



# HOUSING FACTSHEET No. 4/2016

## Housing Needs and Demand Study

### What is a Housing Needs and Demand Assessment?

A housing needs and demand assessment is an important evidence base. It provides facts and figures which underpin the preparation of the **Local Housing Strategy**, Strategic Development Plan and Local Development Plan. It is often referred to as the HNDA and is expected to provide the evidence for key housing and planning policy areas such as:-

- Housing Supply Targets (HST) – this is the target for the number of new build properties to be built in the city split between private sector and social rented sector new build.
- Stock Management – This takes into consideration low demand properties and those earmarked for demolition.
- Housing Investment and Geographic Distribution of Land – how much investment and land is reasonably available to invest in the housing stock.
- Specialist Provision – this will include wheelchair and larger family housing.

The Housing Needs and Demand Assessment (HNDA) evaluates the housing needs and demand for the 8 local authorities in the Clyde Valley area (Glasgow City Council, North and South Lanarkshire, East and West Dunbartonshire, East Renfrew, Inverclyde and Renfrew) and involves joint working between the authorities to complete it. The first HNDA was approved by the Scottish Government in 2012. HNDA 2 was carried out over a 2 year period and was approved by the Scottish Government as “robust and credible” in 2015.

### What do we mean by Housing Need?

When discussing housing need, the HNDA uses terms like “backlog need” and “newly arising” need but what do we mean by these phrases?

- Backlog need is households or individuals currently experiencing particular housing needs for example, homelessness.
- Newly arising need is new need expected to occur over a defined period of time.



The analogy<sup>(1)</sup> of a bathtub is often used to describe housing need:

- the backlog is the water in the bath,
- the newly arising need is the flow from the taps,
- new lettings of affordable housing (or other equivalent ‘solutions’) is the flow out through the plughole.



# GLASGOW'S HOUSING STRATEGY

The 'backlog' versus 'newly arising' housing need distinction is particularly important in housing, because interventions to meet housing need often entail new investment. More can be read on the definition of housing need in <sup>(1)</sup> G. Bramley et al (2010) [\*Estimating Housing Need\*](#).

## **What do we mean by Housing Demand?**

The difference between need and demand is a particularly important concept and the difference between the two can sometimes get confused.

- Need is where there is a shortfall of adequate accommodation.
- Demand is about where a person **wants** to stay depending on area and ability to pay.

This is an important distinction when considering housing supply targets and land release for housing as it must consider need and demand.

## **Overview of the HNDA Process**

Preparation of the second Housing Need and Demand Assessment (HNDA 2) was undertaken by the Glasgow and Clyde Valley Housing Market Partnership (GCVHMP) over the period 2013 to 2015. This is the main evidence base for Glasgow's Housing Strategy 2017-2022.

A Core Group of housing and planning officers from the 8 local authorities was established supported by the Clydeplan Team. Various sub-groups reporting to the Core Group worked on specific areas that required more intensive consideration including HNDA methodology, backlog need and specialist provision. HNDA 2 built on the knowledge, understanding and lessons learned from the first HNDA.

A full copy of the 286 page HNDA 2 report is available on the following link. [Please Click Here](#)

## **The Key Messages from HNDA 2 are as follows:-**

### **Population and Household Projections**

- Under the principal planning projection, the largest population growth (100% of overall growth) is projected to be in Glasgow (+63,307 people or 10.5% between 2012-2029) with Glasgow's population rising to 657,387.
- Households in Glasgow are projected to grow from 286,135 (2012) to 331,013 (2029) an increase of 44,878 households or 15.7%.
- The demographic position of Glasgow is different from the rest of the conurbation with a younger population and higher ethnic diversity. The city also has higher numbers of single person households, partly due to a net outflow of families from the city to the suburban parts of the conurbation.





# GLASGOW'S HOUSING STRATEGY

## Economic Growth

- Due to Glasgow's industrial past, rates of unemployment and deprivation in the city are significantly higher than the national average. There have however been significant improvements in the last decade with an increase in the employment rate and a sizeable reduction in deprivation rates, relative to the rest of Scotland.
- Despite a growing population, the city region will not regain pre-recession peak levels of employment until well after the end of the Strategic Plan period (2029). A gradual return to economic growth is most likely and HNDA2 assumptions and preferred scenarios have been influenced by this conclusion.

## Housing Need

- Existing (Backlog) Need (comprising Homeless Need and Overcrowded and Concealed Need) has been estimated at 5,677 for Glasgow (2,507 Homeless and 3,170 for Overcrowded and Concealed households).
- This represents 48% of total Existing Need within the Glasgow and Clyde Valley Housing Market Partnership.
- HNDA2 has assumed that Existing (Backlog) Need will be addressed over a 10 year period in Glasgow.

## Housing Supply Targets

- Strategic or Adjusted Housing Estimates (AHEs) identified by tenure are the final stage of the HNDA process and provide the basis for developing Housing Supply Targets (HSTs). These estimates take account of the principal planning scenario projections, existing needs estimates and tenure issues such as the greater household mobility within the owner occupied sector across local authority boundaries. HNDAs project housing needs estimates over the following timeframes – 2012 to 2024 and 2024 – 2029. A series of policy judgements is then applied to these estimates to determine a housing supply target.
- The Housing Supply Targets for Glasgow for the period of the strategy are:-

Tenure	2017-2022
Private Sector including Private Rented Sector (PRS)	7,500
Social Rented (SR) and Below Market Rent (BMR)	5,000
Total	12,500