ross	7	4971	21538	23.1%
Inverness	9	6816	81346	8.4%
Lochaber	1	644	19894	3.2%
Mid Ross	1	748	23787	3.1%
Nairn	1	500	13325	3.8%
Skye & Lochalsh	0	0	13143	0.0%
Sutherland	0	0	13543	0.0%
Ross and Cromarty West	0	0	9151	0.0%
Highland	48	16176	235180	6.9%

Source: Scottish Index of Multiple Deprivation 2020

2.10.10 Highland Council has consistently argued that to focus on the 15% most deprived areas in Scotland is too narrow and excludes many deprived areas in Highland that need support; particularly in rural areas where deprivation is dispersed and is not measured well by SIMD.

2.11 Affordability: Rental Costs, Incomes and House Prices

2.11.1 The accompanying Paper 6 - Rental costs, house prices and affordability provides a detailed description of these factors which impact on the affordability of housing in different tenures. The paper also contains information supporting the decisions to utilise the default supplied settings in the HNDA Tool.

2.11.2 The paper identifies that between 2014 and 2018 the proportion of incomes required for all tenures of housing have increased at both the lower quartile and median figures. The following Table 2-8 contains a summary of rental, income and house price data for 2014 and 2018 snapshots.

Table 2-8 Rental costs, house prices and incomes

	Private Rent				Local Authority Rent		RSL Rent		Income		House Prices	
	Lower Quartile Rent		Median Rent		Average Rent		Average Rent		Lower Quartile	Median	Lower Quartile	Median
	Monthly	Per Annum	Monthly	Per Annum	Weekly	Per Annum	Weekly	Per Annum	Per Annum		Per Annum	
2014	£475	£5,700	£525	£6,300	£65.14	£3,387	£76.92	£4,000	£18,200	£30,680	£108,000	£148,000
2018	£510	£6,120	£575	£6,900	£68.16	£3,544	£86.48	£4,497	£18,720	£30,680	£118,000	£165,500

Sources: CHMA/HNDA Tool, RoS and Highland Council

2.11.3 Affordability ratios have been calculated (see Table 2-9) and small increases appear in the Local Authority Rent affordability ratios (lower quartile rent/lower quartile income) rising from 18.6% to 18.9% of income and the median rent/median income level a rise from 11.0% to 11.6% of median incomes.

2.11.4 The affordability ratios for rent with a Registered Social Landlord (RSL) has also risen in this period from 22% in 2014 to 24% in 2018 (lower quartile rent as a proportion of lower quartile income) and from 13.0% to 14.7% for median rent/incomes.

Table 2-9 Affordability Ratios 2014 and 2018

	Affordability Ratios							
	Lower Quartile	Median	Lower Quartile	Median	Lower Quartile	Median	Lower Quartile	Median
	Private Rent/Income	Private Rent/Income	LA Rent/Income	LA Rent/Income	RSL Rent/Income	RSL Rent/Income	House Price/Income	House Price/Income
2014	31.3%	20.5%	18.6%	11.0%	22.0%	13.0%	593.4%	482.4%
2018	32.7%	22.5%	18.9%	11.6%	24.0%	14.7%	630.3%	539.4%

Sources: CHMA/HNDA Tool, RoS and Highland Council

- 2.11.5 The highest costs in rental sectors are for private rental and rates are around double the costs of Local Authority rent. Between 2014 and 2018 in the Highland Council area lower quartile private rental costs have risen from 31.3% to 32.7% of lower quartile incomes and median rent has risen from 20.5% to 22.5% of median incomes.
- 2.11.6 The latest private rental asking prices collected locally in September 2021 for private rental of 2-bedroom properties, taken alongside low-income increases suggest further significant rises challenges to affordability will arise as updated national and regional figures are produced.
- 2.11.7 Between 2014 and 2018 the proportion of incomes used for all tenures of housing have increased at both the lower quartile and median figures. Small increases appear in the local authority Rent affordability ratios however in the RSL and Private rental sectors, the increases are more significant.
- 2.11.8 Lower quartile private rents by 2018 account for 32.7% of lower quartile household incomes and median private rents are 22.5% of median household incomes.
- 2.11.9 House prices have increased against slight increases in household incomes at the lower quartile with house prices of 5.93 times the lower quartile household income in 2014 rising to 6.3 times by 2018. Median house prices against stationary median incomes show a rise from 4.82 times in 2014 to 5.39 times total gross annual household income by 2018
- 2.11.10 More up to date figures from RoS (only supplied as average sale price figures, not available at lower quartile and median) suggest house prices continue to increase in the Highland Council area at a similar rate to that seen between 2014 and 2018.
- 2.11.11 These increasing ratios over the four-year period in all tenures, supplemented by continuing rising house prices suggested in more recent RoS data, and demonstrated in the latest available information on private rental costs in 2019 to 2021 (See Appendices and tables in the accompanying paper) all show increasing unaffordability in the housing market across all tenures.
- 2.11.12 It is clear that there are significant problems with affordability. With lower quartile purchases at close to 6 times lower quartile household gross income and house purchase unaffordable in many parts of the area even for households with average incomes. Very large loan to value deposits would be required by many to support an offer of a mortgage.
- 2.11.13 To address this affordability, solutions include increasing the overall housing delivery numbers and/or increasing the proportion of affordable tenure housing required from developments.

2.12 Affordability: House Sales – Origin of Buyers and House Prices

2.12.1 The CHMA supply house sales data for Financial Year (FY) 2018/19 for use in HNDAs. Carrying out analysis on the residential property location and the general purchaser origin to understand any patterns.

2.12.2 Of the data supplied for 4316 sales, 75.4% were to buyers with an existing Highland address. 12.1% of sales were to buyers with addresses from the rest of Scotland and 11.6% to buyers from England.

2.12.3 Highland origin buyers make up 85% of purchases in Inverness HMA (with similar proportions within East Ross and Caithness). In Sutherland and Badenoch and Strathspey HMAs less than 50% of purchases are to existing Highland buyers. Table 2.10 contains a summary of sales to Highland Council area buyers against buyers from elsewhere. At the time of supply, analysis and drafting of this report a number of sales records were supplied without a usable location to allow allocation to specific HMA. This only applied to a very small number (17 out of 4316) of records in the Highland Council area and these records have not been updated in this analysis.

2.12.4 The discrepancy between non-HC area buyers and sales to rest of UK is the total of overseas and a small number of unknown buyer locations described above.

Table 2-10 Percentage of House Sales in Highland Council Area by buyer location - FY 2018/19

		Location of buyer		
		Sales to rest of UK (Rest of Scotland plus Eng/Wa/NI)	To Highland Council (HC) area Buyers	To non- HC area buyers
Property location		HMA		
	BS	48.9%	49.3%	50.7%
	CA	16.7%	83.0%	17.0%
	ER	16.4%	83.2%	16.8%
	IN	13.6%	85.0%	15.0%
	LO	31.5%	67.1%	32.9%
	MR	17.6%	81.7%	18.3%
	NA	26.5%	71.5%	28.5%
	RCW	46.2%	52.4%	47.6%
	SL	43.1%	52.1%	47.9%
	SU	46.8%	46.8%	53.2%
		Grand Total	75.4%	24.6%

Source: CHMA supplied RoS House Sales Data

- 2.12.5 Within this data at Housing Market Area level the figures vary widely. In Badenoch and Strathspey (229 sales) – only 45.0% of In Badenoch and Strathspey - with 36.7% of sales to people from the Rest of Scotland and a further 12.2% to English addresses. This HMA does border the Perthshire and Moray authority areas and is easily accessed from the A9. A very similar proportion of sales are to Highland Council area origin buyers as to those outside the Council area. Holiday homes are likely to make up a significant number of these purchases. Only 4.4% of sales identify buyers with origins in the rest of the HC area.
- 2.12.6 In Caithness 79.1% of buyers are already in Caithness with the next highest buyer location being from England with 9.7%. This is the biggest proportion of local purchasing - perhaps due to the location.
- 2.12.7 The largest "non-native" (from outside the HMA) buyer proportion falls in Wester Ross where only 35.9% (a count of 52 sales in 2018/19) are to local buyers and only 24 sales are from the rest of Highland. 38 (26.2%) are from England and 28 (19.3%) from the rest of Scotland. In summary 52.4% are inter Highland sales and almost 47.9% are to people out of highland.
- 2.12.8 The second highest local purchasing is in the Inverness HMA where 71.5% of the 1774 sales were to people already in Inverness HMA. 8.4% (149 sales) are to buyers from the Rest of Scotland and 5.1% from Mid Ross (91 buyers). Only 15% of sales are to buyers coming in from outside the 10 Highland HMAs.
- 2.12.9 The adjacent Mid Ross HMA has nearly 25% (107) of buyers from Inverness HMA. Mid Ross borders three other HMAs – Inverness, East Ross and Ross and Cromarty West. Taking these together and 76.1% (331) properties in Mid Ross are bought by "local" HMA residents.
- 2.12.10 Wester Ross (47.6%), Skye and Lochalsh (47.9%), Badenoch and Strathspey (50.7%) and Sutherland (53.2%) all have very high proportions of sales to people from outside the Highland Council area. High proportions of sales for holiday accommodation, second homes and retirement homes would be expected in all of these areas.
- 2.12.11 Table 2-11 summarises by HMA the percentages of all sales locally to buyers within the HMA and give a better understanding of the internal markets in house purchasing operating within these HMAs. Cells in bold show the percentage sold to buyers from within the same HMA.

Table 2.11 Percentage of House sales to purchasers within HMA and to buyers from other Highland Council area HMAs - FY 2018/19

		Location of Buyer (Highland HMAs)										
		HMA	BS	CA	ER	IN	LO	MR	NA	RCW	SL	SU
Property location	BS	45.0%	0.9%	0.0%	1.3%	0.0%	0.0%	0.0%	1.3%	0.9%	0.0%	
	CA	0.0%	79.1%	0.7%	0.7%	0.0%	0.0%	0.5%	0.0%	0.0%	1.9%	
	ER	0.0%	1.0%	58.4%	7.7%	0.0%	6.4%	1.3%	1.7%	1.3%	5.4%	
	IN	1.2%	1.0%	1.1%	71.5%	1.0%	5.1%	1.9%	0.6%	0.8%	0.7%	
	LO	0.3%	0.0%	0.0%	4.0%	61.7%	0.3%	0.0%	0.0%	0.7%	0.0%	
	MR	1.4%	0.5%	4.2%	24.8%	0.9%	42.7%	0.7%	5.1%	0.5%	0.9%	
	NA	2.0%	0.4%	0.8%	14.6%	0.8%	2.0%	47.4%	0.0%	2.0%	1.6%	
	RCW	0.7%	0.0%	0.7%	4.1%	0.7%	6.9%	0.0%	35.9%	2.1%	1.4%	
	SL	0.0%	0.0%	0.0%	2.8%	0.5%	0.0%	0.5%	0.9%	47.4%	0.0%	
	SU	1.5%	2.3%	4.5%	3.8%	0.4%	0.4%	1.1%	1.1%	0.4%	31.3%	

Source: CHMA supplied RoS House Sales Data

2.12.12 House Prices: Table 2-12 (below) shows that the average price of an open market sale in Highland rose from £107,639 in 2004 to a peak in 2008 of £157,522. After dropping and steadying to 2013 – recent years have seen yearly rises with the average sale price in 2020 being a new high of £192,955.

2.12.13 The table also shows that the number of sales peaked in 2007 and reduced significantly due to the impact of the credit crunch and has not returned to the annual sales volumes (5000-6100) in the 2004 to 2007 period. The last 4 years from 2016-2019 have delivered around 4500 sales per year. Against a base price of £162,868 in 2014 the increase to the end of 2020 is 18.47% over 6 years – increasing at more than 3% per year.

2.12.14 Scotland Wide average sale prices in 2019 were £181,338 and this compares with the 2 % Highland Council area figure of £184,986 for the same year of sales.

2.12.15 The number of new homes built in Highland is illustrated in Figure 3-1. Following the credit crunch in 2008 the annual build numbers fell to below 1000 per year from 2011 to 2016 however returned to over 1000 per year in 2018 and 2019 – and almost 900 completions in 2020 (reduced due to impact of the Pandemic)..

Table 2-12 House Prices in Highland

Year	Average Sale Price	Number of Open Market Sales
2004	£107,639	4,967
2005	£119,294	5,453
2006	£139,438	5,724
2007	£153,821	6,133
2008	£157,522	4,170
2009	£153,277	3,194
2010	£154,557	3,423
2011	£154,906	2,926
2012	£151,744	3,045
2013	£155,362	3,517
2014	£162,868	4,063
2015	£167,716	3,932
2016	£169,243	4,452
2017	£174,374	4,620
2018	£181,321	4,530
2019	£184,986	4,534
2020	£192,955	3,727

- 2.12.16 The number of new homes built in Highland is illustrated in Table 3-4. Following the credit crunch in 2008 the annual build numbers fell to below 1000 per year from 2011 to 2016 however returned to over 1000 per year in 2018 and 2019 – and almost 900 completions in 2020 (reduced completion numbers due to impact of the pandemic)..
- 2.12.17 The evidence on historic and continuing net migration suggests that the Household Projections option is set to “High Migration”. The existing need option should be to utilise direct input from locally sourced data and with clearance set to 10 years.
- 2.12.18 Evidence on recent changes in incomes suggests that the use of the default tool setting of “No Real Terms Growth - Inflation Target” for Growth in median income is appropriate. No evidence is presented suggesting a change in income distribution from the default state so the tool setting should remain as “No Change”.
- 2.12.19 The presented recent yearly rises in house prices and a strong ongoing housing market support the tool using the setting “Modest Growth” in the Prices and Affordability setting. Evidence presented under the analysis of affordability shows rising rental costs supporting the use in the tool of the “Modest Growth” as the “Rent Growth Assumption”.

Chapter 2: Key Findings

LHS and Development Plan	Key Issues Identified in the HNDA
Demographic issues for the local housing market(s)	<ol style="list-style-type: none"> 1. The population of the Highland Council Area has seen continued steady growth. 2. The percentage of households age 65+ has increased since the 2011 census 3. The proportion of working age population (aged 16-64) is falling in all Housing Market Areas. 4. There are very different population profiles across the 10 Highland Housing Market Areas. 5. Increasing numbers of people are living in single person households 6. Highland is dependent on inward migration for population growth. 7. All three migration-based Household Projections forecast significantly lower Need than recent housebuilding figures have delivered. 8. The Highland Housing Market Partnership has decided to adopt the high migration scenario as the baseline for our LHS and LDP
Affordability issues for the local housing market(s)	<ol style="list-style-type: none"> 1. Affordability (for house purchase) is identified as major issue for those on lower quartile and even median level incomes. The multiplier of household income required to purchase in the Highland housing market continues to increase preventing access to many. 2. With rental costs as a proportion of incomes also increasing in all tenures the additional “in year arising need” is seen as an important (and hidden element) in assessing the level of housing need. 3. Highland wide wages appear to have stagnated in a time when house prices and rental costs have both increased. Differences across Housing Market area exist however the locations with the largest number of households have seen stationary incomes or falls. 4. Affordability is moving further out of reach for many due to this disparity increasing still further between incomes and housing costs.
Economic issues for the local housing market (s)	<ol style="list-style-type: none"> 1. Highland in the most recent years has reported a slightly higher economic output

	<p>than Scotland as a whole (variations between the three components)</p> <ol style="list-style-type: none"> 2. The employment sector in Highland shows a slightly lower unemployment rate than Scotland. There is a high dependency on tourist related employment, and a higher proportion of self-employed people and part time roles. 3. Since the last HNDA in 2014/5 – average house sale prices have risen at just over 3% per year for 6 years (18.47% over 2015-2020). 4. Highland incomes have in recent years aligned much closer to the Scottish Average. This has been due to stationary income levels locally and falls nationally. 5. There is a wide variation in the origin of buyers across the different HMAs in the area with some very high proportions of sales to out of area buyers.
House prices	<ol style="list-style-type: none"> 1. Since the last HNDA in 2014/5 average house prices across the Highland Council area have risen from £162,867 for 2014 to £192,955 for 2020. This an increase of 18.5% over 6 years. 2. The average house price in Highlands is now 2% higher than the Scottish average 3. Residential sales have averaged 4300 per year in the same 6 years, an increase from 3361 per year in the previous 6 years.

CHAPTER 3: Housing Stock Profile, Pressures and Management Issues

3.1 Summary

3.1.1 This chapter examines the profile of housing in The Highland Council area, and each of its ten housing market areas. The aim of this section is to provide a better understanding of the size, location and condition of the existing housing stock across tenure and how this meets current and projected housing need. This helps to establish where mismatches apply and to inform the actions required through the Development Plan, the Local Housing Strategy. This information will also inform priorities for future stock management. Further, more detailed information in the form of background papers is referenced in the appendix.

3.2 Stock numbers and changes over time

3.2.1 According to Census figures the number of dwellings in Scotland increased by 15% between 1991 and 2011, against an increase in households of 17.5%. During the same period Highlands housing stock increased by 30% against an increase in 29% in the number of households. There are variations across Housing Market Areas as detailed in Table 3-1 below. The table also shows that the rate of increase in both households and housing stock has been more than double the rate of population growth, showing the impact of falling household sizes which is projected to continue into the future.

Table 3-1 Percentage Population & Household Change

	Population %	Households %	Dwellings %
Badenoch & Strathspey	14.4	41.5	28.3
Caithness	7.7	13.7	19.1
East Ross	9.1	21.2	23.9
Inverness	17.3	40.9	43.0
Lochaber	7.8	17.4	18.2
Mid Ross	14.2	34.6	36.8
Nairn	15.8	38.8	39.4
Skye & Lochalsh	13.8	26.5	29.8
Sutherland	8.1	12.4	16.3
Ross & Cromarty West	9.7	25.2	19.5
Highland	12.6	29.0	30.1
Scotland	8.9	17.5	15.0

Source: 1991 and 2011 Censuses: *Note for information – there are definitional differences between 1991 and 2011 which means that there are slight inconsistencies in the figures*

3.2.2 The latest available update to these figures is to 2018. Scotland wide Dwelling count has increased from 2011 Census figures from 2,495,000 to 2,605,000 (an increase of 110,000 dwellings (+4.2%). At Highland Wide level. The dwellings count is described as 118,000 with 8000 Vacant. 90,000 are Privately Owned and 21,000 are socially rented (14000 are Local Authority rented, 7000 through Housing Associations).

3.3 Ineffective Stock and Tenure

3.3.1 Dwelling counts in 2020 in Highland are split with 33% falling in the Inverness HMA. Caithness contains the next highest proportion at 11.1%. Ross & Cromarty West contains the smallest proportion with only 4.5% of the Dwelling count.

Table 3-2 Dwellings and Ineffective Stock 2020

HMA	Total Council Tax Properties	Occupied Dwellings	% Second Homes	% Vacant	Percentage Ineffective
Badenoch and Strathspey	7452	6416	10.0%	3.9%	13.9%
Caithness	13297	12304	1.4%	6.0%	7.5%
East Ross	10581	10141	1.1%	3.0%	4.2%
Inverness	39580	37983	1.1%	2.9%	4.0%
Lochaber	10349	9550	4.3%	3.4%	7.7%
Mid Ross	11188	10715	0.9%	3.3%	4.2%
Nairn	6305	6022	1.9%	2.6%	4.5%
Ross and Cromarty West	5444	4647	8.9%	5.7%	14.6%
Skye and Lochalsh	7458	6626	7.1%	4.0%	11.2%
Sutherland	8264	7182	7.4%	5.7%	13.1%
Grand Total	119918	111586	3.2%	3.8%	6.9%

Source: HC Council Tax Data 2020

3.3.2 Highland has a high proportion of ineffective stock with 6.9% across the wider area. 4 Housing Market Areas have more than 10% ineffective and in each of these most are Second Homes – the highest proportion is in Ross and Cromarty West where 797 of the 5444 (14.6%) of dwellings are ineffective however Badenoch And Strathspey has the highest proportion of second homes with 10%.

3.3.3 These figures certainly underestimate the actual ineffective stock levels being based solely on Council Tax registered properties. An additional 5000 properties are on the Non-Domestic list as self-catering properties and other descriptions suggesting potential housing stock.

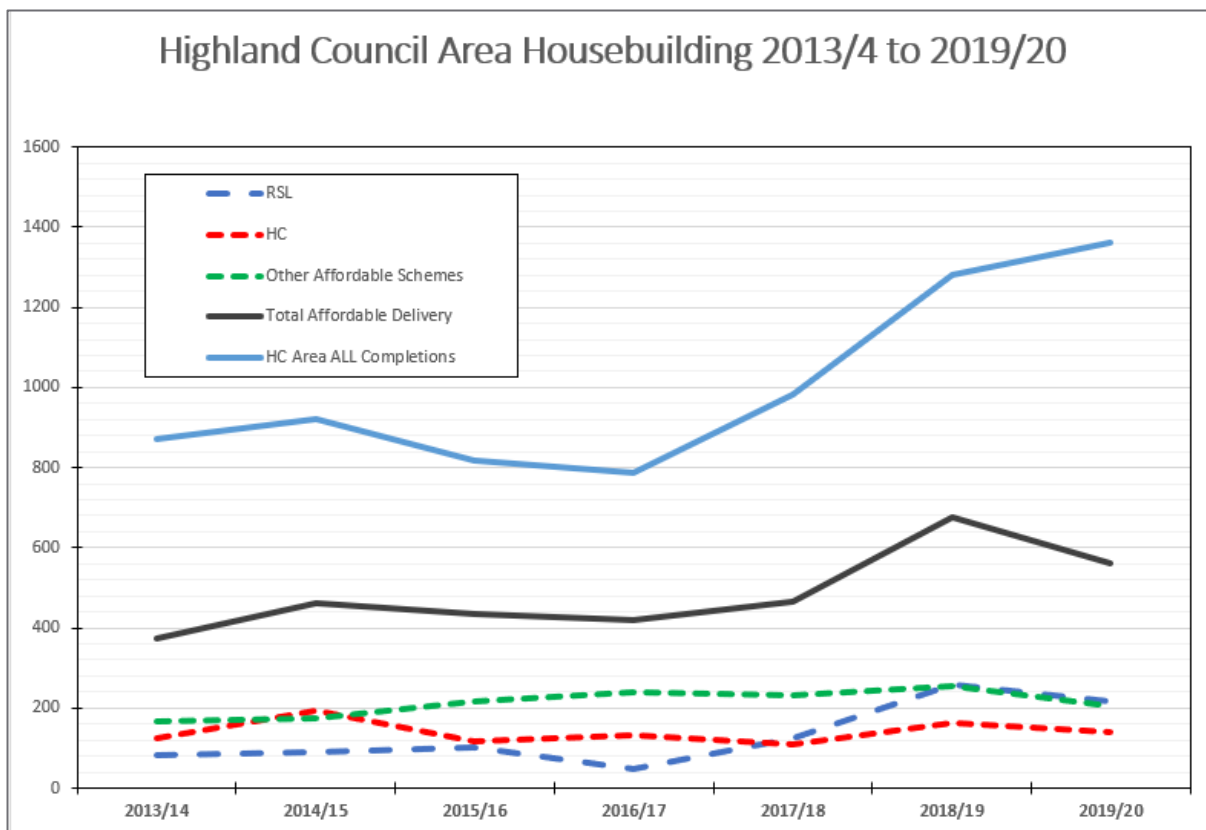
- 3.3.4 Specific settlements have significantly higher proportions of Vacant properties rising as high as 44% in Clachtoll/Stoer and 36% in Oldshoremore (both Sutherland HMA) and 40.4% in Sanna/Portuairk and 37% in Glenborrodale (both Lochaber HMA). Insh 42%, Coylumbridge 37.5% (Badenoch and Strathspey HMA (all HC Data 2020).
- 3.3.5 In Caithness 7.5% are considered ineffective but 6% of the 993 ineffective are empty properties.
- 3.3.6 Ineffective stock is not considered in the remainder of this assessment but will be taken into account as we develop out Local Housing Strategy and Local Development Plans.

Table 3-3 Housing Tenure as a percentage of all occupied stock

	Owner Occupation		Social Rented		Private and Other Rented	
	2011	2018	2011	2018	2011	2018
Highland Council Area	67.2	65.7	18.9	19	13.9	15.6
Scotland	61.9	61.7	24.3	23.9	13.7	14.8

Source: Census 2011 and SG Housing Stats 2018

Figure 3-1 Highland Housebuilding



Source: Highland Council Completions Data

- 3.3.7 House completions are monitored closely by the Highland Council through tracking the issuing of Completion and Temporary Occupation Certificates. This monitor is available in dashboard from here: <https://www.arcgis.com/apps/opsdashboard/index.html#/f827c80f82364d7b82ba5eca454f9f5e> . In recent years House Completions monitored from this source show significantly higher counts than the identified “arising need” figures in the latest available 2018 Highland Council area Household projections provided by NRS.
- 3.3.8 At the 2011 Census variations in tenure between Housing Market Areas showed with levels of owner occupation above the national average in all but one Housing Market Area (East Ross) and around 10% above the national average in Mid-Ross, Skye and Lochalsh and Ross & Cromarty West. East Ross was also the only area with levels of social renting above the national average.
- 3.3.9 Table 3-3 shows the latest available information (at Local Authority and Scotland level). The proportion of owner-occupied properties between Census in 2011 and 2018 appears to have fallen from 67.2% of all stock to 65.7% with most of this decrease moving to private and other rented tenures (job related housing). This however remains much higher than the Scotland wide figure of 61.7%.
- 3.3.10 The social rented sector in 2020 consists of 17.1% of the all the Council tax registered properties (September 2020) in the Highland Council Area. This is split into 14347 Highland Council managed properties in Feb 2021 and 6132 managed by Housing Associations.
- 3.3.11 New housebuilding and the delivery of “Affordable homes” is shown in Figure 3.1 and Table 3.4 from 2013/4 to 2019/20 alongside the total build number in the Highland Council Area for the same financial years. It should be noted that “Other affordable schemes” includes a range of other approaches from shared equity to mid-market rent – as defined in the Affordable Housing-Supply programme reports (<https://www.gov.scot/policies/more-homes/affordable-housing-supply/>).

Table 3-4 Affordable and All Housing Delivery

Financial Year	RSL	HC	Other Affordable Schemes	Total Affordable Delivery	HC Area ALL Completions
2013/14	82	125	165	372	873
2014/15	92	193	176	461	921
2015/16	100	118	215	433	817
2016/17	50	131	238	419	789
2017/18	124	110	232	466	981
2018/19	259	162	254	675	1280
2019/20	215	141	204	560	1361

3.3.12 Social rented stock in the Highland Council Area is summarised in table 3-5. The combined stock makes up 17.1% of all stock in the Highland Council area – with wide variations from 10.5% of all stock in Ross and Cromarty West – to 27.6% in East Ross.

Table 3-5 Social Rented Stock – Highland Council Area

HMA	HC Stock Count	Housing Association Counts	Social Rented Stock (HC and HA)	Residential Property Counts	Proportion Social Rented Stock
BS	547	348	895	7452	12.0%
CA	2031	764	2795	13297	21.0%
ER	2079	837	2916	10581	27.6%
IN	4482	1870	6352	39580	16.0%
LO	1390	621	2011	10349	19.4%
MR	1297	471	1768	11199	15.8%
NA	724	254	978	6305	15.5%
RCW	375	195	570	5444	10.5%
SL	496	581	1077	7458	14.4%
SU	926	191	1117	8264	13.5%
Grand Total	14347	6132	20479	119918	17.1%

Sources: HC Data Feb 2021 Jan 2020 Update Sept 2020 Council tax Data

3.3.13 An assessment of the private rental sector uses a query of the Highland landlord registration database taken in March 2021 (Table 3-6) that there were 12,891 private landlord properties in Highland Council Area. This is compared against a snapshot taken on Census day in 2011 (9,014 properties identified in the Highland Landlord Registration Data). This is 10.7% of the total housing stock (as defined by Council tax Paying Properties). This is a rise from 8.1% of the total housing stock identified in 2011 and indicates an additional 3877 properties are registered for private rental across the Highland Council Area.

3.3.14 At individual HMA level there are large rises are shown in Ross and Cromarty West from 7.1% to 12.2% (from 355 to 664 properties), East Ross (from 5.9% to 9.2% of the total Council Tax registered stock) and in Inverness a rise from 10.4% to 13.7%.

3.3.15 The smallest proportions of stock in available for private rental under this measure is in Skye and Lochalsh – with 5.7% (428) followed by Caithness at 7.5% and the Highest proportion being in Inverness (at 13.7% of stock) and Badenoch and Strathspey at 11.6%

Table 3-6 Private Rented Properties by Housing Market Area

	Private Rented Properties – Census 2011	Total Number of Properties 2011	% Private Landlord Properties 2011	Private Rented Properties – 2021	Total Ctax Registered Properties 2020	% Private Landlord Properties 2021
			2011			2021
Badenoch and Strathspey	722	7067	10.2%	863	7452	11.6%
Caithness	739	13137	5.6%	994	13297	7.5%
East Ross	583	9877	5.9%	978	10581	9.2%
Inverness	3743	35822	10.4%	5409	39580	13.7%
Lochaber	706	9861	7.2%	971	10349	9.4%
Mid Ross	800	10172	7.9%	1153	11188	10.3%
Nairn	591	5894	10.0%	765	6305	12.1%
Skye and Lochalsh	280	7019	4.0%	428	7458	5.7%
Sutherland	495	7767	6.4%	666	8264	8.1%
West Ross	355	5007	7.1%	664	5444	12.2%
Highland	9014	111623	8.1%	12891	119918	10.7%

Sources: Highland Council Licensing records, Census day 2011 snapshot (accepted plus applications pending)
 Snapshot of Highland Landlord Registration data Licenced properties Mar 2021 and Council Tax registered Properties Sept 2020

3.3.16 Within the Private Rented Sector there are 284 Licensed Houses in Multiple Occupation in Highland, the majority of which are in the Inverness Housing Market Area (6). Of the total numbers of residential properties in the Highland Council Area this makes up 0.24% - the highest proportions are in Inverness HMA, which includes Student and NHS flats at 0.47%.

Table 3-7 Houses in Multiple Occupation

	Number of HMOs	Total Number of Residential Properties in HMA	% Private HMOs
Badenoch and Strathspey	21	7452	0.28%
Caithness	1	13297	0.01%
East Ross	4	10581	0.04%
Inverness*	186	39580	0.47%
Lochaber	24	10349	0.23%
Mid Ross	7	11188	0.06%
Nairn	1	6305	0.02%
Skye and Lochalsh	18	6626	0.27%
Sutherland	15	7182	0.21%
Ross & Cromarty West	5	4647	0.11%
Highland	284	119918	0.24%

* Inverness includes 111 UHI Student and NHS Flats.

Sources: Highland Council Licensing records and Register of Applications at End of 2020 (accepted plus applications pending)

3.4 Characteristics of the Housing Stock

- 3.4.1 Highland Council Area contains a higher proportion of housing built in more recent years. The Scottish House Condition Survey 2016-2018 indicates 25.9% of Highland housing was constructed prior to 1945 (against Scottish figure of 30.8%). Significantly more people live in houses as opposed to flats than the National average (87% in houses – Scotland wide – 63.9%).
- 3.4.2 Highland stock is typically of more bedrooms than the national average. Only 38% of households live in properties with 2 or fewer bedrooms (Scotland = 50.6%)
- 3.4.3 A higher proportion of households are owner occupiers at 69.4% of households in Highland Council area. This compares with 61.4% across Scotland. In Social housing 20.4% (Scotland 25.8%) with the remainder in Private rentals.
- 3.4.4 Tables 3-8 and 3-9 (below) show the numbers and proportions of different house sizes and Council Tax Bands across Housing Market Areas from the latest available small area 2017 Household Estimates.
- 3.4.5 Inverness has the highest proportion of properties consisting of one or two rooms. East and Mid Ross along with Sutherland land and Ross and Cromarty West all have the highest proportions of properties of 4 or more rooms.

Table 3-8 Number of Properties by Size

HMA	Dwell's	1 Room	2 Room	3 Room	4 Room	5 Room	6 Room	7 Room	Unknown Room Count
Badenoch and Strathspey	7290	27	710	1711	1872	1200	712	828	230
Caithness	13416	54	1251	3602	4432	1948	912	654	563
East Ross	10352	64	735	2416	3986	1610	740	567	234
Inverness	38455	494	3898	10627	9897	6295	3187	3104	953
Lochaber	10315	32	619	2531	3430	1421	730	709	843
Mid Ross	10950	46	683	2239	3259	1993	1178	1194	358
Nairn	6251	13	457	1278	1510	1103	491	569	830
Skye and Lochalsh	7377	37	471	1232	2131	1169	658	602	1077
Sutherland	8009	69	580	1320	2747	1512	777	696	308
Ross and Cromarty West	5192	53	263	828	1685	1049	527	536	251
Grand Total	117607	889	9667	27784	34949	19300	9912	9459	5647

Source NRS – Mid Year Estimates 2017 (Latest available data)

- 3.4.6 Council Tax bandings give an indication of the size of dwellings. Table 3-9 (below) gives the proportions per HMA in each band. In the Highland Council area there is a smaller proportion than the Scotland wide proportions with the smallest properties (falling in bands A and B) (35.7% against 43.6%). There is however there is a significant variation across different HMAs. In Caithness the proportion of total dwellings in these two bands is 63.6% and in East Ross 53.2%. In contrast bands A and B only make up 23% of dwellings in Badenoch and Strathspey and 21.3% in Lochaber.
- 3.4.7 The Inverness HMA contains 33% of all dwellings in Highland whereas Caithness HMA contains the next biggest proportion with 11.1%.
- 3.4.8 In Caithness – 48.7% of properties fall in Band A and 38 Datazones have more than 70% in this band. With 31.6% are in Band A in East Ross and 29.3% in Sutherland. In contrast Badenoch and Strathspey has only 4.5% (336 of 7452) Band A properties.
- 3.4.9 In Inverness between 6900 and 8500 properties fall in each of the bands from B to E. Mid Ross and Badenoch and Strathspey contain the highest proportions (at 19.8% and 19.7%) in bands F, G and H.

Table 3-9 Percentage of Properties by Council Tax Band

HMA	Proportion of Highland Total	Proportion of HMA Residential properties in each band							
		Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Badenoch and Strathspey	6.2%	4.5%	18.5%	23.8%	13.6%	19.8%	11.7%	7.4%	0.6%
Caithness	11.1%	48.7%	14.9%	13.4%	14.7%	6.7%	1.3%	0.3%	0.1%
East Ross	8.8%	31.6%	21.6%	14.8%	13.1%	12.3%	4.1%	2.2%	0.2%
Inverness	33.0%	10.6%	21.6%	18.6%	18.0%	17.4%	9.3%	4.2%	0.3%
Lochaber	8.6%	4.9%	16.4%	39.9%	11.2%	16.4%	8.2%	2.8%	0.3%
Mid Ross	9.3%	6.2%	20.2%	19.9%	15.6%	18.2%	12.1%	7.4%	0.3%
Nairn	5.3%	6.9%	19.0%	19.8%	18.9%	19.4%	9.6%	5.7%	0.5%
Ross and Cromarty West	4.5%	8.0%	15.0%	21.9%	18.8%	19.7%	10.9%	5.4%	0.4%
Skye and Lochalsh	6.2%	9.4%	18.5%	20.6%	22.7%	20.7%	6.3%	1.7%	0.2%
Sutherland	6.9%	29.1%	20.4%	15.8%	14.2%	12.1%	5.8%	2.3%	0.3%
Highland Wide	100.0%	16.3%	19.4%	20.1%	16.2%	16.0%	7.9%	3.8%	0.3%
Scotland (2019 data)		20.8%	22.8%	16.1%	13.5%	13.5%	7.8%	5.0%	0.5%

Source: Highland Council Tax Data 2020

- 3.4.10 Caithness only contains 1.7% in the same three bands with only 41 dwellings in bands G and H.
- 3.4.11 Table 3-10 shows proportions of housing stock property types in the Highland Council area. Compared to Scotland wide figures where 28% of all dwellings are flats, only 13% in Highland Council Area are classed as flats. In the Highland Council area the largest proportion (of 41% or almost 50,000 dwellings) are detached dwellings.

3.4.12 This is a particular issue in relation to the identified demographic trends towards increasing needs for smaller, single person households and the impact of the under-occupation rules of private and social renters on low incomes who rely on housing benefit / Local Housing Allowance.

Table 3-10 Property Types

HMA	Dwellings	Flats	Terraced	Semi	Detached
Highland Total	100%	13%	18%	24%	41%
Scotland	100%	38%	20%	20%	21%

Source: Mid-Year 2018 Household Estimates

3.5 Social rented stock – detailed profile

3.5.1 We have more detailed information on social rented housing than for other tenures. This is important as the sector remains the main means of meeting affordable housing need.

3.5.2 For the purposes of the Housing Need and Demand assessment we have reported all social housing (combined Council and RSL stock). This seems a reasonable approach as the Council and Registered Social Landlords operate a Common Housing Register and single housing allocation policy. There will be variations in house type and size across landlords, but the aggregated social rented stock provided a full picture for assessing housing pressure.

3.5.3 Table 3-11 and Table 3-12 (below show that the main stock type for social renting is houses (49.2% overall and over 65% in East Ross and over 60% in Skye and Lochalsh) followed by bungalows at 19.3% overall, with over 38% in Sutherland and almost 27% in Nairn.

Table 3-11 Social Rented Stock by Property Type (Number)

	Bedsit	Bungalow	Ground floor flat	House	Maisonette	Sheltered	Upper flat	Total
Badenoch and Strathspey	2	220	153	377	0	16	127	895
Caithness	24	609	408	1239	18	59	417	2774
East Ross	13	486	213	1870	14	37	241	2874
Inverness	89	994	1015	2575	232	199	1266	6370
Lochaber	8	277	241	1140	0	0	362	2028
Mid Ross	3	417	196	984	0	89	193	1882
Nairn	0	260	90	462	0	42	119	973
Skye & Lochalsh	0	148	115	690	1	8	176	1138
Sutherland	2	424	51	542	0	34	52	1105
Ross & Cromarty West	12	118	50	199	0	33	52	464
Total	153	3953	2532	10078	265	517	3005	20503

Source: Highland Council and Housing Association records 2021

Table 3-12 Social Rented Stock by Property Type (Percent)

	Bedsit	Bungalow	Ground floor flat	House	Maisonette	Sheltered	Upper flat	Total
Badenoch and Strathspey	0.2	24.6	17.1	42.1	0.0	1.8	14.2	100
Caithness	0.9	22.0	14.7	44.7	0.6	2.1	15.0	100
East Ross	0.5	16.9	7.4	65.1	0.5	1.3	8.4	100
Inverness	1.4	15.6	15.9	40.4	3.6	3.1	19.9	100
Lochaber	0.4	13.7	11.9	56.2	0.0	0.0	17.9	100
Mid Ross	0.2	22.2	10.4	52.3	0.0	4.7	10.3	100
Nairn	0.0	26.7	9.2	47.5	0.0	4.3	12.2	100
Skye & Lochalsh	1.0	13.0	10.1	60.6	0.1	0.7	15.5	100
Sutherland	0.2	38.4	4.6	49.0	0.0	3.1	4.7	100
Ross & Cromarty West	2.6	25.4	10.8	42.9	0.0	7.1	11.2	100
Total	0.7	19.3	12.3	49.2	1.3	2.5	14.7	100

Source: Highland Council and Housing Association records

3.5.4 Table 3-13 and Table 3-14 (below) give a picture of house sizes across the social rented sector. This shows that there are quite different profiles across housing market areas, with a notable feature the relatively low percentage of smaller, 1-bedroom properties in Lochaber, East Ross and Mid Ross, with East-Ross particularly affected as it also has a low proportion of 2-bedroom properties. This could be linked to its higher-than-average 4+ bedroom properties. There is a notably low proportion of 3-bedroom properties in Badenoch and Strathspey and 4+ bedroom properties in Sutherland. The overall Highland percentage share has remained stable from the last assessment.

Table 3-13 Social Rented Stock by Size (Number)

	1 bed	2 bed	3 bed	4+ bed	Total
Badenoch & Strathspey	242	456	173	24	895
Caithness	738	1149	766	121	2774
East Ross	518	974	1218	164	2874
Inverness	1851	2765	1591	163	6370
Lochaber	219	1100	645	64	2028
Mid Ross	378	895	536	73	1882
Nairn	317	389	231	36	973
Skye & Lochalsh	296	481	323	38	1138
Sutherland	350	415	332	8	1105
Ross & Cromarty West	121	207	125	11	464
Highland	5030	8831	5940	702	20503

Source: Highland Council and Housing Association records 2021

Table 3-14 Social Rented Stock by Size (Percent)

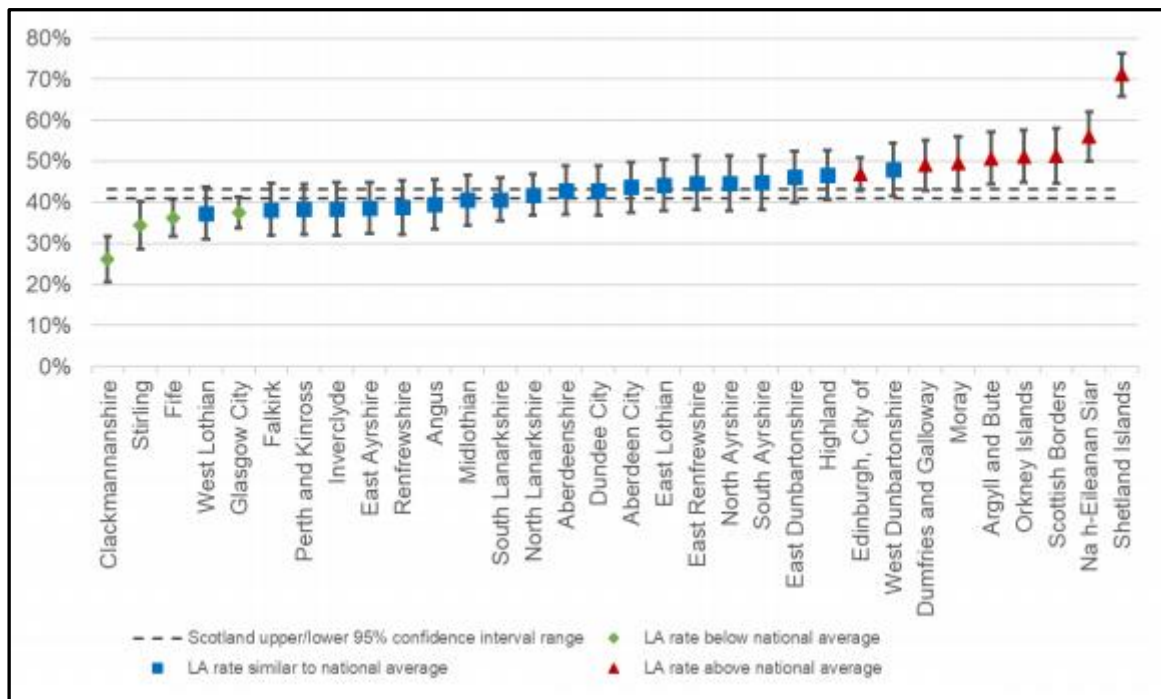
	1 bed	2 bed	3 bed	4+ bed	Total
Badenoch & Strathspey	27	51	19	3	100
Caithness	27	41	28	4	100
East Ross	18	34	42	6	100
Inverness	29	43	25	3	100
Lochaber	11	54	32	3	100
Mid Ross	20	48	28	4	100
Nairn	33	40	24	4	100
Skye & Lochalsh	26	42	28	3	100
Sutherland	32	38	30	1	100
Ross & Cromarty West	26	45	27	2	100
Highland	25	43	29	3	100

Source: Highland Council and Housing Association records 2021

3.6 Stock Condition

- 3.6.1 The latest available Scottish House Conditions survey (SHCS) provides the best source of information on stock conditions across tenures.
- 3.6.2 The Scottish Housing Quality Standard (SHQS) is a common standard assessing the condition of Scotland's social sector housing (referencing 55 elements). Compliance of stock of all tenures with the SHQS is reported in published "Scottish House Condition Survey Local Authority Analyses. The latest available data (2016-2018) reports that Scotland-wide 42% failed the SHQS and that the Highland Council area rate is slightly higher with 47% of all stock failing the overall SHQS (See Figure 3.2).
- 3.6.3 Against this standard Pre-1945 dwellings perform well below the national standard (Highland Council area 62% fail against Scotland 51%) whilst post 1945 stock performs better both Locally and nationally (41% and 38% fail SHQS).

Figure 3-2 - Percent of dwellings failing Scottish Housing Quality Standard (all tenures), compared to Scottish Average. SHCS 2016-2018



Source: Scottish House Condition Survey

Table 3-15 Percentage Failing SHQS Standard 2016-2018

	Owner-Occupied Households	Social Rented Households	Private Rented Households	Houses	Flats
Highland Council Area	48%	39%	NA	47%	42%
Scotland	42%	37%	52%	40%	46%

Source: Scottish House Condition Survey

- 3.6.4 The data available in the SHCS does not contain enough survey returns to identify the condition levels in the Private Rental Sector where there has previously been a concentration of poor housing conditions. Table 3-15 also contains results for other tenures where households and stock are identified as failing the SHQS standard at a slightly higher level than nationally in Scotland.
- 3.6.5 2% of Highland Stock is identified as “Below the Tolerable Standard” which is comparable to the 2% measured nationally. In properties with 2 or fewer bedrooms however 4% are Below Tolerable Standard compared with 1% nationally.
- 3.6.6 12% of Highland stock is considered to be “Lacking Modern Facilities/Services” compared to 7% of the national housing stock with the highest proportions being in Pre-1945 properties, flats and properties with 2 or fewer bedrooms.
- 3.6.7 Measured using the Scottish Housing Quality Standard “Energy Efficiency” criterion, Highland area stock in all tenures, property and household types is significantly less energy efficient than that measured nationally and in many other Scottish Local Authority areas. Only in the Island Authorities and Argyll and Bute does a higher percentage of properties fail these criteria.
- 3.6.8 Proportions of properties in “urgent disrepair” in Highland Council area when compared to the Scotland figures are lower in all property types (house/flat), sizes, tenures and household types (families/older/other). The latest (2019) SHCS data identifies that 3% of dwellings in the private rental sector fell below tolerable standard remaining broadly similar for the last 8 years. In the owner occupier sector this has fallen from 4% in 2012 to 1% in 2019.
- 3.6.9 We have included breakdowns of size, condition, occupancy, tenure and location for social tenure properties. For other tenures we are reliant upon Census data and the Scottish Household and House Condition Surveys with reference to this in Chapter 3.6. These are very limited in their coverage for the Highland Council Area (sub 100 returns for some questions) and there is no data made available at HMA level.
- 3.6.10 The forthcoming Census in 2022 includes specific questions on “Type of Accommodation, Number of Bedrooms and Landlord Type” which should allow an update to this data for the private rental and owner occupier data when this data is reported. Our local housing strategy will consider this additional data supplementing the information in this chapter, and we will also look to update as appropriate when undertaking regular monitoring.
- 3.6.11 In addition, Highland Council are improving their monitoring of house completion information incorporating better intelligence connecting new stock being built to specific location. This will enable deliver a much-improved overview of stock delivery and local stock make up at HMA level over coming years.

3.7 Stock Pressures

3.7.1 This section summarises stock pressures in relation to the social rented sector, based on analysis of Highland Housing Register supply and demand data. A more detailed paper is provided in the supporting documents.

3.7.2 At 1 April 2021 there were 9,959 applicants on the Highland Housing Register, of which 74% were Housing List applicants and 26% existing HHR tenants wanting to transfer. The number of HHR applicants had remained steady since the last assessment, but due to COVID restrictions there has been a 28% increase in applications when compared to 1st April 2020.

3.7.3 The two main causes of this increase are:

- The Scottish Government restrictions on moving to a new house and re-let works meant that there was a focus on emergency homelessness allocations rather than non-homeless and transfer allocations. In 2020-21 there were over 500 less allocations compared to the previous year which meant these applications remained open
- Suspending normal rules surrounding in cancelling HHR applications

3.7.4 Table 3-16 (below) summarises housing demand by property size for each housing market area:

Table 3-16 Housing Register by Area and Size Required

	1 bed	2 bed	3 bed	4 & more beds	Total applicants
Badenoch & Strathspey	439	116	101	41	697
Caithness	403	114	43	39	599
East Ross	465	197	85	57	804
Inverness	2119	873	471	228	3691
Lochaber	721	291	135	65	1212
Mid Ross	503	218	128	56	905
Nairn	261	96	62	35	454
Skye & Lochalsh	400	98	50	22	570
Sutherland	199	61	34	14	308
Ross & Cromarty West	173	43	22	6	244
Highland	5683	2107	1131	563	9484

Source: Highland Housing Register April 2021

3.7.5 This shows that the bulk of demand in numerical terms is for Inverness, where 39% of applicants want to live. There is a similarity in the profile of housing size required across area with on average 60% of applicant requiring a 1-bedroom property; 22% a 2-bedroom property and 6% a 4+ bedroom property.

3.7.6 As at March 2021, of the 9595 applications on the Highland Housing Register 1915 were awarded points for overcrowding (19%). Within this total 240 applicants were defined as being in extreme overcrowding, i.e., 3 or more people sharing a bedroom. A breakdown by area is provided in Table 3-17 (below).

Table 3-17 Overcrowding

	Over-crowding	% of area applicants	Extreme overcrowding	% of area applicants
Badenoch & Strathspey	171	24%	24	3%
Caithness	108	16%	1	0%
East Ross	177	22%	14	2%
Inverness	969	26%	162	4%
Lochaber	255	21%	10	1%
Mid Ross	215	23%	21	2%
Nairn	91	19%	1	0%
Skye & Lochalsh	80	14%	5	1%
Sutherland	43	12%	0	0%
Ross & Cromarty West	49	20%	2	1%
Highland	2158	22%	240	2%

Source: Analysis of Highland Housing Register April 2021

3.7.7 A household of unrelated adults sharing a kitchen, bathroom or WC with another household but not sharing meals is considered to be a “concealed household”. Again, looking at the Highland Housing Register applications there were 2514 (25%) with sharing facilities points. High concentrations of concealed households occur in Inverness, East-Ross, Ross & Cromarty West and Sutherland. (See table 3-18 below)

3.8 Turnover rates

3.8.1 Table 3-19 (below) shows the number of applicants on the housing and transfer lists in March 2021, together with the properties let in each category.

Table 3-19 Stock Turnover

	Housing Applicants	Transfer applicants	Total applicants (1)	Lets transfer	Lets housing list	Total lets (2)	% lets to applicants (2) / (1)
Badenoch and Strathspey	593	146	739	26	149	175	24%
Caithness	413	283	696	124	475	599	86%
East Ross	504	326	830	89	303	392	47%
Inverness	2847	1013	3860	305	916	1221	32%
Lochaber	966	285	1251	63	204	267	21%
Mid Ross	651	278	929	79	176	255	27%
Nairn	358	129	487	68	177	245	50%
Skye and Lochalsh	474	113	587	35	237	272	46%
Sutherland	274	78	352	43	213	256	73%
Ross & Cromarty West	211	36	247	13	85	98	40%
Highland	7291	2687	9978	845	2935	3780	38%

Source: Analysis of Highland Housing Register

3.8.2 This shows that overall just over 40% of HHR applicants' needs could be met based on the stock turnover last year, although there are variations between areas with Lochaber, Badenoch and Strathspey and Mid Ross all showing turnover at less than 30% of demand. The table also illustrates the high turnover to demand in Caithness and to a lesser extent Sutherland. This reflects relatively low housing pressure in these areas.

3.8.3 Turnover may have been higher had it not been for the Covid-19 pandemic which reduced total allocations by over 500.

3.9 In-situ / Management Solutions

3.9.1 The Highland Housing Register Allocations policy aims to make the best use of the housing stock by awarding points to applicants who are overcrowded, under-occupying and sharing facilities with another household.

3.9.2 Social Landlords also offer a “downsizing” incentive aimed at encouraging older person, under-occupying households to move to smaller housing within the social rented sector. Table 3-20 below indicates the number of households on the housing register and those who were housed as a result of under-occupation in the last year:

Table 3-20 Downsizing

	Housing list	Transfer list	Total Apps (1)	Lets - Housing list	Lets - Transfer list	Total Lets (2)	% lets to applicants (2) / (1)
Badenoch and Strathspey	163	37	200	1	1	2	1%
Caithness	113	114	227	14	17	31	14%
East Ross	112	123	235	4	7	11	5%
Inverness	506	246	752	9	28	37	5%
Lochaber	208	75	283	3	8	11	4%
Mid Ross	161	91	252	3	10	13	5%
Nairn	110	35	145	5	3	8	6%
Skye and Lochalsh	115	39	154	4	3	7	5%
Sutherland	99	26	125	20	7	27	22%
Ross & Cromarty West	66	9	75	3	1	4	5%
Highland	1653	795	2448	66	85	151	6%

Source: Highland Council and Housing Association records

3.9.3 This table shows that 6% of applicants who were under-occupying could be accommodated within stock turnover. The proportions vary significantly across area with very low proportions in Badenoch and Strathspey and all other areas bar Caithness and Sutherland. This is a due to differentials in housing pressure, turnover and stock profile across areas.

3.9.4 Enabling people to address housing needs by accessing existing private sector housing is also a way of meeting need without new supply. In 6 years since the start of the 2014/5 financial year there have been 786 Open Market Shared Equity sales in Highland. These are detailed in Table 3-21 (below).

Table 3-21 Open Market Shared Equity Sales - Highland

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
92	115	158	173	145	104

Source: Scottish Government

3.9.5 Demolitions are not a significant factor in Highland and the majority of demolitions are accompanied by rebuild on the same site. For the purposes of house completion records the demolition is taken into account, the number of new houses is the “net gain”.

3.9.6 A conversion is a way to usefully remodel non-domestic properties to provide housing or allow the subdivision of larger domestic properties into smaller properties. Occasionally dwellings are ‘merged’ to form a larger dwelling, for example, where two cottages are knocked through to create a larger house. The number of conversions is low and does not make a significant contribution to the overall housing stock.

3.10 Conclusions

3.10.1 Highland’s projected housing shortfall and the financial cost of meeting it has two broad implications for future policy:

- Firstly, it will be important to ensure that planning and resources from all key stakeholders work together to maximise their impact.
- Secondly, new types of investment and development solutions will need to be developed and delivered if we are to meet rising housing demand.

Chapter 3: Key Findings

LHS and Development Plan	Key Issues Identified in the HNDA
Ineffective Stock	<ol style="list-style-type: none"> 1. 6.9% of Highland Council area council tax registered stock is ineffective (vacant plus second / holiday homes) however this varies between 4% and 14.6% by HMA. In addition to this – stock not registered for Council Tax used for short term lets makes up additional ineffective stock. This will be taken into account when we calculate housing and land supply targets in our Local Housing Strategy and Local Development Plans. 2. This combination is estimated as 8.9% of total potential housing stock.
Housing quality	<ol style="list-style-type: none"> 3. Overall the condition of the Housing Stock in Highland tends to be comparable with the national average on key indicators of building conditions but lower than the national average in relation to energy efficiency measures. 4. There is a higher proportion of pre1919 housing stock across all tenure, and less interwar and post-war properties, reflecting historic population / migration / economic patterns over the 20th Century. 5. Highland has a higher proportion of adapted properties in the public sector and a lower proportion of adapted properties in the private sector than Scotland as a whole. 6. There is considered to be a concentration of poor housing conditions in the Private Rented Sector. 7. There are challenges for social landlords in meeting the Energy Efficiency Standard for Social Housing due to cost and technical difficulty in off-gas areas.
Housing stock pressures	<ol style="list-style-type: none"> 1. Demand for housing is high and there is a fairly consistent demand by property size across Housing Market Areas with on average 60% of applicants requiring a 1 bedroom property; 22% a 2 bedroom property; 12% a 3 bedroom property and 5% a 4+ bedroom property. 2. There are variations in social rented stock by house size across Housing Market Areas, with particularly low proportions of 1-bedroom properties in Lochaber and East Ross and a low proportion of 2 bedroom properties in East Ross and Sutherland.

	<ol style="list-style-type: none"> 3. Overall housing pressure varies significantly across Housing Market Area, with Nairn and Inverness, and Skye and Lochalsh having the greatest pressure, and Caithness low pressure. 4. There is a mismatch between supply and demand for different property sizes, which varies across Housing Market Area. 5. There is a considerable pressure for 1-bedroom properties, and this is likely to continue given demographic trends. The balance between 1 and 2 bed properties for new builds will be reviewed as part of the LHS. 6. Overcrowding is recorded against 22% of Highland Housing Register applicants with extreme overcrowding in 2% of cases. This shows a wide variation across HMAs with the highest levels in Inverness then Badenoch and Strathspey followed by Mid and East Ross and Lochaber.
<p>Size, type, tenure and location of future social housing supply</p>	<ol style="list-style-type: none"> 1. There is a lower proportion of social rented housing in Highland than in Scotland as a whole. This contributes to housing pressure across most Housing Market Areas. 2. The percentage of private renting increased from 8.1% (Census 2011) to 10.7% of all Council Tax registered stock in 2018. 3. There are some significant variations in house size across Housing Market Area, where some, mainly rural, areas have a lower proportion of smaller houses. 4. In the social rented sector, there is a predominance of houses rather than flatted property. 5. Owner occupation and private rentals are both higher in the Highland Council area than the national average. 6. Affordable housing delivery has averaged around 500 per year since the last HNDA – approximately half of the total completions across the Highland Council area. 7. Social rented stock is of quite different profiles in the 10 HMAs with very low proportions of 1 bed properties in East and Mid Ross and Lochaber and 2 bed properties in East Ross. 8. With the COVID pandemic in the year from 1st April 2020 applications to the Highland Housing Register increased by 28%.

Sustaining communities tenure diversification / regeneration	<ol style="list-style-type: none">1. There are no major demolitions planned and only limited infill opportunities, but we will continue to work with communities to identify opportunities.2. Affordable housing can help make “fragile” communities more sustainable.

CHAPTER 4: Estimating Housing Need and Demand

4.1 Summary

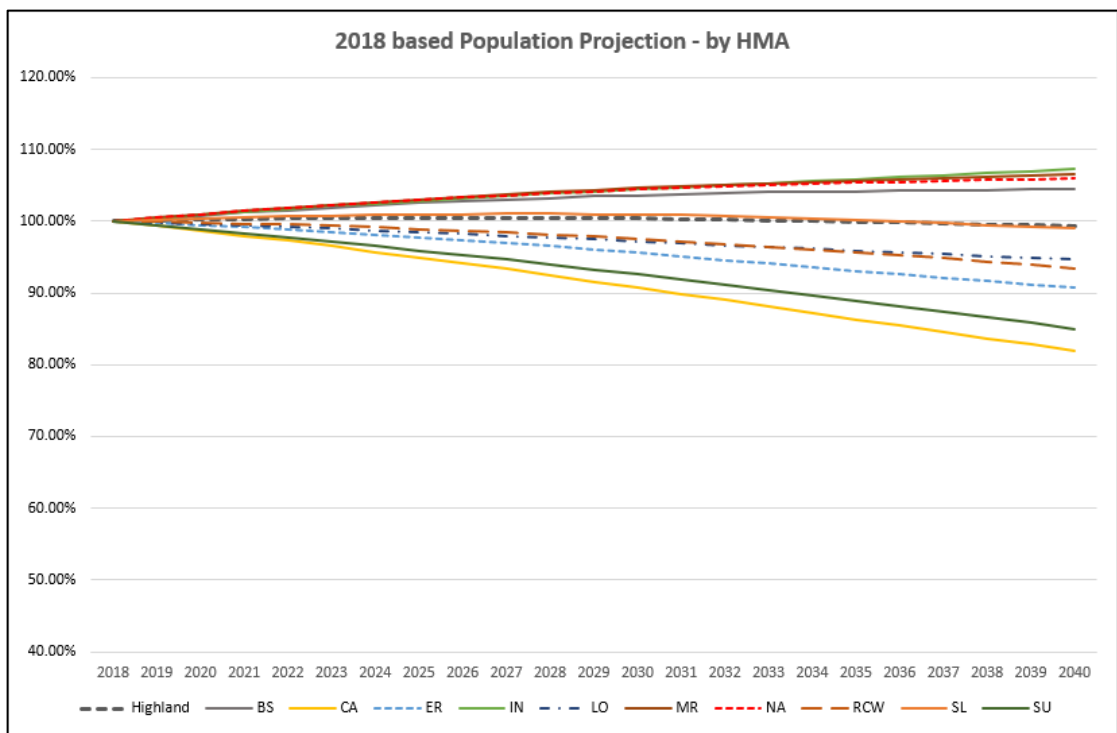
- 4.1.1 This chapter describes the way in which housing need and demand has been estimated in Highland. The key findings are summarised in Table 4-8 to Table 4-10 below and in the standard templates in the key findings summary at the start of this document. These are presented for 5, 10, 15 and 20 year periods through to 2038/39. Further tables (Table 4-9 and Appendix B) detail the findings for 5 year periods at HMA level.
- 4.1.2 Background reference papers providing further details are listed in Appendix A. This analysis provides the evidence that helps us to produce estimates of the additional housing requirement in future years. This will inform housing supply targets and affordable housing policies that will be set out in our Local Housing Strategy and Highland Development Plan.

4.2 Future Demographic Scenarios

- 4.2.1 Chapter 2 above describes how the population of Highland has continued to grow at varying rates over the last 30 years, and that if generally positive economic conditions continue into the future then this is likely to continue in the immediate term. Changes in migration, especially from the EU due to Brexit are unknown at the time of writing but as the future Highland population is very much dependent upon a net inward flow, any changes from the recent trends need to be closely followed.
- 4.2.2 Sections 2.5 and 2.6 show that the assumptions used by NRS in their three standard sets of projections (principal, low migration and high migration) all continue to rise initially however the population is either falling or level in all cases from 2030. The high migration scenario of +1,100 people per year suggests an average growth of 790 households per year over the next decade which compares with an average of 1,140 over the last 20 years. The HMP has raised concerns that, although the high migration scenario is the NRS projections that is closest to the likely future growth of Highland, planning on this basis might result in a shortage of housing land that would constrain future economic growth.
- 4.2.3 Based upon the continuing evidence of a high inward migration into Highland the HMP has decided to continue to use the high migration population projection scenario that underpins the high migration household projections supplied by NRS.

4.2.4 Across the Highland Council area, the different Housing Market Areas have different demographic characteristics - in terms of current age profile, fertility & mortality rates, and numbers & age profiles of migrants – with the result that growth is not uniformly spread across Highland. Figure 4-1 below provides a simple summary of the projected population change (principal projection) with each area starting at an index of 100 in the base year of 2018. In the principal projection shown here, Highland-wide the population is forecast to be very steady going forward. It shows Inverness, Mid Ross and Nairn HMAs continuing to grow, albeit at a slower rate than previously forecast using the 2012 projections. Caithness, Sutherland and East Ross show significant declines in population over the coming years. Detailed results for each area give single year of age populations, by gender, for each year of the projection period and these are used as input to household projections.

Figure 4-1 Projected Population Change by Housing Market Area



Source: Improvement Service Supplied 2018 based Sub Council Area (SCAP) based population projections

4.2.5 Household projections are built upon the detailed population projections (Mid-Year population projections 2018). We have used those supplied by the NRS Household Estimates and Projections branch in September 2020 to underpin this HNDA. The different variant projections are made available and as described above – the Highland HNDA is based upon the High Migration Variant supplied.

<https://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/households/household-projections/2018-based-household-projections/list-of-data-tables>.

- 4.2.6 Household projections are not created at Housing Market Area level – the CHMA tool uses a simple methodology (based upon Council tax based residential property counts) to apportion the projected housing need (both existing need and arising need) to individual HMAs.
- 4.2.7 For the Highland Council area this approach is not considered by the HMP to deliver appropriate splits of Highland-wide Household projections between HMA's. Sub council area population projections for the Highland Council area demonstrate very wide differences in the projected future population counts and specifically the population make-up by age. These variances are highly likely to drive significantly different needs across different Housing Market Areas.
- 4.2.8 Section 2.2 to 2.7 covers in detail the changing population make up in age groupings between 2011 to 2018. The current projections for population Highland-wide over coming years are for a further continuing aging population. The cohort aged 65 and over compared against Census 2011 (18.7%) and 2018 (22.1%) is seen to rise to 27.4% of the Highland population by 2030 and 29.9% by 2040 (both Principal Projection).
- 4.2.9 The Improvement Service usefully created HMA level sub council area population projections from the same 2018 base data used for Highland-wide figures in the HNDA tool (<https://www.improvementservice.org.uk/products-and-services/data-and-intelligence2/sub-council-area-population-projections/sub-council-area-population-projections2>) These projections were carried out for the principal projection only.
- 4.2.10 Using this data allows an exploration of projected population makeup for differing age groupings. Perhaps most useful in understanding the proportion of home makers is to explore the 16-64 age grouping and the projected change in the proportion of the total Highland 16-64 age group to 2040.

Table 4-1 – Projected proportions of Highland Council area age 16-64 by HMA

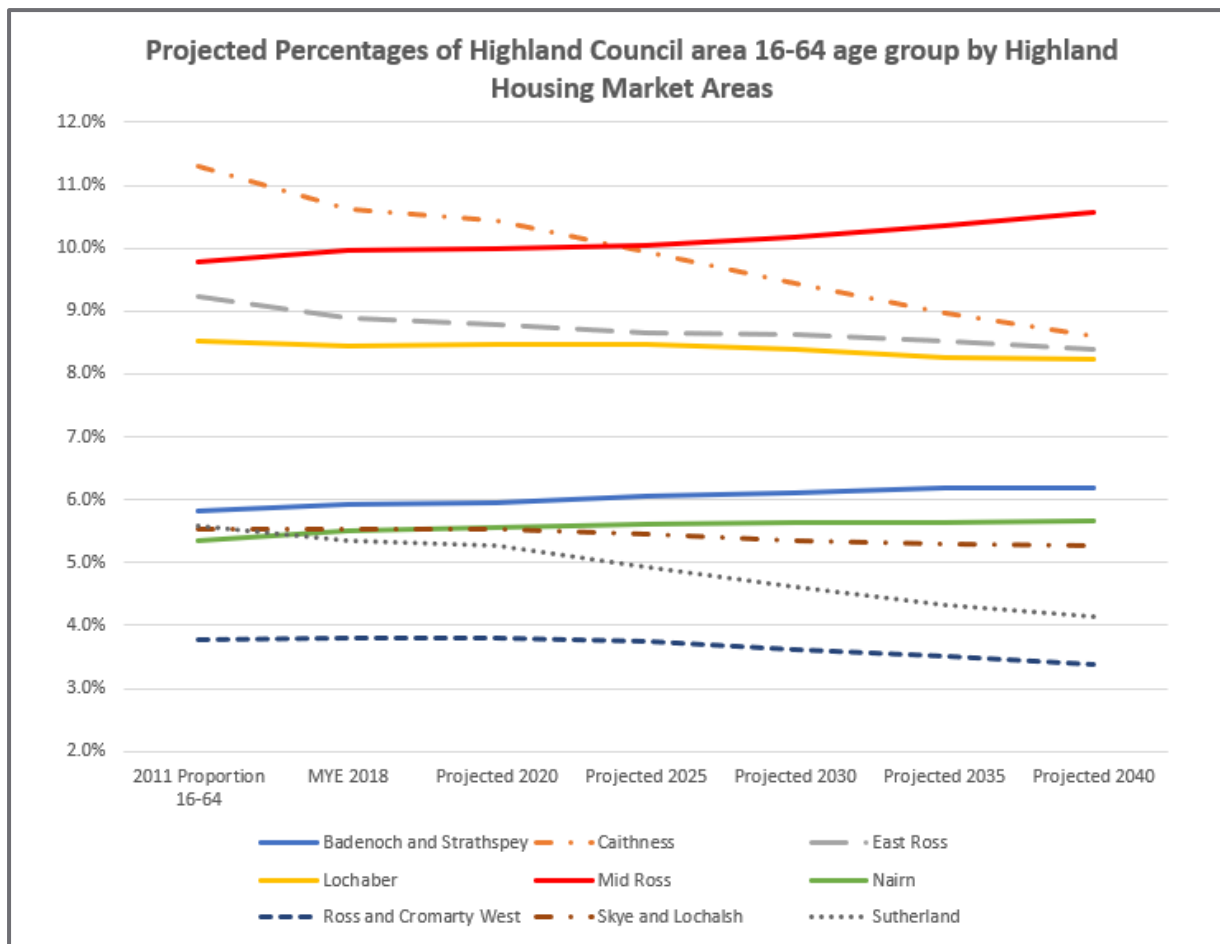
	Proportion of Highland Council area 16-64 year olds by Highland HMA						
	2011 Proportion age 16-64	MYE 2018	Projected 2020	Projected 2025	Projected 2030	Projected 2035	Projected 2040
Badenoch and Strathspey	5.8%	5.9%	6.0%	6.1%	6.1%	6.2%	6.2%
Caithness	11.3%	10.6%	10.4%	10.0%	9.4%	9.0%	8.6%
East Ross	9.2%	8.9%	8.8%	8.6%	8.6%	8.5%	8.4%
Lochaber	8.5%	8.5%	8.5%	8.5%	8.4%	8.3%	8.2%
Mid Ross	9.8%	10.0%	10.0%	10.0%	10.2%	10.4%	10.6%
Nairn	5.4%	5.5%	5.6%	5.6%	5.6%	5.6%	5.7%
Ross and Cromarty West	3.8%	3.8%	3.8%	3.7%	3.6%	3.5%	3.4%
Skye and Lochalsh	5.5%	5.5%	5.5%	5.4%	5.4%	5.3%	5.3%
Sutherland	5.6%	5.3%	5.3%	4.9%	4.6%	4.3%	4.1%
Inverness	35.1%	36.0%	36.2%	37.1%	38.0%	38.9%	39.6%

Source – Improvement Service 2018 Sub Council Area Population projections

4.2.11 The Inverness HMA at the last Census contained 35.1% of the Highland Council area age grouping – the 2018 Mid-Year Estimate (MYE) is 36% and this is projected to grow to 39.6% of the Highland Council total population in the Inverness HMA by 2040. This contrasts with the total allocated in the HNDA tool of only 33.8% of the Highland Council area housing need arising from population change.

4.2.12 Other HMAs vary in their projections as shown in the following Figure 4-2. Clearly there is a wide variation in projected 16-64 age proportions of the Highland Council area totals. We see falls in Sutherland, East Ross and Caithness (from 11.3% in 2011 to a forecast 8.6% by 2040). Other HMAs are forecast to remain with a similar proportions and others to rise (Mid Ross from 9.8% to 10.6% and Badenoch and Strathspey (from 5.8% in 2011 to 6.2% in 2040).

Figure 4-2 – Percentage of Highland Council area 16-64 population by HMA (Inverness HMA excluded for clarity)



Source – Improvement Service 2018 Sub Council Area Population projections

4.2.13 If we compare these figures with the HMA level allocations created by the HNDA Tool (Table 4-2) we see Caithness allocated 11.4% of arising housing need whilst the population of 16–64-year-olds is forecast to fall from around 11% to only 8.6% of the Highland Council area total. In contrast – Inverness HMA is allocated only 33.8% of arising need with a forecast rise to almost 40% of all 16–64-year-olds in the Council area by 2040.

4.2.14 If we instead compare these figures with detailed data covering the delivery of housing by HMA over the last 10 years we can see a closer match for most HMAs, Inverness showing almost 39% of Highland Council area house completions and Caithness only 6.07% over a 10-year period (Table 4-2).

4.2.15 These 10-year average figures for delivery of house completions by HMA, which monitor delivery of housing into the market for all tenures has been taken as an alternative proxy for use in splitting Highland Council area Household Projections to allocations to each HMA. The figures used are shown in the following Table 4-2.

Table 4-2 Housing Completions by HMA

HMA	HNDA tool allocation	10-year average house completions 2010-2019
Badenoch and Strathspey	5.9%	5.74%
Caithness	11.4%	6.07%
East Ross	9.4%	6.76%
Inverness	33.8%	38.86%
Lochaber	8.6%	7.96%
Mid Ross	9.9%	12.83%
Nairn	5.6%	4.40%
Ross and Cromarty West	3.9%	3.99%
Skye and Lochalsh	5.6%	8.84%
Sutherland	6.0%	4.55%

Source: Highland Council Completions Data

4.3 Estimate of Existing Need (Backlog of Need)

4.3.1 The Highland Housing Partnership has agreed to use an in-house developed method to estimate existing need (sometimes referred to as the backlog of need). This is based on an assessment of the current living arrangements of each applicant on the Highland Housing Register (HHR). The Partnership believes that this approach is more robust than the defaults suggested in the HNDA Guidance in incorporated as default in the CHMA Tool (which provides a figure of 840 for the Highland Council Area from significantly outdated sources). The accompanying background Paper 1 - Estimating Existing Need – Approach to Backlog Definition describes this approach fully

4.3.2 Each individual record in the Highland Housing Register has been examined to see whether the applicant requires a stock addition, in which case they are included in existing need, or an in-situ solution which does not need a stock addition. The decision uses a combination of the information recorded in the current home description and points rule fields. Using this approach, the existing need in Highland identified the requirement from the latest extract taken in April 2020 identifying an existing need of 2236 new housing units as detailed in

Reason for Inclusion in Backlog	BS	CA	ER	IN	LO	MR	NA	RCW	SL	SU	Total
A - Homeless	6		5	24	15	6	4	1	20		81
B - Living in a Hostel	6		1	41	2		2	4	3	2	61
C - Living in a Caravan	11	4	8	19	19	5	6	7	8	1	88
D - Living in temp. Accomodation	23	9	50	348	31	93	29	8	56	8	655
E - Living or Lodging with Friends	33	16	16	68	41	26	5	11	10	7	233
F - Living with Parents or Relatives	79	61	94	412	159	89	56	39	90	39	1118
Totals	158	90	174	912	267	219	102	70	187	57	2236

Table 4.3 (below).

4.3.3 The rules-based process used to identify existing need from the Highland Housing Register (HHR) described in supporting Paper 1 includes checks to ensure there is no opportunity for applicant duplication (i.e., applications appearing to qualify under different rules appear only once in the output counts). This confirms that the output figures correctly represent our assessment of the existing need requiring additions to the current housing stock.

Table 4-3 Components of Housing Need

Reason for Inclusion in Backlog	BS	CA	ER	IN	LO	MR	NA	RCW	SL	SU	Total
A - Homeless	6		5	24	15	6	4	1	20		81
B - Living in a Hostel	6		1	41	2		2	4	3	2	61
C - Living in a Caravan	11	4	8	19	19	5	6	7	8	1	88
D - Living in temp. Accomodation	23	9	50	348	31	93	29	8	56	8	655
E - Living or Lodging with Friends	33	16	16	68	41	26	5	11	10	7	233
F - Living with Parents or Relatives	79	61	94	412	159	89	56	39	90	39	1118
Totals	158	90	174	912	267	219	102	70	187	57	2236

Source: Analysis of Highland Housing Register – April 2020

4.3.4 The previous HNDA in 2015 identified that it was considered it would not be possible to remove the backlog of need quickly so the 10-year assumption of clearance was used. This has proven correct and in monitoring annual snapshots for the existing housing need (using the same methodology described in the accompanying paper) it can be seen that in recent years the existing need is not being reduced at all despite significant numbers of Affordable Houses being delivered.

Table 4-4 Affordable Housing Supply and All Completions

Financial Year	Affordable Housing Supply			Total Affordable Delivery	HC Area ALL Completions
	RSL	HC	Other Affordable Schemes		
2013/14	82	125	165	372	873
2014/15	92	193	176	461	921
2015/16	100	118	215	433	817
2016/17	50	131	238	419	789
2017/18	124	110	232	466	981
2018/19	259	162	254	675	1280
2019/20	215	141	204	560	1361

Source: <https://www.gov.scot/policies/more-homes/affordable-housing-supply/>

Table 4-5 HHR Snapshots and Backlog figures

Snapshot Date	HHR Total Applicants	Rules based Existing Backlog Figure
1 April 2015	From HNDA2015	2144
1 April 2016	6799	2099
1 April 2017	7170	2230
1 April 2018	7437	2319
1 April 2019	7487	2234
1 April 2020	7396	2236

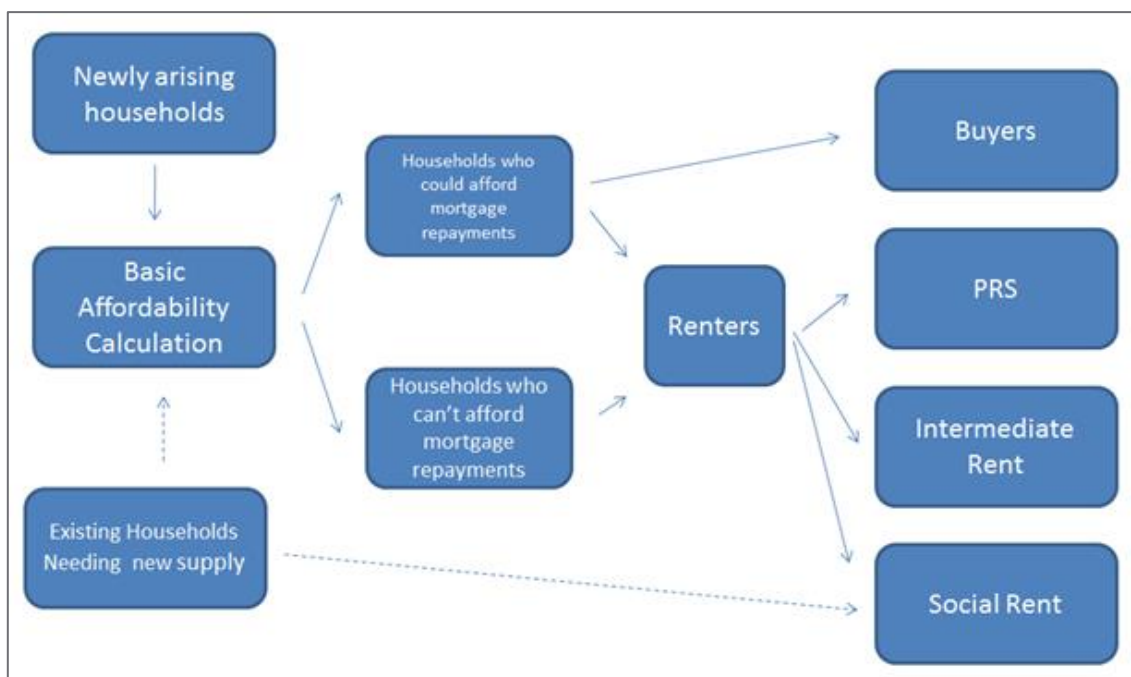
Source: Highland Council Housing Team

- 4.3.5 The HMP requested an exploration of the additional need arising each year, that it is not possible to accommodate in existing available housing stock. This additional “in year arising need” is not considered to be included in either the backlog (“existing need”) figure (which is taken as a snapshot of those requiring additional housing units at a fixed point in time), or in the calculated “arising need” – developing from changing population projections and population/household makeup.
- 4.3.6 The approach to this component was queried with the CHMA and the NRS Housing Analysis team who identified that we would need to confirm in the HNDA that:
- There is an unprecedented level of need, that exceeds historic trends, and is therefore not captured in the projections or...
 - The need was never being met by the current system, in this case we would be predicting the current shortfall to continue or...
 - Policy/affordability etc. has recently changed in a way that makes household formation less responsive to need
- 4.3.7 The additional figure of 194 households across the Highland Council area. It is important to recognise that this does NOT apply evenly and is a result of local circumstances, available stock and excessive local additional demand – and should be identified against the HMAs for which it is identified. Supporting Paper 2 - “In year arising need” describes this need in detail and identifies the additional need over and above that calculated in the HNDA tool by default. It also identifies the appropriate distribution to specific HMAs.
- 4.3.8 Current and anticipated funding levels for housing subsidy suggest that it will not be possible to remove the backlog of need quickly, and in the analysis that follows it is assumed that the backlog will be removed over ten years starting in 2020.

4.4 Using the HNDA Tool: House Price and Income Scenarios, and Split by Projected Tenure

4.4.1 The HNDA Tool uses information on incomes, house prices and rents for each HMA in Highland to assign newly arising households and existing need to tenure. The basic structure of the Tool is laid out in Figure 4.3 below:

Figure 4-3 HNDA Tool Schematic



4.4.2 The accompanying papers give details of the way in which version 3.3 of the tool has been used to evaluate the high migration scenario which will provide the baseline for our LHS and LDP. Full details of the assumptions used are in the table below. For the most part we have used default parameters unless we have been able to calculate or source accurate local information, with some key assumptions as follows:

- We have used the High Migration scenario. We also evaluated the principal and low migration scenarios as prepared by National Records of Scotland. We have also evaluated a range of other scenarios looking at sensitivity to the choice of model parameters.
- The existing need of 2236 is removed over 10 years starting in 2020.
- The additional “in year arising need” allocated to specific HMAs described in Paper 2 - “In year” arising need is also incorporated in the output figures for this HNDA.
- We have not used the affordability model to allocate existing need as the tool assumes that the income profile for the population overall will be applied to families in need, yet the personal and living circumstances of these families suggest that they are likely to have low incomes. Our approach results in all of the existing need being assigned to social rent.

4.4.3 A copy of the HNDA tool EXCEL workbook used to evaluate the high migration scenario is given as Scenario22_HIGH_10_2020 in the accompanying files. Table 4-6 (below) details the assumptions used.

Table 4-6 Assumptions and Parameters Used

ASSUMPTIONS AND PARAMETERS USED IN THE HIGH MIGRATION (SCENARIO 22) RUN OF THE HNDA TOOL		
1 Household Projections	1 Household Projection	NRS High migration scenario – NRS MYE 2018 population projection based
	1a Household Growth Adjustment	Not used
2 Existing Need	Use HaTAP method	Not used
	Own existing need figures	2,236 (excludes overcrowding) over 10 years (Note: additional “In-year arising need” estimate of 194 per year Highland wide is added in totals in this HNDA)
	2a Years from 2020 to clear need	10
	Use affordability model to assign need	No
3 Income, Growth and Distribution	Income data	CHMA Supplied Household income Data
	Growth in median income scenario	Modest Growth
	Change in income Distribution	No Change
	Select part of income distribution interested in	Not used
4 Prices and Affordability	House price scenario	Office of Budget Responsibility (OBR) estimates (core)
	Income percentile	25%
	Income ratio	3.6
5 Split Need into Tenure	Proportion of market who buy	60%
	Upper income-to-rent threshold	25%
	Lower income-to-rent threshold	35%
	Rent Growth Scenario	Modest Growth

4.4.4 The accompanying papers and tool runs referenced in this HNDA includes:

- Paper_1_Backlog_Definition_2020_HNDA
- Paper_2_In_Year_Need
- Paper_3_HNDA_Tool_Run_Log containing the key parameter input settings for 22 individual model runs used to evaluate the sensitivity of outputs to model parameters
- Paper_4 -Sensitivity analysis for specific scenario comparisons
- Appendix 1-22 - HNDA Tool Runs 1-22
- Paper 6 – Rental costs, house prices and affordability
- Paper 7 – HNDA Accessible and Specialist Housing
- Paper_8_Badenoch_and_Strathspey_Housing_Needs_Survey_Dec2021
- Paper_9_Lochaber_Housing_Needs_Dec2021

- 4.4.5 A number of additional scenario runs of the tool were carried out relatively early in the HNDA process to help understanding of the way in which the tool actually works, and have not been used directly to inform the content of the HNDA (other than the principal, high migration and low migration runs).

4.5 Comparison of Projection Scenarios

- 4.5.1 Tables 4-7 and 4-8 below compares the housing need and requirement for the Highland Council area with the use of a low, principal, and high migration scenario for 5 years (for the Local Housing Strategy (LHS)) and 10 years for Local Development Plans
- 4.5.2 Table 4.7 shows that the different totals of need and demand across different household projection scenarios widen during the 10 years required for Local Development Plans, largely because population is projected to fall significantly in the later years in some HMAs in the Highland Council Area under the two lower projection scenarios. The household requirement falls each year during the second half of the period alongside the population falls shown in Figure 4.1 comparing the three scenarios. In addition, the existing need for social rented housing is removed during the first 10 years and there are no equivalent figures in the second half of the period. Although This is considered to be an unrealistic assumption.
- 4.5.3 The assumption made on the backlog of existing affordable need is that it will be removed over 10 years so 1118 (half of the total backlog) is included in all three LHS scenarios (which only cover the first 5 years) in table 4-7 below. The limited differences between figures demonstrate the relative insensitivity of the need for social rented housing to the choice of migration projection scenario.
- 4.5.4 The arising need element in the requirement is the variable proportion in each of these projection-based scenarios, with a 5-year need ranging from 3576 (low migration) to 4026 (high migration). The chosen Scenario 22 including the additional In Year Arising Need shows a 5-year need figure of 4996 (High migration Scenario).
- 4.5.5 Low migration and principal projection scenarios are considered to be unlikely due to the migration levels and continuing expectations of net inward migration into Highland Council area. The overall need and demand expected totals around 1000 additional households per year.

Table 4-7 Comparison of Scenarios – Tenure and Total Requirement, Five Years Starting 2019/20 (for the Local Housing Strategy) – Including In Year Need

	Scenario 19 - High Migration	Scenario 20 - Low Migration	Scenario 21 - Principal Projection	Scenario 22 - High Migration Plus "in year Need"
HH projection				
In Year Need Included?	N	N	N	Y
Period	5 years - 2019/20 to 2023/24			
Social Rent	1668	646	699	763
Below Market Rent	754	711	769	841
PRS	841	637	689	1074
Buyers	763	1582	1621	2318
Total HC Area	4026	3576	3778	4996

Source: Highland Council Analysis

4.5.6 Table 4.7 shows that the different totals of need and demand across different household projection scenarios widen during the 10 years required for Local Development Plans, largely because population is projected to fall significantly in the later years in some HMAs in the Highland Council Area under the two lower projection scenarios. The household requirement falls each year during the second half of the period alongside the population falls shown in Figure 4.1 comparing the three scenarios. In addition, the existing need for social rented housing is removed during the first 10 years and there are no equivalent figures in the second half of the period. Although This is considered to be an unrealistic assumption.

Table 4-8 Comparison of Low Migration, Principal and High Migration based population projection scenarios Starting 2019/20 – 5 to 20 Year totals – Scenario 22 Including “In Year Need”

	Scenario 19 - High Migration				Scenario 20 - Low Migration				Scenario 21 - Principal Projection				Scenario 22 - High Migration Plus "in year Need"			
Annual Tool Output Totals	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039
Total Highland Council Area	805	614	290	299	715	477	129	113	756	545	208	203	999	808	484	493
Social rent	334	312	77	93	316	281	34	35	324	296	55	63	468	446	211	227
Below Market	151	107	84	90	127	70	38	34	138	88	61	61	181	167	144	150
PRS	168	104	71	67	142	68	32	25	154	86	51	46	168	104	71	67
Buyers	153	90	57	49	129	59	26	19	140	74	41	34	153	90	57	49
	Scenario 19 - High Migration				Scenario 20 - Low Migration				Scenario 21 - Principal Projection				Scenario 22 - High Migration Plus "in year Need"			
5 Year Tool Output Totals	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039
Total Highland Council Area	4026	3071	1448	1497	3576	2386	646	565	3778	2724	1041	1017	4996	4041	2418	2467
Social rent	1668	1562	387	463	1582	1405	172	174	1621	1482	277	314	2315	2209	1033	1110
Below Market	754	537	421	451	637	348	188	170	689	441	303	307	1077	860	745	775
PRS	841	521	354	335	711	339	158	127	769	429	254	228	841	521	354	335
Buyers	763	451	286	247	646	294	128	94	699	372	206	168	763	451	286	247

Source: Highland Council Analysis and CHMA Tool

4.5.7 In tables 4-9 and 4-10 the totals incorporate the additional “In Year existing need” applied in the chosen Scenario 22. This element is allocated only to specific HMAs as described in **Paper_2_In_Year_Need** and the expectation is that all of this need will be catered for in the Social Rent and Below Market Rental sectors. We have used the same proportions as applied by the HNDA tool to allocate this element to these tenures and have assumed that this additional need will continue through the period of projections. This results in a Highland-Wide additional figure annually of 134 in Social Rent Tenure and 60 in Below Market Rent tenure.

- *Note: Due to rounding being applied to tool calculated figures (to avoid reporting fractions of household need) at different stages in the production these HMA output tables results in small discrepancies between the Totalled figures at Highland Council.*

Table 4-9 - 5-year totals of additional Need and Demand by Tenure and Housing Market Area 2019/20 to 2023/24 (for the Local Housing Strategy) – Including In Year Need

Scenario 22 - 5 Year Totals 2019/20-2023/24											
High Migration HH Projection	Badenoch and Strathspey HMA (BS)	Caithness HMA (CA)	East Ross HMA (ER)	Inverness HMA (IN)	Lochaber HMA (LO)	Mid Ross HMA (MR)	Nairn HMA (NA)	Ross and Cromarty West HMA (RCW)	Skye and Lochalsh HMA (SL)	Sutherland HMA (SU)	HC Area Total
In Year Need	70	0	0	695	55	30	30	10	80	0	970
Social rent	158	83	127	1114	217	194	97	66	200	60	2315
Below Market	68	48	57	514	81	102	43	35	95	37	1079
PRS	51	18	51	338	55	122	41	37	100	27	841
Buyers	41	72	49	316	67	94	28	24	36	36	763
Total	318	222	284	2281	420	513	209	161	431	161	4998

Source: Highland Council Analysis using CHMA HNDA Tool, High Migration Scenario 22

Table 4-10 - 10-year totals of additional Need and Demand by Tenure and Housing Market Area 2019/20 to 2028/29 (for Local Development Plans) – Including In Year Need

Scenario 22 - 10 Year Totals 2019/20-2028/29											
High Migration HH Projection	Badenoch and Strathspey HMA (BS)	Caithness HMA (CA)	East Ross HMA (ER)	Inverness HMA (IN)	Lochaber HMA (LO)	Mid Ross HMA (MR)	Nairn HMA (NA)	Ross and Cromarty West HMA (RCW)	Skye and Lochalsh HMA (SL)	Sutherland HMA (SU)	HC Area Total
In Year Need	140	0	0	1390	110	60	60	20	160	0	1940
Social rent	309	158	246	2195	423	374	189	127	389	114	4523
Below Market	122	82	97	947	143	179	76	60	170	64	1939
PRS	83	28	83	545	90	201	66	59	162	43	1362
Buyers	65	117	77	505	107	149	44	37	56	57	1215
Total	579	385	503	4191	764	903	376	284	777	278	9039

Source: Highland Council Analysis using CHMA HNDA Tool, High Migration Scenario 22

4.6 Comparison with the previous 2015 HNDA

- 4.6.1 Tables 4-12 and 4-13 compare need and demand in this HNDA using the high migration scenario and additional in year need with equivalent figures from the 2015 HNDA. They show a significant reduction in population change driven housing need figures due to changes in the underlying NRS supplied Population and their derived Household Projections (2018 based).
- 4.6.2 In 2015- the existing backlog of 2144 was calculated by in house HC methods, recognising that the data available at the time for homeless, concealed and overcrowded households was inadequate, outdated and unrepresentative of the position in the Highland Council Area. The same methodology recognised in the CHMA assessment of the 2015 HNDA as valid was carried forward into this HNDA and gives a higher starting point backlog figure of 2236 (taken from a snapshot in April 2020 Highland Housing Register and described in the accompanying Paper 1 - Backlog Definition 2020 HNDA).
- 4.6.3 A drop in the Total Fertility Rate (TFR) used in the various projections contributes to the latest population projections underpinning the Household Projections used in the 2020 HNDA. The TFR is the average number of births per woman across 5-year age groups and is calculated from the trend of births per HMA in recent years. The variation in TFR is different in specific HMAs as shown in the examples in **Table 4-11**. (To allow comparison two specific years that exist in both projections, the TFR for specimen years 2018 and 2036 are used).

Table 4-11 Total Fertility Rates used for 2018 and 2036 in the 2012 and 2018 Population Projections

HMA	2012 Projection TFR	2018 Projection TFR
B&S (2018)	1.62	1.37
B&S (2036)	1.67	1.45
IN (2018)	1.80	1.61
IN (2036)	1.87	1.65
SU (2018)	1.60	1.40
SU (2036)	1.66	1.54

Source: NRS Population Projections 2012 and 2018

Table 4-12 Comparison of 2020 HNDA High Migration Scenario 22 with 2015 HNDA, First Five Years for LHS – Including In Year Need

	Need (Social Rented)		Total Requirement	
	2015 HNDA	2020 HNDA (Sc 22)	2015 HNDA	2020 HNDA (Sc 22)
Badenoch & Strathspey	132	158	348	318
Caithness	76	83	207	222
East Ross	202	127	443	284
Inverness	938	1114	2284	2281
Lochaber	172	217	361	420
Mid Ross	218	194	497	513
Nairn	117	97	273	209
Ross and Cromarty West	75	66	287	161
Skye & Lochalsh	131	200	168	431
Sutherland	69	60	194	161
Highland	2130	2315	5062	4998

Source: 2015 HNDA and 2020 HNDA (Scenario 22)

Table 4-13 Comparison of High Migration Scenario 22 with 2015 HNDA, 10 Years for LDP – Including In Year Need

	Need (Social Rented)		Total Requirement	
	2015 HNDA	2020 HNDA (Sc 22)	2015 HNDA	2020 HNDA (Sc 22)
Badenoch & Strathspey	429	315	1,235	579
Caithness	136	166	357	385
East Ross	509	253	1,211	503
Inverness	2,919	2,228	8,083	4,191
Lochaber	483	433	1,154	764
Mid Ross	589	387	1,499	903
Nairn	341	194	879	376
Ross and Cromarty West	223	132	608	284
Skye & Lochalsh	331	400	789	777
Sutherland	150	121	358	278
Highland	6,111	4,629	16,171	9039

Source: 2015 HNDA and 2020 HNDA (Scenario 22)

Chapter 4 – Key Findings

LHS and Development Plan	Key Issues Identified in the HNDA
Existing need	<ol style="list-style-type: none"> 1. We estimate that existing need (backlog) in Highland will require 2,236 stock additions to eradicate. This figure was taken from analysis of the Highland Housing Register and it differs significantly from the figure of 840 supplied as default within the HNDA tool 2. We have identified an additional factor arising each year that is not accounted for in the trend-based projection. This is further arising need due to increasing levels of unaffordability and due to the inability to reduce the backlog of need in recent years. This figure of 194 additional applicants each year is included in the overall HNDA total and is allocated to relevant HMAs.
Future Demographic Scenario	<ol style="list-style-type: none"> 1. The default 2018 household projection scenarios are used. The High Migration projection is used, due to the continuing recent evidence of a net inward migration of +1000 per year into the Highland Council area. 2. Our HMP considers that, of the three, the high migration scenario is the closest to the likely future growth of Highland, but this is a lower rate of household growth than we have seen historically.
Household growth headlines (all using the “high migration scenario”)	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 4,998 households will require additional housing. (5-year HNDA output Highland Wide 2019/20 to 2023/24). 2. Over the 10-year Local Development Plan periods from 2019/20 to 2028/29 a need and demand of 9038 is identified. 3. A slowing of population growth and therefore need and demand figures is seen after this period due to the impact of falling birth rates and underlying age profile changes.
Owner occupation	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 763 additional households are expected to be able to become owner occupiers. 2. Over the lifetime of the Local Development Plan (10 years 2019/20 to 2028/29), 1215 additional households are expected to be able to become owner occupiers.

<p>Private rent</p>	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, 841 additional households are expected to become private renters. 2. Over the lifetime of the Local Development Plan, 1362 additional households are expected to become private renters.
<p>Social and Below Market Rent</p>	<ol style="list-style-type: none"> 1. Over the lifetime of the Local Housing Strategy, there is potential for 3392 households to take up social and below market rent. 2. Over the lifetime of the Local Development Plan, there is potential for 6461 households to take up property at social and below market rent.

CHAPTER 5: Specialist Provision

5.1 Introduction

- 5.1.1 This chapter sets out information on the need and demand for a range of specialist provision. Although specialist housing can be required by people of all ages, needs become more acute in later life. This section therefore starts with an introduction describing how Highland's retirement age population will increase during the planning period, and how this might result in an increase in the need for both care at home (with a commensurate increase in the need for specialist and adapted housing) and residential care. A significant proportion of the elderly population is likely to live alone, bringing a particular set of challenges in terms of housing and care, and information is also given on single person households.
- 5.1.2 Operational models developed over the last decade and more have aimed to move the balance of care away from care homes to care in the home & community, with care homes providing for the particularly frail and elderly. The number of care home, people in care homes and the number of beds provided has continued to fall over the last decade and the numbers receiving care at home increasing. A significant challenge for specialist provision will be to provide purpose built and adapted housing of all tenures that enables people to live in their own homes as long as possible, and to provide the care that is required from a labour force that falling as a percentage of the total population.
- 5.1.3 The information contained in this chapter will help to inform the provision and use of specialist housing and related services and will be used as the basis for consideration of approaches to policy and service delivery that will be set out in the Local Housing Strategy, and which will read across to the Highland Joint Commissioning Strategy. This chapter will also inform approaches to planning policy on specialist provision within the Highland Development Plan.
- 5.1.4 Additional information on the requirements for has been provided in Supplementary Paper 7 – Specialist Provision for Older Adults. This is supplied as an accompanying paper to this HNDA. It includes NHS Highland sourced information on long term conditions and frailty by age group and supports the projections that follow of a rapidly ageing older age group population in Highland Council area.

5.2 The Retirement Age Population

- 5.2.1 Table 5-1 below shows how the number of people of retirement age continues to increase both in number and as a percentage of the total area population. The table also compares with the Scotland wide figures and shows consistently higher proportions in the Highland Council Area than the Scotland average.
- 5.2.2 This table shows that the population aged 65-84 is forecast to be almost 25% of the total population in 20 years' time (2040), rising from 16.5% in 2011 recorded at the last Census. The proportion of the Highland Council area population forecast to be aged over 85 is forecast to increase to 5.2% of the Highland population (from 2.2% in 2011).
- 5.2.3 The pace of change is projected to increase through the planning period with the total number of people of retirement age projected to increase from 53,948 to 59,061 during the life of the Local Housing Strategy (5 years) and from 53,948 to 70,042 over the next 20 years.

Table 5-1 Age 65 Plus Population Trends as a Percentage of the Total Population

	Highland				Scotland	
	Total Population	Population Aged 65+	65 to 84	85+	65 to 84	85+
2001	208,920	34,790	14.8	1.9	8.8	1.8
2011	232,730	43,424	16.5	2.2	9.1	2
2015	234,110	49,077	18.5	2.4	10.2	2.2
2020	236,078	53,948	20.1	2.8	17	2.3
2025	236,078	59,061	21.8	3.2	18.4	2.6
2030	236,414	64,829	23.7	3.7	20.1	2.8
2035	235,284	68,930	24.6	4.7	21.1	3.4
2040	234,050	70,042	24.7	5.2	21.3	3.7

Sources – NRS Principal Projection – 2018 based and Census data

5.3 Care and support needs

- 5.3.1 The critical issue recognised is that as the older person population increases and there are much higher numbers of people aged both 65+ and 75+, demand for sheltered housing and specialist models is likely to increase.
- 5.3.2 There is an opportunity to consider the development of specialist accommodation models that would suit some client groups currently in long term care. Developing such models will prevent or delay future admission to care home settings that would otherwise be an inevitable consequence of an aging population.
- 5.3.3 There will be an ongoing need to provide both temporary and permanent accommodation for women suffering from domestic abuse.
- 5.3.4 NHS Highland reports an increasing number of people who have complex needs, especially challenging behaviour at any age, and those who have dementia. The intensive support needs mean that support will only be practicable and affordable through core and cluster and multiple occupancy arrangements.
- 5.3.5 “Supplementary Paper 7 – Specialist Provision for Older Adults” describes the impacts of this increasing elderly population on care and support needs by classifying the over 65 age group with a forecast of dependency status. Table 5-2 below shows that over 20 years from 2015 the increase in the over 65 population leads to a 67% increase in numbers with high, a 74% increase in medium and a 61% increase in low dependency needs.
- 5.3.6 The paper explains that specialist housing provision will have to increase to support the direction of national policy to promote care at home – enabling older people to remain in their communities and further expands upon the availability and applications for accessible housing in the

Table 5-2 Projected population over 65 and dependency status

	2015	2025	2035	Increase over 10 years	Increase over 20 years
Independent	28880	34920	40080	21%	39%
low	14770	19130	23840	30%	61%
medium	2840	3780	4930	33%	74%
high	2660	3480	4450	31%	67%
Total	49150	61310	73300	25%	49%

Source: NHS Highland - Kingston et al (2017) and National Records of Scotland (27 October 2016)

5.4 Single Person Households

5.4.1 The last available Census told us that the number of single person households increased between 2001 and 2011, as shown in Table 5-3 below (the standard tables do not allow a breakdown into more detailed age groups). It shows that the growth in single person households has been reasonably consistent across the age groups, but above the Highland average in the 65 and over age group.

Table 5-3 Single Person Households 2001 and 2011

Age Group	2001	2011	% Change
24 and under	946	1,061	12.2
25 to 64	15,292	17,565	14.9
65 and over	11,770	13,752	16.8
All Single Person Households	28,008	32,378	15.6

Source: Census tables CAS248 and LC1109SC

5.4.2 The latest available Council Tax data for Highland Council area indicates that over 40139 residential properties claim “Single” council tax discount. This is a proportion of 33.5% of all council tax registered stock – and compares with the 2011 Census figure in Table 5-3 of 32378. Table 5-4 below suggests proportion of Single households rising at almost 0.5% of total Highland Council area stock per year since 2015.

Table 5-4 Single Person Discounts

Year	2014	2015	2016	2017	2018	2019	2020
Single Discount Claims	37105	36469	37393	38070	38800	39282	40139
Total Council Tax Reg	114606	115541	116456	117291	118117	119060	119919
%age Single Hholds	32.4%	31.6%	32.1%	32.5%	32.9%	33.0%	33.5%

Source: Highland Council Data

5.5 Templates 1 and 2: Wheelchair liveable and Adapted Housing

1	National policies
1.1	<ul style="list-style-type: none"> • 2020 Vision: Strategic Narrative • Reshaping Care for Older People • National Health and Wellbeing Outcome 2 - 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

	<ul style="list-style-type: none"> • Lifetime Homes Standards - which provides for 'visitability' by a wheelchair user and includes features that make the home adaptable for wheelchair use at a later date. • Housing for Varying Needs Standards – a design guide: design for dwellings specifically for wheelchair users • National Health and Wellbeing Outcome 2 - 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
2	Local policies/strategies
2.1	<ul style="list-style-type: none"> • The Highland Council's Sustainable Design Guide Supplementary Planning Guidance • The Highland Council Strategic Housing Investment Programme.
3	Property needs
3.1	The Scottish House Conditions Survey indicates that there is a concentration of adapted property and individuals restricted by their dwelling / waiting for adaptations in the social rented sector. This suggests both investment and need are concentrated in this sector.
3.2	Since 2011, the Council and housing partners have agreed a target for increasing the number of affordable houses suitable for older people and people with disabilities over 5 years. The current Strategic Housing Investment Programme is committed to building a total of 3,884 units between 2021 and 2026. There is a target for 20% of these units to be wheelchair liveable (circa 770) along with a commitment to build all ground floors to HVN with Level Access facilities in all ground floor properties as standard. Highland also make provision wherever possible for private stairs to upper floor flats, facilitating stairlift access for more ambulant tenants who, although they require level living, do not necessarily ground level access. This flexibility makes most properties suitable for a wider range of abilities and improves our ability to house those with particular needs.
3.3	Since January 2013, the Council's Sustainable Design Guide Supplementary Planning Guidance has actively promoted Lifetime Homes Standards in the affordable and private sector, and for the social sector general needs housing is built to Housing for Varying Needs Standards wherever possible, and for wheelchair liveable housing to the specific design guidance for dwellings for wheelchair users. Increasingly new housing will be accessible and rooms within the buildings of a suitably size to allow for future adaptations.

4	<p>Suitable for:</p> <ul style="list-style-type: none"> • People whose current accommodation does not meet their physical / medical needs. • People with limited mobility / dexterity who are otherwise able to remain in mainstream housing, with or without care or support. 																																				
5	<p>Evidence</p> <p>5.1 Table 5-5 below shows relatively large numbers of applicants with the need for accessible / adapted housing, with a particular need for ground floor / level access accommodation and toilet and washing facilities.</p> <p style="text-align: center;">Table 5-5 Accessible Housing Assessments</p> <table border="1" data-bbox="344 725 1334 1263"> <thead> <tr> <th>Assessed Need</th> <th>Number</th> <th>% of all Applicants</th> </tr> </thead> <tbody> <tr> <td>Level access</td> <td>725</td> <td>7</td> </tr> <tr> <td>Ground floor property</td> <td>1097</td> <td>11</td> </tr> <tr> <td>Ground floor toilet</td> <td>1096</td> <td>11</td> </tr> <tr> <td>Ground floor bathroom</td> <td>1085</td> <td>11</td> </tr> <tr> <td>Walk in shower</td> <td>913</td> <td>9</td> </tr> <tr> <td>Wheelchair adapted</td> <td>129</td> <td>1</td> </tr> <tr> <td>Other special requirement</td> <td>327</td> <td>3</td> </tr> <tr> <td>OT assessment</td> <td>80</td> <td>1</td> </tr> <tr> <td>Extra bedroom for medical / carer needs</td> <td>150</td> <td>2</td> </tr> <tr> <td>Move closer to medical facilities</td> <td>4</td> <td>0</td> </tr> <tr> <td>Wet Room</td> <td>128</td> <td>1</td> </tr> </tbody> </table> <p style="text-align: center;">Source: NHS Highland and Highland Council records</p>	Assessed Need	Number	% of all Applicants	Level access	725	7	Ground floor property	1097	11	Ground floor toilet	1096	11	Ground floor bathroom	1085	11	Walk in shower	913	9	Wheelchair adapted	129	1	Other special requirement	327	3	OT assessment	80	1	Extra bedroom for medical / carer needs	150	2	Move closer to medical facilities	4	0	Wet Room	128	1
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5.2	<p>This table describing housing outcomes (Table 5-6 below) illustrates that despite fairly high levels of need there is a reasonably good turnover of suitable adapted property to meet specialist needs. The tables also illustrate the Highland Housing Register priority categories are resulting in a fairly high priority for these applicants, with higher proportions of applicants housed compared to those with the specialist requirements.</p>																																				
	<p style="text-align: center;">Table 5-6 Housing Outcomes</p> <table border="1" data-bbox="312 1675 1361 2040"> <thead> <tr> <th>Number Housed</th> <th>Number</th> <th>% of all those housed</th> </tr> </thead> <tbody> <tr> <td>Level access</td> <td>145</td> <td>11</td> </tr> <tr> <td>Ground floor property</td> <td>248</td> <td>19</td> </tr> <tr> <td>Ground floor toilet</td> <td>237</td> <td>18</td> </tr> <tr> <td>Ground floor bathroom</td> <td>236</td> <td>18</td> </tr> <tr> <td>Walk in shower</td> <td>219</td> <td>17</td> </tr> <tr> <td>Wheelchair adapted</td> <td>17</td> <td>1</td> </tr> <tr> <td>Other special requirement</td> <td>79</td> <td>6</td> </tr> </tbody> </table>	Number Housed	Number	% of all those housed	Level access	145	11	Ground floor property	248	19	Ground floor toilet	237	18	Ground floor bathroom	236	18	Walk in shower	219	17	Wheelchair adapted	17	1	Other special requirement	79	6												
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OT assessment	9	1
Extra bedroom for medical / carer needs	29	2
Move closer to medical facilities	3	0
Wet Room	25	2

Source: Highland Housing Register

5.3 Table 5-7 (below) summarises the Council's stock that is suitable for people with disabilities as a result of property characteristics or adaptation undertaken. This is a count of measures, and an individual property may have more than one measure with the result that the sum of the percentages is more than 100%. This shows that a significant proportion of the Council's housing stock is suitable for people with accessible needs.

Table 5-7 Council Adapted Property

	W/C (G/Floor)	Shower (Level Access)	Wet Room	G/Floor Bathroom	G/Floor Bedroom	Extension (Purpose built for adaptation needs)	Wheelchai r Adapted (Suitable for Wheelchair)
Badenoch and Strathspey	30	101	18	232	193	1	9
Caithness	105	356	84	1057	1043	26	39
Inverness	152	1084	80	1260	1178	16	120
Lochaber	101	185	4	514	408	5	5
Nairn	33	125	33	236	205	15	6
Ross and Cromarty	740	892	46	1156	1166	84	68
Skye And Lochalsh	39	121	6	216	225	2	3
Sutherland	32	252	85	590	454	14	21
Total	1232	3116	356	5261	4872	163	271
% of All Council Stock	6	15	2	26	24	1	1

Source: Highland Council Data

5.4 Applicants for housing who report medical issues affecting their ability to function in their current homes are assessed by NHS Occupational Therapy Service. The Highland Council wide summary is contained in Table 5-15 below. It shows that there are relatively large numbers of applicants with the need for accessible/adapted housing, with a particular need for ground floor/level access accommodation and toilet and washing facilities

5.6 Within the private sector adaptations are funded through the Council Private Sector Housing Grant / Scheme of Assistance. Table 5-8 (below) shows the number of new adaptations carried out in 2020/21.

Table 5-8 Care and Repair Adaptations

	Shower/Wet Room	WC	Wheelchair	Total
Caithness	10	2	1	14
East Ross	10	4	15	32

	Badenoch and Strathspey Nairn and Inverness	87	7	62	164
	Lochaber	15	12	16	44
	Ross & Cromarty West and Mid Ross	15	2	16	34
	Skye & Lochalsh	12	4	14	32
	Sutherland	19	2	14	36
	Highland	168	33	138	324
	Source: Highland Council Records				
6	External stakeholder consultation & engagement				
	<ul style="list-style-type: none"> • Housing Strategy Group • Adult Services Strategic Planning Group • Care and Repair Agents 				

5.6 Template 3: Non-permanent Housing

1	National policies
	<ul style="list-style-type: none"> • Rent pressure control zones • Restrictions on Short-term lets
2	Local policies/strategies
	<ul style="list-style-type: none"> • Highland Strategic Housing Investment Programme • Highland Local Housing Strategy
3	Property needs
3.1	Highland has a significantly higher proportion living with their parents and in their own family homes than the Scotland average, and fewer in all student households and communal establishments, which reflects the impact of distance learning and the higher proportion of mature students in Highland. The relatively low numbers living on their own or in all student households suggests that they are not impacting on the private rented sector to the extent that students in parts of the established university cities do.
3.2	There is an ongoing need for temporary accommodation for single homeless people. The age categories of homeless applicants have remained relatively stable since 2014. The single biggest group of homeless applicants are in the 26 – 59 years of age category and have accounted for around 65% of applicants on an annual basis. This compares to around 3% of applicants for the 16 - 17 years of age category, and 25% for the 18 – 25 years and 7% the 60+ years categories.
3.3	Traditionally, the Council provided temporary accommodation through a framework agreement with a number of accommodation providers, but it has been moving away from this model since 2016. The number of Council-owned temporary furnished accommodation now stands at 427 properties as part of a target of providing 50 new units every year since

	<p>2016. The furnished accommodation is more affordable for tenants and provides a better minimum standard of accommodation than bed-and-breakfast type accommodation and houses of multiple occupation. It also provides opportunity to convert tenancies to secure tenancies.</p>												
3.3	<p>As part of the Council's Rapid Rehousing Transition Plan, Highland has been using shared temporary accommodation. It is an effective model of accommodation to assist the Council in meeting the new regulations in regard to the extended Unsuitable Accommodation Order. The Scottish Government has adopted most of Highland's shared tenancies processes and standards of accommodation as part of national guidance for local authorities. So far, the Council has established 26 shared properties as detailed in the table below, allowing for 52 clients. The model has proved effective and has been popular with service users.</p> <p>Table 5-9 Shared tenancy properties in Highland as at 4 May 2021</p> <table border="1"> <thead> <tr> <th>Area</th> <th>Number of tenancies</th> </tr> </thead> <tbody> <tr> <td>Inverness</td> <td>18</td> </tr> <tr> <td>Ross & Cromarty</td> <td>6</td> </tr> <tr> <td>Nairn</td> <td>1</td> </tr> <tr> <td>Fort William</td> <td>1</td> </tr> <tr> <td>Highland</td> <td>26</td> </tr> </tbody> </table> <p>Highland Council Data</p>	Area	Number of tenancies	Inverness	18	Ross & Cromarty	6	Nairn	1	Fort William	1	Highland	26
Area	Number of tenancies												
Inverness	18												
Ross & Cromarty	6												
Nairn	1												
Fort William	1												
Highland	26												
4	<p>Suitable for:</p> <ul style="list-style-type: none"> Students, migrant workers, homeless people, refugees, asylum seekers 												
5	<p>Evidence</p>												
5.1	<p>Student Accommodation</p> <p>The University of the Highlands and Islands (UHI) is the largest higher education provider within Highland.</p> <p>UHI expects student numbers to grow, but the scale and pace of change is dependent on Government funding. The focus will continue to be on flexible and distance learning rather than building dedicated student accommodation to cope with residential students.</p> <p>The nature of the student population is different from the national profile, reflecting the unique nature of UHI with more distance learning and a more mature students resulting in lower numbers of students living in HMO / communal student accommodation.</p>												
5.2	<p>Homeless accommodation</p>												

	<p>There is an ongoing need to provide temporary accommodation for single homeless people. The number of applications from homeless people is relatively stable, with the greatest concentrations in Inverness, Lochaber and mid-Ross.</p> <p>The Council currently provides accommodation through a framework agreement with accommodation providers but is moving away from this model and plans to provide 200 additional single person units for use as temporary accommodation through its new build programme. 8. The Council's current policy of limiting the concentration of HMOs may affect supply of suitable shared accommodation to meet the needs of single person households, including students.</p>
5.3	<p>Refugee and Asylum Seeker accommodation</p> <p>Highland has been engaged with the Home Office and Scottish Government in delivering a Syrian Refugee Resettlement Programme. This commitment is for an annual resettlement of 25-30 refugee households per annum and this has taken place exclusively in social landlord properties in Inverness, Alness and Kinlochleven. Further Highland commitments will be determined following further national direction on a wider refugee resettlement scheme.</p> <p>Highland does not have large numbers of asylum seekers, but future presentations may take place in line with national changes in the wake of Brexit.</p>
6	<p>External stakeholder consultation & engagement</p> <ul style="list-style-type: none"> • Local Housing Strategy Group • Homelessness Strategy Group

5.7 Template 4: Supported Provision

1	National policies
1.1	Ministerial Strategy Guidance for Health & Community Care Digital Health & Social Care Strategy
2	Local policies/strategies <ul style="list-style-type: none"> • Health & Social Care Integration Partnership
3	Property needs
3.1	Overview of Health and Wellbeing in Highland
3.2	Alzheimer Scotland estimated there being 149 people in Highland under the age of 65 years with dementia and 4,085 over 65 years in 2014 (8.5% of the population age 65+). This is consistent with the national average prevalence rate.

3.3	Table 5-10 (below) gives the breakdown by condition at Census 2011 (the figures do not sum to 100% because some people have more than one condition). It shows that the prevalence of the two conditions most likely to result in the need for adapted housing – physical disability and blindness or partial site loss – rise significantly after age 65 with 22.4% and 86.7% respectively affected at age 85 plus.																																																																																																														
3.4	Chapter 2 has described in detail the projected ageing population across the Highland Council Area. It is recognised that this will lead to a significant increase in the requirements for future provision of care at home services, adapted housing and care home places.																																																																																																														
<p style="text-align: center;">Table 5-10 Long Term Health Conditions by Age Group as Percent of Total Population</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>0 to 15</th> <th>16 to 24</th> <th>25 to 34</th> <th>35 to 49</th> <th>50 to 64</th> <th>65 to 74</th> <th>75 to 84</th> <th>85 +</th> <th>Ave</th> </tr> </thead> <tbody> <tr> <td>No condition</td> <td>89.7</td> <td>84.1</td> <td>83.4</td> <td>77.1</td> <td>62.9</td> <td>47.4</td> <td>31.1</td> <td>14.0</td> <td>70.4</td> </tr> <tr> <td>One or more conditions</td> <td>10.3</td> <td>15.9</td> <td>16.6</td> <td>22.9</td> <td>37.1</td> <td>52.6</td> <td>68.9</td> <td>86.0</td> <td>29.6</td> </tr> <tr> <td>Deafness or partial hearing loss</td> <td>0.6</td> <td>0.9</td> <td>1.3</td> <td>2.6</td> <td>7.0</td> <td>16.1</td> <td>30.5</td> <td>50.2</td> <td>7.0</td> </tr> <tr> <td>Blindness or partial sight loss</td> <td>0.4</td> <td>0.6</td> <td>0.6</td> <td>1.0</td> <td>1.9</td> <td>3.9</td> <td>9.8</td> <td>22.4</td> <td>2.3</td> </tr> <tr> <td>Learning disability</td> <td>0.5</td> <td>0.9</td> <td>0.7</td> <td>0.6</td> <td>0.4</td> <td>0.3</td> <td>0.2</td> <td>0.2</td> <td>0.5</td> </tr> <tr> <td>Learning difficulty</td> <td>2.6</td> <td>5.4</td> <td>3.4</td> <td>1.8</td> <td>1.1</td> <td>0.7</td> <td>0.5</td> <td>0.3</td> <td>2.1</td> </tr> <tr> <td>Developmental disorder</td> <td>2.2</td> <td>1.7</td> <td>0.5</td> <td>0.2</td> <td>0.1</td> <td>0.1</td> <td>0.1</td> <td>0.0</td> <td>0.7</td> </tr> <tr> <td>Physical disability</td> <td>0.7</td> <td>1.2</td> <td>1.7</td> <td>3.5</td> <td>7.6</td> <td>12.7</td> <td>20.7</td> <td>33.6</td> <td>6.1</td> </tr> <tr> <td>Mental health condition</td> <td>0.3</td> <td>2.5</td> <td>4.4</td> <td>5.4</td> <td>4.5</td> <td>2.5</td> <td>4.1</td> <td>9.8</td> <td>3.6</td> </tr> <tr> <td>Other condition</td> <td>5.5</td> <td>6.5</td> <td>8.1</td> <td>14.1</td> <td>26.2</td> <td>35.7</td> <td>40.4</td> <td>42.0</td> <td>18.3</td> </tr> </tbody> </table> <p style="text-align: center;">Source: 2011 Census</p>			0 to 15	16 to 24	25 to 34	35 to 49	50 to 64	65 to 74	75 to 84	85 +	Ave	No condition	89.7	84.1	83.4	77.1	62.9	47.4	31.1	14.0	70.4	One or more conditions	10.3	15.9	16.6	22.9	37.1	52.6	68.9	86.0	29.6	Deafness or partial hearing loss	0.6	0.9	1.3	2.6	7.0	16.1	30.5	50.2	7.0	Blindness or partial sight loss	0.4	0.6	0.6	1.0	1.9	3.9	9.8	22.4	2.3	Learning disability	0.5	0.9	0.7	0.6	0.4	0.3	0.2	0.2	0.5	Learning difficulty	2.6	5.4	3.4	1.8	1.1	0.7	0.5	0.3	2.1	Developmental disorder	2.2	1.7	0.5	0.2	0.1	0.1	0.1	0.0	0.7	Physical disability	0.7	1.2	1.7	3.5	7.6	12.7	20.7	33.6	6.1	Mental health condition	0.3	2.5	4.4	5.4	4.5	2.5	4.1	9.8	3.6	Other condition	5.5	6.5	8.1	14.1	26.2	35.7	40.4	42.0	18.3
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3.5	<p>Sheltered Housing</p> <p>Table 5-11 (below) provides a breakdown of applications for and lets to sheltered housing through the Highland Housing Register. Sheltered demand is most high in Inverness and cannot be met in Lochaber due to no sheltered properties being available.</p>																																																																																																														

Table 5-11 Sheltered Housing by Housing Market Area

	Sheltered Housing Stock at April 2021	Applications for Sheltered Housing 2020/21	Lets in last year 2020/21
Badenoch & Strathspey	16	59	1
Caithness	59	36	5
East Ross	37	43	5
Inverness	199	240	29
Lochaber	0	79	0
Mid Ross	89	70	6
Nairn	42	53	6
Skye & Lochalsh	8	27	0
Sutherland	34	25	5
Ross & Cromarty West	33	25	3
Total	517	657	60

Source: Highland Housing Register 2021

3.6	As at March 2021 the Highland Housing Register had 657 applicants expressing a desire for sheltered housing.
3.7	There will be an ongoing need to provide both temporary and permanent accommodation for women suffering from domestic abuse.
3.8	The critical issue is that as the older person population increases and there are much higher numbers of people aged 75+ demand for sheltered housing and specialist models is likely to increase.
3.9	There is an opportunity to consider the development of specialist accommodation models that would suit some client groups currently in long term care. Developing such models will prevent or delay future admission to care home settings that would otherwise be an inevitable consequence of an aging population.
3.10	The Council is currently undertaking a review of Sheltered Housing provision to help us understand some of these issues in more detail and contribute to the planning, design and development of housing aimed at meeting the needs of an ageing population.
3.11	Care Homes
3.12	On 31 March 2019, there were 68 care homes for adults in Highland with 1,985 registered places. These were providing long stay care for an estimated 1,737 adults and short stay and respite stay for 68 adults. The key characteristics of long stay residents in care homes for adults are summarised in Table 5-12 (below).

Table 5-12 Long stay residents in care homes for adults

	Highland	Scotland
Average (median) Age	84	85
	%	%
Under 65s	14	10
65-74	12	11
75-84	27	29
85-94	38	41
95 plus	9	9
Total	100	100
Average (median) age on admission	81	82
Average (median) age on discharge	87	87

Source: Care Home Census Data Tables, Public Health Scotland

3.13

Table 5-13 (below) summarises the health characteristics of long stay care home residents. Just under half of clients (49%) required nursing care and an equal proportion had medically diagnosed dementia. (Please note that some clients have more than one condition and therefore the percentages sum more than 100%).

Table 5-13 Health characteristics of long stay residents in care homes for adults

Type of Resident	Highland
Total Number of Long Stay Residents	1,737
Characteristics of Long Stay Residents	%
Requiring Nursing Care	49
Visual Impairment	10
Hearing Impairment	6
Acquired Brain Injury	4
Other Physical Disability / Chronic Illness	31
Dementia (Medically Diagnosed)	49
Dementia (Not Medically Diagnosed)	5
Mental Health Problems	14
Learning Disability	8

Source: Care Home Census Data Tables, Public Health Scotland

3.14

On 31 March 2019, there were 55 care homes for older people in Highland with 1,718 registered places. The rate of registered places in care homes for older people in Highland was 37 per 1,000 population aged 65 and over compared to a rate of 39 per 1,000 in Scotland as a whole. An estimated 1,510 adults were residents in care homes for older people. The proportion of older people who are long stay care home

	<p>residents in Highland is in line with the national average, as illustrated in Table 5-14 (below).</p> <p style="text-align: center;">Table 5-14 Rate of registered places and number of long stay residents in care homes for older people</p> <table border="1"> <thead> <tr> <th>Area</th> <th>Registered Places for Older People</th> <th>Rate of registered places per 1,000 population aged 65+</th> <th>Number of Older People Long Stay residents</th> <th>% population aged 65+</th> </tr> </thead> <tbody> <tr> <td>Highland</td> <td>1,718</td> <td>37</td> <td>1,510</td> <td>2.8</td> </tr> <tr> <td>Scotland</td> <td>37,483</td> <td>39</td> <td>30,914</td> <td>3.0</td> </tr> </tbody> </table> <p style="text-align: center;">Source: Care Home Census Data Tables, Public Health Scotland</p>	Area	Registered Places for Older People	Rate of registered places per 1,000 population aged 65+	Number of Older People Long Stay residents	% population aged 65+	Highland	1,718	37	1,510	2.8	Scotland	37,483	39	30,914	3.0
Area	Registered Places for Older People	Rate of registered places per 1,000 population aged 65+	Number of Older People Long Stay residents	% population aged 65+												
Highland	1,718	37	1,510	2.8												
Scotland	37,483	39	30,914	3.0												
3.14	<p>Of those in long term care 47% are assessed as requiring long term nursing care and could therefore be assumed not to have long term housing needs. However, there are other client groups where long term / alternative housing models may be appropriate, for example those suffering from mental health, visual and hearing impairment, learning difficulties and acquired brain injury. Demographic projections also indicate that greater numbers of older people are likely to have significant care needs in future, and that increasing housing-based provision will be a feature of future service planning.</p>															
4	<p>A range of specialist provision is required, which together with correctly tailored care and support services can meet the housing needs for older people and an aging population, so that as many people as possible can stay at home or in the community for as long as possible. Additional specialist accommodation with support may be required in some areas for the following client groups:</p> <ul style="list-style-type: none"> • Women fleeing domestic abuse • People with physical disabilities, • People with Mental Health conditions, • People with Substance misuse issues • People with Learning Difficulties • People with dementia 															
5	Evidence – Included in Section 3 above															
6	<p>References</p> <ul style="list-style-type: none"> • Public Health Scotland. Care Home Census for Adults in Scotland Statistics for 2009 – 2019. 2020. Available at: https://beta.isdscotland.org/media/7041/2020-10-27-care-home-census-report-incl-revision-in-metadata-section.pdf • Public Health Scotland. Care Home Census Data Tables. 2020. Available at: https://beta.isdscotland.org/media/6387/2020_10_27_care-home-census-data-tables-revised-2nov2020.xlsx 															

	<ul style="list-style-type: none"> • https://nhshighland.publichealth.scot.nhs.uk/wp-content/uploads/2018/12/AssessingHighDependencyNeeds.pdf
	<p>External stakeholder consultation & engagement</p> <ul style="list-style-type: none"> • Housing Strategy Group • Adult Services Strategic Planning Group • Telecare Strategy Group • Highland Housing Development HUB

5.8 Template 5: Care and Support for Independent Living at Home

1	National policies																								
1.1	<ul style="list-style-type: none"> • Joint Improvement Team, Joint Strategic Commissioning • Reshaping Care for Older People • Scotland's National Dementia Strategy 																								
2	Local policies/strategies																								
	<ul style="list-style-type: none"> • Highland Strategic Commissioning Plan 																								
3	Property needs																								
3.1	<p>Table 5-15 (below) gives a breakdown of the main conditions affecting people who received home care support during January to March (Quarter 4) of 2018/19.</p> <p>Table 5-15 Number and proportion of people receiving home care by client group</p> <table border="1"> <thead> <tr> <th>Client group</th> <th>Number</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Dementia</td> <td>215</td> <td>12%</td> </tr> <tr> <td>Elderly / Frail</td> <td>1,005</td> <td>54%</td> </tr> <tr> <td>Learning Disability</td> <td>35</td> <td>2%</td> </tr> <tr> <td>Mental Health</td> <td>65</td> <td>4%</td> </tr> <tr> <td>Physical/Sensory Disability</td> <td>115</td> <td>6%</td> </tr> <tr> <td>Other</td> <td>410</td> <td>22%</td> </tr> <tr> <td>Total</td> <td>1,845</td> <td>100%</td> </tr> </tbody> </table> <p>Source: Social Care Insights Dashboard - Home Care, Public Health Scotland</p>	Client group	Number	%	Dementia	215	12%	Elderly / Frail	1,005	54%	Learning Disability	35	2%	Mental Health	65	4%	Physical/Sensory Disability	115	6%	Other	410	22%	Total	1,845	100%
Client group	Number	%																							
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Mental Health	65	4%																							
Physical/Sensory Disability	115	6%																							
Other	410	22%																							
Total	1,845	100%																							
3.2	<p>There is an uneven spread of services across Housing Market Areas, with services for all client groups only available in Inverness. Lochaber and Ross and Cromarty have a reasonable spread of services, but not all client groups are catered for. In the more rural areas services are restricted, and in the case of Skye and Lochalsh there are no services at all.</p>																								

3.3	Self-directed Support and a more flexible approach to care delivery in the community, in which teams are being encouraged to be more flexible providing care across a wide range of services in a local area. Where client numbers are low it can be difficult to sustain area-based services for all client groups in all areas This which has implications for clients and their families who may have to move out of their local area to access services.																				
4	Suitable for: People living at home but needing care / support to continue living independently.																				
5 5.1	<p>Evidence</p> <p>Care at Home - The estimated number and proportion of people receiving home care during January to March (Quarter 4) of 2018/19 by age group is shown in Table 5-16 (below). The majority (77%) of people were aged 75 and over.</p> <p>Table 5-16 Number and proportion of people receiving home care by age group</p> <table border="1" data-bbox="359 1088 1358 1370"> <thead> <tr> <th>Age Group (persons)</th> <th>Q4 2018/19 Client Group</th> <th>% of total client group</th> </tr> </thead> <tbody> <tr> <td>18-64 years</td> <td>185</td> <td>10%</td> </tr> <tr> <td>65-74 years</td> <td>250</td> <td>14%</td> </tr> <tr> <td>75-84 years</td> <td>655</td> <td>36%</td> </tr> <tr> <td>85 plus years</td> <td>755</td> <td>41%</td> </tr> <tr> <td>Total</td> <td>1,845</td> <td>100%</td> </tr> </tbody> </table> <p>Source: Social Care Insights Dashboard - Home Care, Public Health Scotland</p>	Age Group (persons)	Q4 2018/19 Client Group	% of total client group	18-64 years	185	10%	65-74 years	250	14%	75-84 years	655	36%	85 plus years	755	41%	Total	1,845	100%		
Age Group (persons)	Q4 2018/19 Client Group	% of total client group																			
18-64 years	185	10%																			
65-74 years	250	14%																			
75-84 years	655	36%																			
85 plus years	755	41%																			
Total	1,845	100%																			
5.2	<p>The average weekly hours of home care provided to people in each quarter during 2018/19 is shown in Table 5-17. One third of home care recipients are provided with 10 or more hours of home care per week on average.</p> <p>Table 5-17 Number of people receiving home care in Highland in 2018/19 by Level of Service received (average weekly hours)</p> <table border="1" data-bbox="344 1803 1370 2031"> <thead> <tr> <th>Average weekly hours</th> <th>Apr to June (Q1)</th> <th>Jul to Sept (Q2)</th> <th>Oct to Dec (Q3)</th> <th>Jan to Mar (Q4)</th> </tr> </thead> <tbody> <tr> <td>0 - <2 hours</td> <td>255</td> <td>285</td> <td>295</td> <td>255</td> </tr> <tr> <td>2 - <4 hours</td> <td>425</td> <td>410</td> <td>430</td> <td>390</td> </tr> <tr> <td>4 - <10 hours</td> <td>745</td> <td>695</td> <td>705</td> <td>770</td> </tr> </tbody> </table>	Average weekly hours	Apr to June (Q1)	Jul to Sept (Q2)	Oct to Dec (Q3)	Jan to Mar (Q4)	0 - <2 hours	255	285	295	255	2 - <4 hours	425	410	430	390	4 - <10 hours	745	695	705	770
Average weekly hours	Apr to June (Q1)	Jul to Sept (Q2)	Oct to Dec (Q3)	Jan to Mar (Q4)																	
0 - <2 hours	255	285	295	255																	
2 - <4 hours	425	410	430	390																	
4 - <10 hours	745	695	705	770																	

	10+ hours	715	700	680	675
	Total	2140	2090	2110	2090
	Percentage 10+ hrs home care	33.4%	33.5%	32.2%	32.3%
Source: Social Care Insights Dashboard - Home Care, Public Health Scotland					
6	References				
	<ul style="list-style-type: none"> Public Health Scotland. Social Care Insights Dashboard - Home Care. 2020. Available at: https://scotland.shinyapps.io/phs-social-care-home-care-201819/ 				
6.1	External stakeholder consultation & engagement				
	<ul style="list-style-type: none"> Local Housing Strategy 				

5.9 Template 6: Gypsy / Traveller and Travelling Show people Site Provision

1	National policies
1.1	<ul style="list-style-type: none"> Equalities Act 2010 Housing (Scotland) Act 2010 - The Scottish Social Housing Charter Scottish Government National Strategy Group Equal Opportunities Committee inquiries into the lives of Gypsy/Travellers
2	Local policies/strategies
	<ul style="list-style-type: none"> Highland Equality Plan - Working toward a Fairer Highland Highland Wide Local Development Plan Highland Local Housing Strategy 2017 – 2022
3	Land Needs
3.1	The Local Development Plan process will provide the framework to identify and consult on specific sites taking account of any national published design standards. Land needs have already been identified in the current Inner Moray Firth Local Development Plan based on the Council's previous Gypsy/Traveller Accommodation Needs Assessment. The potential need for an additional land requirement in Skye and Lochalsh has been identified in the current need's assessment
3.2	The Highland Gypsy/Traveller Needs Assessment (2014) estimated our Gypsy/Traveller population to be around 415 individuals across 130 households. The 2011 Census indicates that Highland has the third largest Gypsy/Traveller population in Scotland (in terms of share of the total population).

3.3	The Highland Council owns and manages four Gypsy / Traveller sites providing a total capacity of 47 pitches. Many site residents are long-term tenants. Two of the sites have few vacancies and low turnover. A number of Gypsy/Travellers live in settled 'bricks and mortar' housing across the area.																				
3.4	<p>Travelling is an established part of the Gypsy / Traveller culture. In recent years, The draft Engage Scotland report for Highland Council in March 2019 updated these figures identifying 50 encampments per year reported in 2011-2015 falling to an average of 41 per year during 2016-2018 (see Table 5.18) but recognising that encampment counts vary significantly year on year. Research in <i>"Gypsy/Traveller Sites in Scotland"</i> Scottish Government 2019 identified encampment activity in Highland is broadly similar to the national average with a decrease in encampments over the last 5-10 years reflecting the national trends. Camps are generally small (e.g.. 3 caravans or less).</p> <p>Table 5-18 Long Term Trends in encampment 2011-18</p> <table border="1" data-bbox="443 862 1279 1281"> <thead> <tr> <th>Parliamentary Consituency</th> <th>Annual Average 2011-2015</th> <th>Annual Average 2016-2018</th> <th>Annual Average 2011-2018</th> </tr> </thead> <tbody> <tr> <td>Caithness Sutherland and Ross</td> <td>5</td> <td>16</td> <td>9</td> </tr> <tr> <td>Inverness and Nairn</td> <td>32</td> <td>17</td> <td>27</td> </tr> <tr> <td>Skye, Lochaber and Badenoch</td> <td>13</td> <td>8</td> <td>11</td> </tr> <tr> <td>TOTAL</td> <td>50</td> <td>41</td> <td>47</td> </tr> </tbody> </table>	Parliamentary Consituency	Annual Average 2011-2015	Annual Average 2016-2018	Annual Average 2011-2018	Caithness Sutherland and Ross	5	16	9	Inverness and Nairn	32	17	27	Skye, Lochaber and Badenoch	13	8	11	TOTAL	50	41	47
Parliamentary Consituency	Annual Average 2011-2015	Annual Average 2016-2018	Annual Average 2011-2018																		
Caithness Sutherland and Ross	5	16	9																		
Inverness and Nairn	32	17	27																		
Skye, Lochaber and Badenoch	13	8	11																		
TOTAL	50	41	47																		
3.5	Most during the summer travelling season. Generally, stays are for limited periods e.g.. weeks or days rather than months. Most reported camps are in accessible rural locations or adjacent to urban areas. Whilst all parts of Highland can see Gypsy / Travellers stopping for a time, most are reported in a cluster of locations around Inverness and Nairn, the Black Isle and south eastern Ross-shire (more than 90% of locations used are in these areas).																				
3.6	The 2014 study found that Gypsy / Travellers in Highland were generally positive about their experiences of accessing public services, including health and education. We know that we need to do more as evidence continues to show that Gypsy/Traveller communities experience poorer outcomes in terms of living standards, education, health and employment, and often face stereotyping and hostility as they go about their lives.																				
3.7	Improving the lives and outcomes of Gypsy/Traveller communities is now an explicit equality outcome for the Highland Council. Our activities will reflect the ambition and priorities set out in the National Action Plan.																				
	Care and Support Needs - We are working with Gypsy / Travellers to:																				

3.8	<ul style="list-style-type: none"> • Ensure they have better and safer accommodation. We will invest in our sites to make them better places to live and bring up children and to reduce the risk of serious fire. • Give Gypsy / Travellers more, and better, opportunities to be listened to and engaged in decisions which affect them and their families. • Deliver, across Highland, positive approaches to supporting people living roadside and responding to roadside camps • Improve educational and health outcomes 																									
3.9	Travelling Show People are a separate community from Gypsy/Travellers, and have different needs however accommodating travelling showpeople has not been identified as a specific issue in the Highland Council area, their needs are included in the general analysis.																									
4	Suitable for: Gypsy/ Traveller communities																									
5	<p>Evidence: Usage of typical Gypsy/Traveller encampment sites indicates are being used less than once per year as described in table 5.19</p> <p>Table 5-19 Overview of encampment activity in Highland 2016-18</p> <table border="1" data-bbox="341 943 1383 1402"> <thead> <tr> <th>Parliamentary Constituency</th> <th>Locations used 2016-2018</th> <th>Annual Average encampments 2016-18</th> <th>Locations with <1 encampment per annum</th> <th>Locations with 1+ encampment per annum</th> </tr> </thead> <tbody> <tr> <td>Caithness Sutherland and Ross</td> <td>16 (36%)</td> <td>16</td> <td>12 (75%)</td> <td>4 (25%)</td> </tr> <tr> <td>Inverness and Nairn</td> <td>20 (44%)</td> <td>17</td> <td>15 (75%)</td> <td>5 (25%)</td> </tr> <tr> <td>Skye, Lochaber and Badenoch</td> <td>9 (20%)</td> <td>8</td> <td>7 (78%)</td> <td>2 (22%)</td> </tr> <tr> <td>TOTAL</td> <td>45</td> <td>41</td> <td>34 (76%)</td> <td>11 (24%)</td> </tr> </tbody> </table>	Parliamentary Constituency	Locations used 2016-2018	Annual Average encampments 2016-18	Locations with <1 encampment per annum	Locations with 1+ encampment per annum	Caithness Sutherland and Ross	16 (36%)	16	12 (75%)	4 (25%)	Inverness and Nairn	20 (44%)	17	15 (75%)	5 (25%)	Skye, Lochaber and Badenoch	9 (20%)	8	7 (78%)	2 (22%)	TOTAL	45	41	34 (76%)	11 (24%)
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6	<p>References:</p> <ul style="list-style-type: none"> • Gypsy Traveller encampment activity and management in Highland Draft Report – Engage Scotland March 2019 • “Gypsy/Traveller Sites in Scotland” - Scottish Government 2019 https://www.gov.scot/publications/gypsy-traveller-sites-scotland/ • External stakeholder consultation & engagement • Housing Strategy Group • Highland Equalities Working Group • Public consultation through area local development plan processes 																									

Chapter 5: Key Findings

LHS and Development Plan	Specialist Provision - Key Issues Identified in the HNDA
<p>Wheelchair liveable and adapted housing</p>	<ol style="list-style-type: none"> 1. There is a relatively high proportion of adapted stock in Highland, particularly in the social rented sector. 2. The lowest proportion of adapted stock is in the private rented sector. 3. There is evidence of the need for additional accessible / adapted property, with a particular need for ground floor / level access housing. 4. The profile of the housing stock in Highland, where there is a greater proportion of houses / bungalows, provides some opportunity for in-situ solutions. 5. There is relatively good turnover of adapted property in the social rented sector with 46% of needs met through annual turnover. However, these are mainly properties with minor adaptations and not fully wheelchair liveable. 6. Current needs are being met within current turnover and capacity to carry out adaptations. 7. Given population and demographic projections future needs are likely to require additional provision of new build, adaptations and related care at home / Telecare services. 8. There are significant numbers of people who require wheelchair liveable housing. 9. Need and current provision are currently concentrated in the social rented sector. 10. Demand can currently be met through adaptations and new build, with a high proportion delivered through by social rent tenures 11. Future new build will increasingly include design features that make property easier to adapt to future needs. 12. Most people requiring wheelchair liveable housing are under 60. 13. Long term demographic and health changes are likely to require additional provision of wheelchair liveable housing.
<p>Non-permanent housing e.g. for students, migrant workers, homeless people, refugees, asylum seekers</p>	<ol style="list-style-type: none"> 1. The University of the Highlands and Islands (UHI) is the largest higher education provider within Highland. 2. The focus will continue to be on flexible and distance learning and UHI are building dedicated student accommodation to cope with increased numbers of residential students. 3. There will be a requirement to provide housing for seasonal/keyworkers associated with economic growth or providing essential public services in rural areas.

	<p>4. There is an ongoing need to provide temporary accommodation for single homeless people. The number of applications from homeless people is relatively stable</p>
<p>Supported Provision e.g. care homes, sheltered housing, hostels and refuges</p>	<ol style="list-style-type: none"> 1. The profile of care home residents is similar to Scotland as a whole, but the average age of admission is lower than the national average. 2. Of those in long term care 49% are assessed as requiring long term nursing care, however there are lower proportions of current long-term residents with conditions such as mental health, learning difficulties and acquired brain injury where different models of accommodation may be required. 3. Additional specialist housing provision and related care at home services are required in order to prevent unnecessary care home admissions. 4. With the increase in older person population projected resulting in much higher numbers of people aged 75+, demand for sheltered housing and specialist accommodation models is likely to increase. 5. Increasing numbers of people with challenging behaviour at any age, and dementia among the elderly, will require more cluster or multiple occupancy arrangements. 6. There will be an ongoing need to provide both temporary and permanent accommodation for women suffering from domestic abuse. 7. Inevitably there will be insufficient client numbers to sustain area-based services for all client groups in all areas, but this does have implications for clients and their families who will often have to move out of their local area to access services.
<p>Care/ support services for independent living at home e.g.. home care, Handyperson, Telecare</p>	<ol style="list-style-type: none"> 1. Increasing Telecare provision could impact on care home admission and the proportion of people with long term conditions living at home. 2. The combined effect of an aging population, increased care at home / Telecare provision and a desire to shift the balance of care from care homes to care at home is likely to have significant implications for housing and home-based care and support services.
<p>Site provision e.g.. sites/ pitches for Gypsy/ Travellers and sites for Travelling Showpeople</p>	<ol style="list-style-type: none"> 1. The Highland Council owns and manages four Gypsy / Traveller sites providing a total capacity of 47 pitches. Many site residents are long-term tenants. Two of the sites have few vacancies and low turnover. A number of Gypsy/Travellers live in settled 'bricks and mortar' housing across the area. 2. Travelling is an established part of the Gypsy / Traveller culture. In recent years, on average around 42 roadside

	<p>camps are reported to the Council - a drop from previous travelling trends and in line with national trends. Camps are generally small (e.g., 3 caravans or less).</p> <p>3.Improving the lives and outcomes of Gypsy/Traveller communities is now an explicit equality outcome for the Highland Council. Our activities will reflect the ambition and priorities set out in the National Action Plan.</p> <p>4.We are working with Gypsy / Travellers to:</p> <ul style="list-style-type: none">• ensure they have better and safer accommodation. We will invest in our sites to make them better places to live and bring up children and to reduce the risk of serious fire.• Give Gypsy / Travellers more, and better, opportunities to be listened to and engaged in decisions which affect them and their families.• Deliver, across Highland, positive approaches to supporting people living roadside and responding to roadside camps• Improve educational and health outcomes.
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Appendix A - Highland Housing Need and Demand Assessment - Supporting Documents and Information

This submission of a draft HNDA to the Centre for Housing Market Analysis is accompanied by a number of additional documents which are supplied alongside this document. The intention is that they will also be available when the final HNDA is published. The role these papers have played in developing our draft HNDA varies: in some cases they provide general context but have not been used directly, some describe the reasons for taking a particular approach, while others contain detailed information that has been summarised in the HNDA. These documents are as follows:

Paper 1 Backlog Definition 2020 HNDA. This describes in house method to estimate the existing need (sometimes referred to as the backlog of need) based on an assessment of the current living arrangements of each applicant on the Highland Housing Register (HHR).

In the “Highland Council’s Need and Demand Assessment (HNDA): Appraisal by the CHMA” dated 18th August 2015, the use of this same rules-based assessment by Highland Council was described as “a valid approach”.

Paper 2 In Year Arising Need. This paper describes the approach used to identify a figure to compensate for the increasing numbers of people adding to the backlog of existing need each year – considered to be in excess of the trend based household projections used in the calculations in the HNDA Tool.

Paper 3 HNDA Tool Run Log. A simple 2 Tab Excel workbook summarising the parameters used for each of the 22 HNDA tool runs undertaken in Highland in the development of the HNDA. Tab 1 “Scenario Descriptions” gives a summary of the projections and inputs used, Tab 2 “Results_2021” contains the Highland Wide figures for each year of the 20 year forward projections of Housing Need and Demand.

Paper 4 Sensitivity and Scenario analysis

HNDA Tool Results. A comparison of selected scenarios to identify the effect of parameter changes

5 Scenarios

A folder containing a copy of each of the complete tool runs as Scenario 1 to Scenario 22 (the final chosen scenario).

Paper 6 - Rental costs, house prices and affordability

An analysis of available information to describe the changing affordability levels in the Highland Council area for all tenures of rent and effecting the ability to become homeowners.

Paper 7 – Accessible and Specialist Housing

Additional information from Highland Council Housing Team and NHS Highland on analysis of needs for accessible and specialist housing in the Highland Council area.

Paper_8_Badenoch_and_Strathspey_Housing_Needs_Survey_Dec2021.pdf

Paper_9_Lochaber_Housing_Needs_Dec2021.pdf

Appendix B – Annual Need and Demand Totals – by 5 Year periods (Highland Wide and HMA Level by tenure) for Scenario 19, 20 and 21

Annual Need and Demand Figures by Tenure and HMA	Scenario 19 - High Migration				Scenario 20 - Low Migration				Scenario 21 - Principal Projection			
	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039
Total Highland Council Area	805	614	290	299	715	477	129	113	756	545	208	203
Social rent	334	312	77	93	316	281	34	35	324	296	55	63
Below Market	151	107	84	90	127	70	38	34	138	88	61	61
PRS	168	104	71	67	142	68	32	25	154	86	51	46
Buyers	153	90	57	49	129	59	26	19	140	74	41	34
Badenoch and Strathspey HMA (BS)												
Total	49	38	17	17	44	30	7	6	46	34	12	12
Social rent	22	21	4	5	21	19	2	2	22	20	3	4
Below Market	9	6	5	5	7	4	2	2	8	5	3	4
PRS	10	6	4	4	9	4	2	2	9	5	3	3
Buyers	8	5	3	2	7	3	1	1	7	4	2	2
Caithness HMA (CA)												
Total	44	33	18	18	39	24	8	7	41	28	13	12
Social rent	17	15	5	6	15	13	2	2	16	14	4	4
Below Market	10	7	5	5	8	4	2	2	9	5	4	4
PRS	4	2	1	1	3	1	0	0	3	2	1	0
Buyers	14	9	6	6	12	6	3	2	13	7	4	4
East Ross HMA (ER)												
Total	57	44	20	20	51	35	9	8	53	39	14	14
Social rent	25	24	6	7	24	22	2	3	25	23	4	5
Below Market	11	8	6	7	10	5	3	2	10	7	4	4
PRS	10	6	4	4	9	4	2	1	9	5	3	3
Buyers	10	6	4	3	8	4	2	1	9	5	3	2
Inverness HMA (IN)												
Total	317	243	113	116	282	190	50	44	298	216	81	79
Social rent	130	123	28	33	124	112	12	13	127	118	20	23
Below Market	56	40	32	35	48	26	14	13	52	33	23	24
PRS	68	41	28	27	57	27	13	10	62	34	20	18
Buyers	63	38	24	21	54	25	11	8	58	31	17	14
Lochaber HMA (LO)												
Total	73	58	23	24	66	47	10	9	69	52	17	16
Social rent	36	34	6	8	35	31	3	3	35	33	5	5
Below Market	12	9	7	7	11	6	3	3	11	7	5	5
PRS	11	7	5	4	9	5	2	2	10	6	3	3
Buyers	13	8	5	4	11	5	2	2	12	7	4	3

	Scenario 19 - High Migration				Scenario 20 - Low Migration				Scenario 21 - Principal Projection			
	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039	2020 - 2024	2025 - 2029	2030 - 2034	2035 - 2039
Mid Ross HMA (MR)												
Total	97	72	37	38	85	54	17	14	90	63	27	26
Social rent	35	32	9	11	33	28	4	4	34	30	7	7
Below Market	18	13	10	11	16	9	5	4	17	11	7	8
PRS	24	16	11	11	21	10	5	4	22	13	8	7
Buyers	19	11	7	6	16	7	3	2	17	9	5	4
Nairn HMA (NA)												
Total	36	27	13	13	32	21	6	5	34	24	9	9
Social rent	15	14	4	4	15	13	2	2	15	14	3	3
Below Market	7	5	4	4	6	3	2	1	6	4	3	3
PRS	8	5	4	3	7	3	2	1	7	4	3	2
Buyers	6	3	2	2	5	2	1	1	5	3	1	1
Ross and Cromarty West HMA (RCW)												
Total	30	23	12	12	27	17	5	5	28	20	8	8
Social rent	12	11	3	4	11	10	2	2	11	10	2	3
Below Market	6	4	3	4	5	3	2	1	6	4	2	2
PRS	7	5	3	3	6	3	1	1	7	4	2	2
Buyers	5	3	2	1	4	2	1	1	4	2	1	1
Skye and Lochalsh HMA (SL)												
Total	70	53	26	26	62	41	11	10	66	47	18	18
Social rent	29	27	7	9	28	24	3	3	28	26	5	6
Below Market	14	10	7	8	11	6	3	3	12	8	5	5
PRS	20	12	9	8	17	8	4	3	18	10	6	5
Buyers	7	4	2	2	6	3	1	1	7	3	2	1
Sutherland HMA (SU)												
Total	32	23	13	14	28	17	6	5	30	20	9	9
Social rent	12	11	4	5	11	9	2	2	12	10	3	3
Below Market	7	5	4	4	6	3	2	2	7	4	3	3
PRS	5	3	2	2	5	2	1	1	5	3	1	1
Buyers	7	4	3	2	6	3	1	1	7	4	2	2

Appendix C – Timeline of HMP/HNDA Meetings with attendance

Date	Meeting	Attending	Discussion areas
13/02/2019	Housing Market Partnership (HMP) - HNDA Initial Meeting	Mike Atkinson (MA) - Research officer Allan Maguire (AM) - Head of Development and Regeneration - Highland Council Scott Dalgarno (SD) - Development Plans Manager David Goldie (DG) - Head of Housing and Building Maintenance - Highland Council John McHardy (JM) - Housing Development Manager	Introduction to HNDA process Reference to Data Sources Proposed Approach
20/06/2019	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, Brian Cameron (BC) - Housing Policy and Investment Manager	Update on progress and initial findings from use of default inputs
26/08/2019	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, BC, Tim Stott (TS) - Principal Planner, Craig Baxter (CB) - Development Plans Team Planner	Wide ranging discussion focussed on "Existing Need" figures and how to appropriately allocate these in the HNDA
19/11/2019	CHMA Meeting - Edinburgh	MA and Charles Brown (CHMA)	To discuss approach to HNDA, specifically allocation of arising need (calculated HC-Wide level) to HMA level and identification of additional need in the highland Council area over and above the tool output
19/12/2019	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, BC	Update on progress and further queries for HMP on apportionment of need by HMA in tool and proposed method for identifying additional need by better understanding of "churn" or "re-lettings" within HC Area
02/02/2020	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, BC, Nicole Wallace (NW) - Acting Head of Planning and Environment, Dafydd Jones (DJ) - Acting Head of Planning and Environment	Affordable Housing - Historic Delivery rates Ineffective Stock and Short Term Letting Progress since last meeting and latest Scenario figures presented (Scenarios 13-16) 'Unknown Unmet' Need? Discussion Ensuring double counting avoided in HHR data Feedback from LHS Meeting (11/02/2020) Progress towards report completion and Housing Input requirement
Staff resource diverted to COVID-19 Support Work			
01/07/2020	HMP - HNDA Update Meeting	MA, DJ, SD, JM, NW, DG Brian Mackenzie (BM) - Property and Housing	Exploration of approached to identify "unknown unmet need" (including the rising demand that coincides with Affordable housing developments) -
24/08/2020	HMP - HNDA Update Meeting	MA,SD,DG,AM,NW,BM,TS	Agreed to use High migration projection and to include "in year arising need" - calculation of this to be investigated. Wider discussions on the Housing Supply Target and use in Housing Land Requirement calculations
30/09/2020	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, BC, TS, DJ, NW	Report on comparison analysis of 2010 and 2015 HNDA. Discussions on "In-year additional need" methodology New 2018 Household Projections and impact on figures Updated Scenario 18
06/10/2020	Meeting with Homes for Scotland re: HNDA	Andrew Larner (HfSc), SD, MA	Outline of HNDA methodology and input data, sources etc. General discussion on approach taken
18/03/2021	HMP - HNDA Update Meeting	MA, AM, SD, DG, JM, BC, TS, DJ, NW, BM, TS, David Cowie (DC) - Principal Planner Dev Plans Team	Consideration of latest draft HNDA Timescales and approach to HNDA completion Alignment with National Housing Land guidance Response to National Housing Land guidance Related housing related workstreams
24/03/2021	MIR Housebuilder Briefing	Extensive range of Highland Council, Developers, Agents, Consultants, Homes For Scotland etc. represented.	Primarily to present the baseline NPF and HNDA housing figures and set this in context of the Main issues Report for the Inner Moray Firth Local Development Plan 2.
02/06/2021	NPF4 Housing Figures	MA, AM, DC, TS, SD, BC, NW, DJ, DC	Confirmation of NPF4 housing figures for return to Scottish Government
07/09/2021	HMP Update	MA, AM, SD, DG, NW, DC, Tracey Urry (Head of Infrastructure, Environment and Economy).	Reporting back feedback received from Centre for Housing Market Analysis (CHMA) on our Draft HNDA Reviewing the methodology for translating our Housing Supply Target into Housing Land Requirements Communication plan for HNDA once accepted
23/09/2021	HNDA - CHMA Meeting on Draft Submission	MA, SD, Charles Brown - CHMA (CB), <u>Murdo Macpherson (MMacP)</u> - CHMA	Discussion on points raised in CHMA response to Draft HNDA submission Discussion of additional content and amendments/clarifications required for second submission.