



1. LHS Development Conference Background

Moray Council are preparing a new Local Housing Strategy which requires to be submitted to Scottish Ministers in 2025. To build the new strategy, Moray Council must identify and assess local priorities for action that should guide housing activity, partnership and investment over the next five years.

The proposed priorities for action in the new 2025-30 LHS, based on a review of the main housing issues facing Moray are as follows:

Building more homes creates sustainable communities and economic growth

Making better use of existing homes prevents homelessness and improves housing options and choice

Partnership working maximises housing's role in improving health and wellbeing

Improving property condition and achieving affordable warmth is enabled in all homes

The LHS Guidance published by the Scottish Government in 2019 stresses the importance of early and meaningful stakeholder engagement in setting local priorities:

"Early engagement with key partners and stakeholders is key to identifying priorities and agreeing, through a range of options, how to deal with the priorities identified."

The new Moray LHS is informed by a Housing Need and Demand Assessment, which was signed off as robust and credible by the Scottish Government in December 2023. The Council has therefore developed significant housing system insight to inform engagement with LHS partners and stakeholders around the main issues the LHS should tackle over the next 5 years. To ensure that all stakeholders were in a strong position to engage in informed discussion on local priorities, a series of interactive briefing materials were issued on the main housing issues prior to the Conference event.

As part of the consultation process, an LHS Development Conference was held on Thursday 20th March 2025. To encourage and enable widespread participation, the conference was held digitally via Microsoft Teams. Over 50 partners and stakeholders attended the event, including representatives from public, private, third and community sectors. A full delegate list of partners and their representative organisations, is detailed in Appendix A.

The objectives of the LHS Conference were to prompt thinking and aid debate on:

The LHS vision for a 'well-functioning housing system' in Moray



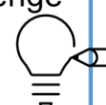
The main housing priorities the LHS should tackle in the next 5 years



The ideas, options and innovation we should consider to guide action, investment & partnership



The one single action that should be prioritised to address the housing challenge in Moray





To meet these objectives, the following programme was designed to deliver a mix of interactive activities, briefings and focus group sessions to stimulate debate and encourage participation. The agenda and nature of each conference activity is set out follows:

Timing	Activity	Nature of Activity
10.00 – 10.10	Introduction & Welcome	Councillor David Gordon: Chair of the Planning & Regulatory Services Committee Edward Thomas: Head of Housing and Property Services
10.10 – 10.30	What should the LHS deliver? - What do we need the LHS to do? - What does good look like?	Briefing Session
10.30 – 11.00	How does the housing system work in Moray?	Interactive Quiz
11.00 – 11.20	What's the problem we're trying to solve? - LHS main issues - Early engagement outcomes	Briefing session
11.20 – 11.30	Screen Break	
11.30 – 12.30	Setting the LHS Vision: How should homes and communities in Moray look and feel in the future?	Interactive Activity 1
12.30 – 13.00	Lunch	
13.00 – 14.10	Breakout Session Round 1: Local Housing Strategy Priorities - What are our strategic options?	Breakout Ideation Session: Subject Matter Experts
14.10 – 14.20	Screen break	
14.20 – 15.20	Breakout Session Round 2: Local Housing Strategy Priorities - What are our strategic options?	Breakout Ideation Session: Subject Matter Experts
15.20 – 15.30	Conference round up and evaluation	Interactive Voting
15.30	Close of event	Closing thoughts – 1 key action

This briefing paper summarises the outcomes of the Moray LHS Conference across the various interactive activities and voting sessions.

The presentation material delivered during the event can be accessed at Appendix B.

2. Testing Knowledge & Perceptions: The Moray Housing System

Following a brief introductory session, stakeholders were invited to take part in an interactive activity using a digital voting app, which was used to facilitate an ‘ask the audience’ style session with instantaneous results available.

The voting session tested stakeholders’ knowledge and perceptions of the housing system in Moray. Stakeholders were presented with a statement relating to the operation of the housing system and were asked whether they thought it to be true or false. The statements presented are outlined in Table 2.1 below, together with the correct answer and the proportion of LHS stakeholders who answered the question accurately.

The Housing System in Moray: Interactive Quiz Questions	Correct Answer: True or False	% answered correctly
1. The population of Moray will experience a decline over the next 20 years	True	61%
2. The working age population is projected to increase in the next 10 years	False	80%
3. Two thirds of households in Moray live in owner occupied housing	True	77%
4. House prices in Moray are above the Scottish average	False	80%
5. Demand for affordable housing outweighs available supply at a 3:1 ratio	False	16%
6. The total number of homeless applications in Moray has increased by 14% in the last two years	True	72%
7. The turnover of social housing in Moray is increasing creating an increase in the number of tenancies available for let	False	93%
8. 15% of households with a health condition or disability in Moray require specialist housing	True	88%
9. 4 out of 5 remote or rural homes in Moray are in the private sector	True	95%
10. Less than half of all homes in Moray have outstanding repairs	False	59%
11. Less than half of Moray homes have an Energy Property Certificate (EPC) rating of D or lower?	False	50%
12. Households are more likely to be fuel poor if living in Moray than across Scotland as a whole	True	91%

Table 2.1: Interactive housing system quiz: Stakeholder results

Table 2.1 highlights that stakeholders have a general awareness and understanding of key housing system drivers in Moray including the decline in working age population, housing tenure, limited housing options in rural areas, specialist housing, fuel poverty and the declining availability



of social tenancies. In contrast, many stakeholders were surprised by the extent of demand for social housing, the scale housing disrepair and the energy efficiency ratings achieved by homes across Moray.

Identifying and prioritising the key housing system issues that require local intervention is the foundation of developing a forward looking and outcome focused Local Housing Strategy. Given the gaps in stakeholder knowledge identified, it is important that the LHS development process informs and engages delivery partners on key housing issues. To this end, the remaining conference sessions and activities focused on presenting the evidence and enabling informed dialogue on potential housing system priorities.

This included an interactive activity focused on setting a vision for the new Moray LHS.

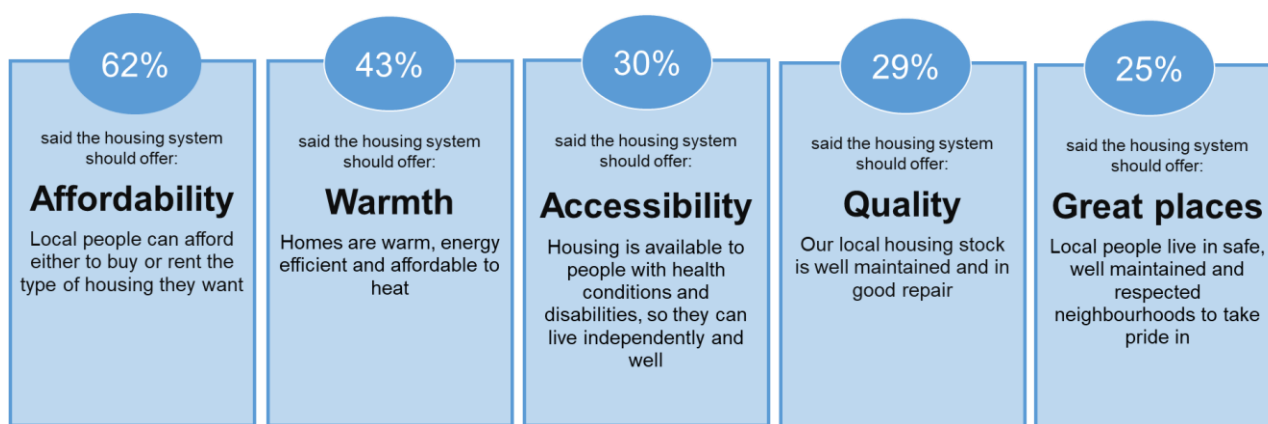


3. Setting the Local Housing Strategy Vision

In 2020, to publish the first national housing strategy (Housing to 2040), the Scottish Government hosted a national conversation to develop a future housing vision so that ‘everyone in Scotland has a home that is warm, affordable, accessible and fits their needs’. The goal of Housing 2040 is to create a housing system that is dynamic and resilient enough to respond to future change and to enable Scotland to face key challenges like the country’s ageing population and climate emergency. Housing to 2040 sets out a housing vision which is ambitious and aspirational. Achieving the 2040 vision requires a well-functioning housing system, high quality sustainable homes, homes that meet people’s need and sustainable communities. All local authorities in Scotland should demonstrate how their actions will support and contribute to achieving these outcomes through their Local Housing Strategy.

The principles which underpin how Scotland will achieve this vision were shared with LHS stakeholders during an initial discussion which focused on elements that may be important in building a vision for the new Moray LHS.

Furthermore, to establish what a ‘well-functioning housing system’ might look like in a Moray context, local residents and communities were invited to participate in a short online survey prior to the LHS conference. The survey was open across a 4-week period from February-March 2025 and was made available in a range of formats. In total, 360 responses were provided by residents and community representatives. Building on this, stakeholders were asked to rank a range of characteristics in terms of their importance to the local housing system. The graphic below outlines the five most important housing system characteristics defined by Moray residents:



‘Affordability’ emerged as the characteristic with the greatest popular support by some margin; with over 60% of residents ranking this as their top priority. ‘Warmth’, ‘accessibility’, ‘quality’ and ‘in great places’ ranked as the remaining characteristics in the top five.

After sharing these outcomes, LHS stakeholders were split into three groups to consider and rank these characteristics in more detail, with the aim of defining a draft vision for the new Local Housing Strategy. Each group was asked to reflect on the list of housing system characteristics considered by residents and rank them in order of importance to complete the following sentence:

"Everyone in Moray has access to a home which is XXX, XXX, and XXX"

From this statement, stakeholders in each group were asked to draft an initial LHS vision.



Stakeholders were also asked to consider the contribution the Local Housing Strategy should make to the strategic ambitions for Moray set out in the Local Outcome Improvement Plan (LOIP).

The overarching vision 'raising aspirations through expanded choices, improved livelihoods and wellbeing' will be achieved through delivery of the priorities including:

- 1. Growing, diverse and sustainable economy**
- 2. Building a better future for our children and young people in Moray**
- 3. Empowering and connecting communities**

Using this material, stakeholders were asked to finish the following sentence as an alternative LHS vision:

"The housing system in Moray makes a strong contribution to... XXXX by delivering XXXX"

Each group was asked to select their preferred LHS vision statement by:

1. Choosing between their draft housing system vision statement OR housing contribution statement
2. Combining elements of both to produce a reworded vision statement which sets out how homes and communities should look and feel in Moray in the future.

The outcomes of each Group discussion and final vision statements are detailed below:

3.1. Group 1: Draft LHS Vision

Having reviewed the various materials presented including the Housing to 2040 vision, LHS resident survey outcomes and the strategic ambitions for Moray set out in the LOIP; Group 1 agreed that the new LHS vision should:

- deliver more homes in the right places, and of the right size and type to enable local residents to meet housing need in both urban and rural communities
- enable working age households to move into Moray to support and grow the Moray economy, with a good supply of homes connected to jobs
- tackle housing affordability pressures as a priority and particularly for households in rural areas
- ensure local communities are empowered by well connected, thriving neighbourhoods and places
- acknowledge that good housing supply in the areas people most want to live, is instrumental in improving housing affordability and choice
- pursue an ambition for warm homes as the catalyst for improving housing quality and repair
- recognise the contribution that connected communities make to the achievement of better health and wellbeing outcomes for local residents.

In considering the contribution that housing can make to achieving the strategic ambitions for the people of Moray, stakeholders also agreed that the LHS should:

- support the transformation and growth of the Moray economy by delivering homes in areas of evidenced housing need, as well as future employment growth
- prioritise housing's contribution to affordable warmth NOT just simply warm homes



- acknowledge the importance of place given the rural nature of many Moray communities – delivering the right homes and services in the **right places** should not be overlooked
- enhance the sustainability of communities by offering a range of good quality, affordable house types and tenures attracting a diverse mix of households
- ensure that local communities are engaged in evidencing the need for and planning the delivery of new housing developments. Housing need across Moray is nuanced and local solutions should be coproduced.

Building on this discussion and debate, Group 1 formed the following 2 potential options as draft visions for the new Moray Local Housing Strategy:

Option 1

"Everyone in Moray can choose a home which is available, affordable and accessible"

Option 2

"Everyone in Moray has access to the right home, in the right place at the right time"

Almost unanimously, the group preferred LHS vision statement 2 and would select it as their preferred option. Both options were perceived to be short and memorable, providing a strong statement that could be easily explained and understood to partners, stakeholders and residents.

Implicit within the preferred second vision statement is that supply will be effective from a sufficiency, affordability and accessibility perspective should everyone achieve access to the 'right home'. Implicit in the reference to 'right place' is an LHS commitment to placemaking and connectivity. The reference to 'at the right time' acknowledges that as the housing needs of the household base change, the Moray housing system should deliver an effective range of housing options and choices that meet the individual needs of residents.

3.2. Group 2: Draft LHS Vision

Having reviewed the various materials presented including the Housing to 2040 vision, LHS resident survey outcomes and the local outcomes for Moray; Group 2 agreed that the new LHS vision should:

- emphasize the importance of affordability across all tenures not just in the social rented sector
- recognise that affordability is not just about buying or renting a home but the whole cost of running a home
- enable an increase in supply across all tenures as this will inevitably lead to improved affordability as housing pressures ease
- support placemaking and value the importance of having connected neighborhoods, ensuring residential areas have access to good amenities and local services not just homes
- sustain rural communities by addressing digital connectivity issues to enable remote workers to move to Moray who might choose to live and work here



- support an ageing and changing demographic through the use of technological solutions including artificial intelligence to deliver greater numbers of adapted and smarter homes

In considering the contribution that housing can make to achieving the strategic ambitions for the people of Moray, stakeholders also agreed that the LHS should:

- be a catalyst to drive economic growth in Moray to support the ambitions for the area
- support the reduction of fuel poverty especially those households in extreme fuel poverty in order to improve health and wellbeing
- support a fairer society so that those who need the most assistance are able to access services that help with the levelling up of communities
- promote community cohesion so the right balance is struck between meeting housing need and supporting sustainable communities and successful places
- support diversity in communities by meeting the housing needs of all households and individuals so that everyone is supported to live independently and well in their neighbourhood of choice
- deliver sustainable and connected communities by ensuring new developments have access to local amenities and have good transport links and digital connectivity.

Building on this discussion and debate, Group 2 formed the following 2 potential options as draft visions for the new Moray Local Housing Strategy:

Option 1

"Everyone in Moray has access to a home that is sustainable, affordable and where they are supported, connected and happy to live"

Option 2

"The housing system in Moray makes a strong contribution to tackling poverty and driving economic growth by delivering a good choice of sustainably affordable homes in connected communities"

Initially Option 1 read as "Everyone in Moray has access to an appropriate home which is in good supply, is sustainably affordable and is in a great and connected neighbourhood" and while three quarters of the Group preferred this vision statement, as they felt it was more succinct, many were torn between the two options. The group worked collaboratively to amend Option 1 to the final version above and felt this captured the important elements of affordability, connectedness and place but also recognised the informal and formal support needs of a diverse and ageing population.

3.3. Group 3: Draft LHS Vision

Having reviewed the various materials presented including the Housing to 2040 vision, LHS resident survey outcomes and the local outcomes for Moray; Group 3 agreed that the new LHS vision should:

- focus on increasing housing choice across Moray through partnership working with developers and other housing providers



- attract and retain essential workers by prioritising the construction or refurbishment of affordable homes in areas with high demand for key workers
- strive to make Moray a place where people want to live as well as enticing young people back after further education by having a good supply and choice of affordable homes
- concentrate on making the best use of current stock to meet the needs of the Moray people
- review the allocations policy to relook at need and to give more priority to key workers within the policy
- address the issue of connectivity in rural areas. Whilst there are lots of innovative schemes in the pipeline, there needs to be more collaborative working to achieve these ambitions
- increase the range of housing options that are available for local people, acknowledging the diversity of housing needs for key groups including older people and key workers
- acknowledge the diversity of housing need across different housing market areas and seek local, evidence based solutions
- look at increasing the supply of accommodation by assessing the need for differing tenure requirements in each area
- take account of town centre living and how current regeneration in Moray is making town centre living more appealing by creating mixed use developments, which benefit from proximity to essential services and transport links.

In considering the contribution that housing can make to achieving the strategic ambitions for the people of Moray, stakeholders also agreed that the LHS should:

- concentrate on community buy in and involve the community more in making decisions, producing action plans, reducing objections and creating balanced homes in balanced communities
- focus on partnership working and challenge fragmented ways of working across partners, communities and stakeholders
- look at the suitability of properties, ensuring they are in the right place, of the right size and type to meet housing need
- prioritise key worker accommodation to assist in boosting the economy and increasing housing options across all areas.

Building on this discussion and debate, Group 3 formed the following 2 potential options as draft visions for the new Moray Local Housing Strategy:

Option 1

"Moray is a place where everyone has access to a good quality home which is affordable, connected, warm and meets their individual needs"

Option 2

"The housing system in Moray makes a strong contribution to economic growth and wellbeing by delivering housing choice that allows people to stay in balanced homes & thriving communities"

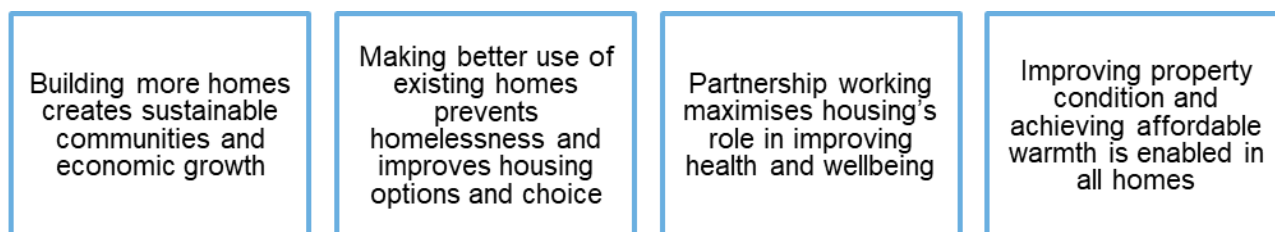


Group 3 agreed that the second statement was the vision they would like to see taken forward, as they felt that it fully captured the priorities that were identified in stakeholder discussion. It also takes account of housing choice which the group see as a main driver in taking the new LHS forward. The vision also acknowledges the need to not just look at housing but also the community that housing sits within.



4. Local Housing Strategy Main Issues: Focus Group Sessions

Prior to the LHS Development Conference, stakeholders were pre-allocated workshop sessions (based on their expertise and preferences) focusing on the main housing issues in Moray. Four main issues have been identified from analysis of the Moray housing system, which are proposed as strategic priorities in the new LHS, namely:



In preparation for the conference, stakeholders received briefing papers which presented housing system evidence on the main housing issues under consideration. These briefing papers also posed a series of discussion questions that stakeholders were asked to consider prior to attending the LHS Development Conference.

Each focus group commenced with an overview of the headlines associated with each main issue, presented by an Arneil Johnston facilitator. Participants then engaged in a structured discussion around the following questions:

- Is this a main housing issue and should it be a strategic priority for the LHS?
- What are the challenges we face in tackling this issue?
- What's been proven to work and what are our priorities for action?

The first part of the focus group sought to answer the first two questions through discussion and debate. Following this, stakeholders were asked to consider the final question. To achieve this, each participant was asked to suggest one action point that could deliver a major and positive contribution to tackling the main housing issue in question.

The four sections below outline the outputs from each focus group detailing the range of options and ideas generated to tackle the proposed strategic priorities for the new Moray LHS.

4.1. Building more homes creates sustainable communities and enables economic growth

Analysis of housing system evidence, local priorities and a review of the current policy and investment opportunities, suggest that 'building more homes to enable sustainable communities and economic growth' should be a strategic priority within the new LHS.

As preparations begin for the development of the new Moray LHS, it is important that partners and stakeholders have an opportunity to discuss whether this main issue should be a strategic housing priority over the next five years. To consult and engage stakeholders, two focus groups on this issue were held during the LHS Development Conference, with the outcomes of both groups detailed in the sections below.



4.1.1. Is this a main housing issue, and does it continue to be a priority for the LHS?

Stakeholders in both focus groups unanimously agreed that, yes, 'building more homes to create sustainable communities and enable economic growth' should be a strategic priority within the new Local Housing Strategy for Moray.

Stakeholders suggested a number of key drivers which make prioritising this LHS outcome so important, including a need for the LHS to:

- enable the retention of working age households in the Moray area to support the existing economy, particularly in rural areas
- support the migration of households into Moray area to absorb new employment opportunities arising from Growth Deal activity, including the delivery of a better range of workforce housing options
- ensure the delivery of more affordable homes to relieve housing related recruitment and retention pressures
- provide a stronger blend of social and affordable tenures (including more Mid-Market Rent and low cost home ownership options), overcoming the current development funding pressures experienced by social landlords
- deliver a future housing mix which reflects demographic change including smaller homes and a more diverse range of options for older people
- grow housing supply to meet economic and demographic need but in a sensitive way which protects the quality of the natural environment in Moray
- deliver increases in housing supply through building reuse, adaptation and brownfield development
- create a strong focus on the importance of place aligned to housing supply, ensuring community infrastructure supports improvements in connectivity and local living
- encourage movement across all housing tenures of the Moray housing system, maximising the impact of the existing housing stock through a better match of households to homes.

4.1.2. What are the challenges we face in tackling this issue?

The main challenges associated with building more homes to enable sustainable communities and economic growth were discussed in two rounds of focus group sessions.

Stakeholders suggested that a barrier to housing delivery is current planning legislation. Whilst the planning system in Moray was described as "working", new developer obligations and requirements arising from NPF4, place cost pressures on developers which affect the margins achieved by most development funding models. This is within the context of unprecedented construction cost inflation, which increasingly means that developers can only consider scalable sites where construction risks can be managed. This causes difficulty in an area like Moray, where small scale speculative development in rural areas can have a major impact on the sustainability of communities.

"Developer obligations can be cost prohibitive and are definitely having an impact on market output. The planning system needs to be more delivery focused and supportive in the current climate as commercial margins are being stretched to the limit. If a more pragmatic approach is not



taken, there will be decrease in housebuilding just at the time where we're saying we want to build more".

"The scale of development sites allows the developer to manage the risks associated with infrastructure costs. The larger the site, the more risk can be managed. This obviously will affect smaller scale developments".

Stakeholders also identified the capacity of the local construction sector as another barrier to smaller scale development. It was acknowledged that whilst there are volume house builders operating in the Moray area, they tend to focus on larger developments in main towns with less interest in rural housing development. It was acknowledged that more collaboration is needed across housebuilders and contractors to improve development viability and build more housing at scale.

"Volume housebuilders focus on the main towns. There is a lack of SME's to meet the needs of rural communities"

"A lack of confidence in house prices is affecting speculative development particularly in rural areas"

"The Dallas Dhu site is an exemplar which shows how scalable development can be achieved by developers and contractors working in partnership. The risks associated with site infrastructure are spread across affordable and commercial builders, as well as self-builders. We need to make sure that learning outcomes are gathered and shared to improve the confidence of the construction sector in Moray".

Land supply was also identified by some stakeholders as a barrier to housebuilding in Moray. Whilst it was acknowledged that there are large land allocations, it was suggested that a limited number of landowners can control when land is released for development. There are historic issues with legacy development sites not being brought into use.

"There are definitely legacy issues that need to be tackled including landowners who bought homes years ago and the valuations at that time now doesn't reflect the current market. They've got unrealistic expectation of site values and just sit on good sites for years."

"Land availability across Moray is nuanced – there are areas with large allocations but there are also areas where land isn't being brought forward. It's all about development viability for landowners and construction cost pressures, plus new planning obligations is having a major impact on that"

"It's not just about bringing land forward; the timing needs to be right in terms of infrastructure investment. There are great housing sites that SSE and Openreach won't service because it's not a priority for them. There's a major site in Elgin at the moment that SSE can't provide the infrastructure for."

Whilst it was acknowledged that better collaboration and planning was needed between landowners, developers and infrastructure providers, stakeholders also suggested a need for grant funding to cover prohibitive infrastructure costs particularly in rural housing sites.

"Infrastructure funding could enable affordable development particularly in rural areas where sites may not stack up financially. The Dallas Dhu/Aberlour sites were enabled by infrastructure funding from the Moray Growth Deal and show what can be achieved when that gap can be bridged."

The need for a more diverse mix of housing tenures as a result of new house building was strongly supported by all stakeholders. It was agreed that encouraging the delivery of *'tenure neutral*



developments' would not only help to balance development risk and increase housing choice, but would actively promote the creation of sustainable communities with a range of affordable housing options for working age households. It was also acknowledged that the delivery of Mid-Market Rent (MMR) as a housing tenure needs more focus, both in improving public awareness of its potential as an option but also in establishing a viable funding model for the Moray area. It was acknowledged that the SSEN housing legacy programme could offer opportunities to deliver fundable mixed tenure housing projects as part of their infrastructure investment plans.

“A better blend of housing tenures is needed in Moray. We need to enable people to access the housing market and transition across it. Strong community engagement in developing the right tenure mix will be crucial”

“The delivery of MMR often hangs on the funding model. In Moray the Local Housing Allowance rate is too low to make it stack up without more subsidy. We need to establish if there is a fundable delivery model and make a business case to funders including the Scottish Government to deliver a scalable programme”

“Moray Council rents are the lowest in Scotland and this definitely increases demand for Council housing and reduces demand for other tenures. We need to showcase how beneficial MMR could be especially for working households who are not eligible for social housing”

“There is a unique opportunity for SSEN to compliment public subsidy to create a more diverse range of housing tenures across development sites in Moray. This could include social and affordable housing, as well as key worker housing and the delivery of more homes for market rent.

The potential for developers to work with SSEN to deliver market rent development models was viewed as a positive opportunity given its strong potential as a workforce housing model and the barriers to build to rent development models in an area such as Moray. It was acknowledged that whilst HNDA research concluded that local employers would like to see an increase in the private rented sector to enable more people to participate in the Moray economy, landlords are currently leaving the sector. This is as a result of changes to legislation that impacts on recovery of possession, as well as recent experiences of rent control. This legislative change has also affected the appetite of institutional investors to consider build to rent schemes in Scotland beyond larger cities such as Glasgow and Edinburgh where rental yields are more dependable.

Whilst stakeholders were unanimous in the view that more affordable housing development should be a priority, it was acknowledged that development cost pressures were impacting on the risk appetite of social landlords to engage in new build development. Rising construction and infrastructure costs, with subsidy rates not keeping pace means that fewer social landlords are able to consider sites as the main developer, with many using developer Section 75 contributions as an opportunity to increase affordable housing. Whilst this model is very successful from a risk management perspective and is successful in delivering 'tenure blind' development sites, it means that delivery is often focused on urban centres where the commercial margin is greater for a private developer.

“At the moment in Moray, we are delivering affordable housing through S75 contributions and not as a main developer on sites. This helps with the major subsidy pressures we're facing as a result of construction cost inflation, infrastructure costs and increased borrowing costs. It allows us to manage risk”

“Strong partnership between commercial and affordable developers is essential. The current costs of development create huge risk for social landlords but Section 75 deals help us to derisk this. This approach also creates tenure neutral developments really effectively.”



Given the risks currently faced by developers which create potential barriers to increasing housebuilding, stakeholders agreed that innovation is needed to find new cost effective and forward looking development models. It was acknowledged that work currently being carried out by the Digital Health & Care Innovation Centre in Moray on smart housing and smart communities, could offer the potential to lower development costs whilst providing sustainable solutions. This research is aiming to develop a blueprint for the delivery of lifetime, net zero, digitally connected homes using modern methods of construction to enable scalable development. Whilst some stakeholders viewed new construction methodologies as 'risky' in terms of cost and difficult to deliver out with urban areas, this research could be very important in building developer appetite to consider options beyond traditional construction methodologies.

"It's great this is happening in Moray and the sector should be encouraged to learn from the outcomes and take calculated risks to pursue new developments models. Property design is so important in delivering what could be lifetime homes in Moray"

"Developers and funders need confidence that construction innovation can work and that it could work in Moray. We do need to think about things differently and work in partnership more."

Whilst much of the discussion on priority 1 focused on delivering more homes, stakeholders also acknowledged the need for the new LHS to ensure that investment in placemaking supported the creation of sustainable communities. The importance of place in growing the population, particularly in rural areas should not be overlooked.

"We need to examine how repopulation will sustain communities and we need better collaboration between communities, housebuilders and public services to plan ahead properly. We need to think carefully about how we invest in the wider infrastructure that allows a community to thrive – schools, leisure centres, shops".

"Community infrastructure is essential in creating sustainable communities. This includes better support options for older people and key worker housing"

Analysis of this stakeholder evidence, concludes that the main challenges associated with building more homes to enable sustainable communities and economic growth are:



4.1.3. What's been proven to work and what are our priorities for action?

Informed by focus group discussions, participants were invited to identify actions, investment requirements or partnership approaches that would be instrumental in tackling the main issues. A number of key themes emerged within the action points suggested including:

- overcoming the barriers to housing development
- pursuing collaboration to support development
- increasing the tenure mix on housing development sites
- pursuing innovative approaches to development.

The results were as follows:



Building more homes creates sustainable communities and enables economic growth	
Theme 1: Overcoming barriers to housing development	
1.	Identify funding mechanisms to subsidise infrastructure costs on housing development costs e.g. grant funding schemes or long terms loans from the Scottish National Investment Bank
2.	Deliver a strategic review of the planning process, ensuring a culture of enabling development speeds up delivery across the Council, developers and statutory consultees
3.	Address legacy land ownership issues to ensure effective housing sites are being brought forward for development
4.	Improve collaboration between planners, developers, infrastructure providers and economic development agencies to ensure more sites are available with infrastructure in place
Theme 2: Pursuing collaboration to support development	
5.	Improve collaboration between public/private housing developers and economic development agencies to programme a long term development pipeline and boost contractor and lender confidence
6.	Pursue RSL development partnerships and funding models to maximise scalability of affordable housing developments
7.	Support SME builders in Moray with skills development, access to finance and collaborative delivery models to build capacity in the local construction sector and increase output in rural areas
8.	Pursue a more community led planning approach to improve the sustainability and connectivity of new housing developments particularly in rural areas
Theme 3: Increasing the tenure mix on housing development sites	
9.	Test the feasibility of an MMR development funding model in collaboration across RSL sector in Moray
10.	Maximise the learning opportunities arising from the housing mix deal in the Moray Growth Deal to enable the development of tenure neutral housing masterplans across developers, communities, funders and infrastructure providers
11.	Reduce construction costs by pursuing collaborative procurement frameworks across affordable and commercial housing developers which enhance collective buying power
Theme 4: Pursuing innovative approaches to development	
12.	Use learning outcomes from the Dallas Dhu housing mix project to provide proof of concept of scalable collaborative development models in rural areas
13.	Pursue innovative partnership models between landowners and housing developers targeting legacy sites not brought forward for housing development
14.	Develop a key worker housing definition in Moray, working collaboratively with employers, housing providers and developers to test key worker housing investment models
15.	Develop innovative development and funding models for key worker housing and build to rent projects in partnership with SSEN
16.	Use learning outcomes from DHI blueprint for low carbon modular smart homes and build development partnerships to deliver scalable projects across Moray



4.2. Making better use of existing homes prevents homelessness and improves housing options and choice

Analysis of housing system evidence, local priorities and a review of the current policy and investment opportunities, suggest that 'making better use of existing homes to prevent homelessness and improve housing options and choice' should be a strategic priority within the new LHS.

As preparations begin for the development of the new Moray LHS, it is important that partners and stakeholders have an opportunity to discuss whether this main issue should be a strategic housing priority over the next five years. To consult and engage stakeholders, two focus groups on this issue were held during the LHS Development Conference, with the outcomes of both groups detailed in the sections below.

4.2.1. Is this a main housing issue, and does it continue to be a priority for the LHS?

Stakeholders in both focus groups unanimously agreed that, yes, 'making better use of existing homes to prevent homelessness and improve housing options and choice' should be a strategic priority within the new Local Housing Strategy for Moray.

However, it was not felt to be the highest priority within the proposed LHS framework. This was in recognition of the positive impact that previous, and existing, initiatives have achieved in responding to homelessness and the rebalancing of social housing stock. It was also felt there is a need to further investigate the extent of some of the main issues and driving forces impacting the use of current housing in Moray, including getting a fuller understanding of the quality of the existing stock, how the private rented sector market is operating, the extent of empty homes and the drivers of youth homelessness presentations.

Overall, however, there are still significant issues making this a priority area:

- while homeless presentations are currently under better control (the figure is expected to drop slightly in the 2024/25 year), they remain significant in number and a key factor in the affordable housing system, impacting on housing and related support resources and driving resource allocation priorities
- within that overall figure for homeless presentations there has been an increase in youth homelessness over the last period, which needs to be better understood and proactively addressed
- economic development in Moray will bring new jobs to the area. New build homes alone will not meet the demand created by incoming workers and it will be essential that existing homes play a critical role in meeting this need
- affordable housing supply and related challenges are particularly acute in Moray's rural areas. It is here that the issue of under-utilised homes is also most pronounced
- the existing stock profile, across tenures, does not match the demographic projections for household size, which includes specifically designed or adapted properties, for older households
- social housing in Moray is overcrowded and under-occupied by almost the same proportions, suggesting the need to make better use of the existing stock by encouraging a better match of households to homes.



4.2.2. What are the challenges we face in tackling this issue?

The main challenges associated with making better use of existing homes to prevent homelessness and improve housing options and choice were discussed in two rounds of focus group sessions.

Stakeholders were confident that existing approaches to homelessness were delivering positive outcomes, with presentations now falling and the time taken to discharge the homeless duty considerably reduced.

"We have chosen not to declare an emergency as we've brought down homelessness presentations this year"

"Tackling (homelessness) it is a priority but not the highest priority the allocation policy is really effective – we (RSL partner) work well with the Council to meet housing need".

However, the key drivers of homelessness in Moray continue to be complex and driven by relationship and family conflict. These were identified as being significant factors by several stakeholders. A recent rise in young people applying under the homelessness legislation is presenting an emerging challenge.

"There had been a steady decline (in youth homelessness) over the past ten years but this has changed recently and we are not sure why. It seems that families are increasingly struggling to cope with young people's behaviour with no alternative housing options to consider"

Stakeholders noted that commissioned services had played a significant role in supporting and helping vulnerable households to maintain their housing status, but that these had been severely impacted by reductions in funding.

The shortage of affordable housing options has also made it challenging to meet the expectations of homeless households for property types in specific locations.

Stakeholders also identified that there continues to be a stigma associated with social housing generally and with using homelessness services, in particular. This was seen as a potential underlying risk factor in hidden homelessness as individuals choose not to present for assistance. But this mindset could also make it difficult to house homeless households in places which maximise potential for tenancy sustainment. Having said this, stakeholders did recognise that most communities want to assist vulnerable households to integrate into the neighbourhood.

The high level of owner occupation in Moray was identified as congesting both the social and private rented housing markets. This is contributing to low turnover in both rented sectors, reducing the number of available properties and increasing demand further.

"New statistics around the demand (in the PRS) are indicating that, for every property, 30 or even 70 people are interested. Applicants are described as "desperate" for the property."

Elements of the operation of the private rented sector were also identified as being unclear, specifically local letting agents operating types of exchange scheme and making direct links to health sector employers. Whilst these were seen as positive practice developments which offer scope for collaboration with social landlords, it was acknowledged that a better understanding of practice was needed to ensure tenant protection.



Poor property condition, eventually leading to households leaving properties, was identified as a particular challenge in the private sector. Stakeholders also voiced a concern about elderly owner occupiers, in larger properties, being unable to afford the costs of upkeep.

Stakeholders noted that the scale of the challenge posed by empty homes appeared to be more limited in Moray than in many other areas of Scotland. In a recent Shelter presentation, Moray was RAG rated as green from an empty homes perspective. However, individual empty homes exist across housing market areas, although they are not currently mapped.

Second home ownership, and short-term 'holiday' lets were identified as a significant issue, but in limited to specific areas of Moray including parts of the Cairngorms National Park and in Cullen. Stakeholders supported interventions to manage short-term lets in these markets, but also felt that an appropriate balance should be struck to ensure policies don't negatively impact on the tourism sector.

Stakeholder discussed the almost perfect match between overcrowded and under-occupying households in the social housing sector in Moray. The current downsizing scheme is operating well and is oversubscribed, however, barriers to participation remain and could be addressed in the new LHS.

"The downsizing incentive scheme is oversubscribed, but we see that as a positive thing. The limiting factor is people don't want to move out of their areas although the financial incentive is strong"

"When you are older the thought of moving is extremely off putting. The incentive is not sufficient to help them move. Could a removal company at the Council's expense be used - this does not seem to be feasible"

Stakeholders felt that the housing market in Moray is particularly complex with a significant difference between rural and urban areas, an overly dominant owner-occupied sector, a changing dynamic on homelessness and a shift in the operation of the private rented sector that is not fully evidenced or understood. It was felt that this complexity could be further compounded by the growth in incoming key worker households arising from the Moray Growth Deal and the need to understand their requirements. Further research to understand this complexity was suggested.

"Understanding the nature of local problems is important. We need to understand more about the existing stock and how it is being used. How do we deal with the mismatch? It is a priority to get a handle of what the current situation is."

Current partnership working within the social housing sector in Moray was seen as a strength, but stakeholders felt that this should be developed further to be more strategic and widened to include more input support agencies.

"Multi-agency approaches are working well as they are closely connected and often face to face. There are close partnerships with RSLs."

"There is close working with housing team, and we could further explore more partnerships other outside stakeholders"

Analysis of this stakeholder evidence, concludes that the main challenges associated with 'making better use of existing homes to prevent homelessness and improve housing options and choice' are:



4.2.3. What's been proven to work and what are our priorities for action?

Informed by focus group discussions, participants were invited to identify actions, investment requirements or partnership approaches that would be instrumental in tackling the main issues. A number of key themes emerged within the action points suggested including:

- Build on existing initiatives and good practice
- Develop a greater understanding of the housing market
- Further develop partnership working.

The results were as follows:

Making better use of existing homes prevents homelessness and improves housing options and choice
Build on existing initiatives and good practice
1. Increase resources supporting existing successful homeless prevention initiatives such as targeted tenancy sustainment support, proactive housing options advice, housing protocols for key risk groups
2. Improve multi-agency working to identify households most at risk of homelessness and proactively prevent homelessness by coordinating case management and referral processes
3. Ensure frontline staff across housing, health, care and support services in Moray have access to homelessness prevention training via the Housing Options Training Toolkit.
4. Further develop the capacity of the Housing First model for homeless households with complex support needs
5. Widen the eligibility criteria for participation in, and increase the funding and resources dedicated to, the social housing downsizing scheme
6. Seek to extend the downsizing support initiative to the RSL sector
7. Develop a communications/PR campaign that aims to destigmatise social housing and homelessness
8. Investigate the support that can be offered to expanding the operation of local furniture recycling/provision initiatives into Moray
9. Seek to expand commissioned support services, by using the successful model of the partnership with Moray Womens' Aid to extend to other needs groups. i.e. Veterans.
10. Consider further controls on second homes and short term lets in areas where there is evidence of a significant impact on housing availability
Develop a greater understanding of the housing market



11. Develop an education / information campaign to increase public awareness about housing options in Dumfries & Galloway, encouraging partners and stakeholders to participate.
12. Undertake analysis of the rise in youth homelessness to facilitate the planning and delivery of targeted prevention initiatives
13. Increase knowledge of second home ownership and short term lets in rural areas to develop the appropriate strategies and initiatives for effective interventions
14. Increase understanding of the types of new employment anticipated in Moray as part of growth deal initiatives to develop a key workers' housing strategy in partnership with employers
15. Develop the evidence base to support an increase in the local housing allowance
16. Undertake an audit and mapping exercise of empty property across Moray
Further develop partnership working
17. Seek to establish a multi-agency forum of housing, health, care and support partners to ensure co-ordination of strategies for homelessness prevention and support
18. Increase liaison with private sector landlords to ensure the PRS market compliments the available affordable housing supply
19. Investigate potential partnership opportunities with SSEN to assist in the repurposing of existing property as affordable housing

4.3. Partnership working maximises housing's role in improving health and wellbeing

Analysis of housing system evidence, local priorities and a review of the current policy and investment opportunities, suggests that 'partnership working to maximise housing's role in improving health and wellbeing' should be a strategic priority within the new LHS.

As preparations begin for the development of the new Moray LHS, it is important that partners and stakeholders have an opportunity to discuss whether this main issue should be a strategic housing priority over the next five years. To consult and engage stakeholders, two focus groups on this issue were held during the LHS Development Conference, with the outcomes of both groups detailed in the sections below.

4.3.1. Is this a main housing issue, and does it continue to be a priority for the LHS?

Stakeholders in both focus groups unanimously agreed that, yes, 'partnership working to maximise housing's role in improving health and wellbeing' should be a strategic priority within the new Local Housing Strategy for Moray.

Stakeholders suggested a number of key drivers which make prioritising this LHS outcome so important, including a need for the LHS to:

- enable independence at home via preventative housing solutions including looking at the adaptations system and how it can be improved by an integrated approach
- increase the number of housing options that are available to older people reducing reliance on care homes, for example extra care or respite facilities or intergenerational developments



- address the issue of data sharing and ensure housing are working in partnership with the DHI (Digital Health & Care Innovation Centre)
- increase funding and resources to assist in meeting the needs for adaptation requests as well as meeting housing support needs
- increase the supply of accessible and wheelchair housing
- ensure partners are working towards common goals to avoid conflicting priorities and remits
- develop a robust and credible housing contribution statement that can be delivered in partnership across housing providers, the HSCP and the NHS
- be more proactive with ageing tenants, including earlier assessments for adaptations to avoid crisis response interventions
- raise public awareness about what housing options are available across Moray as well as raising awareness on adaptation waiting times
- improve transport and digital connectivity for people living in rural communities, who are struggling to engage with essential public services to improve health and wellbeing.

4.3.2. What are the challenges we face in tackling this issue?

The main challenges associated with partnership working to maximise housing's role in improving health and wellbeing, were discussed in two rounds of focus group sessions.

Stakeholders were in agreement that there are a number of factors that challenge delivery of this priority, including limited affordable and adapted housing, funding and resource constraints, fragmented integration of housing, health and social care services, as well as the connectivity issues associated with the geography and rurality of some areas.

There was in depth discussion about the shortage of accessible and specialist properties for older people, those with disabilities, with learning difficulties and severe mental health conditions. This shortage of specialist housing has a major impact on the ability of people to live independently and access necessary support services.

"We need to address the supply issues of supported accommodation as an urgent priority in Moray"

"Supports are not in place and families are increasingly asked to keep young adults at home, they are then put under pressure as there aren't services available for those young adults to go to either for day services or to live permanently"

"We need to explore our housing options for older people including supported accommodation and step down accommodation"

"Elderly people coming into sheltered housing now are almost beyond what sheltered can offer in terms of their health and care needs. We need a different model"

"There is definitely a lack of properties for people to move to and lack of choice particularly extra care housing"

"We need more Extra Care housing"

"Sheltered housing is no longer what it was set up to be – we struggle to let them in more remote areas, people don't want to pay the service charges and we can't have houses lying empty"



This led to further discussion around the geography and rurality of Moray and how this brings its own unique challenges around support and connectivity. Stakeholders agreed that isolation can be a major health and wellbeing issue and that it is often difficult for people in rural places to travel to public services or town centres.

"This has been an issue for years in some places - there is literally just one bus a day"

"I think that this (transport) is one of the things that falls between all the different silos. There needs to be a high level approach to this issue and it will be across more than just Moray Council and will involve national partners"

"Can we look at intergenerational housing in more rural areas to stop people feeling isolated?"

"Technology/digital approaches are definitely at the forefront with DHI pushing the Living Labs which aim to support adults to live as independently as possible in their own homes"

Discussion also turned to the drop in the affordable housing supply funding and how this has affected what types of properties can be built and the standard they are built to. RSLs are getting less and less funding per unit and it is therefore getting harder to raise housing specifications for those who may have particular needs. Fewer bungalows are being built as it's easier to build more units through standard house types and flats but this may not meet the needs of people with health conditions or disabilities in the community.

"Joint funding has been looked at but even this is not enough due to high costs for land and construction"

"There is no grant funding available to build new group accommodation"

"The Council tried to apply a planning policy in the LDP to influence what is built and to try and increase the supply of accessible housing in the private sector, which was strongly opposed by private developers"

"Developers depend on the financial viability of a project and this determines the build type of properties. Often accessible or adaptable designs are just not viable for housebuilders"

"Should we think about providing additional funding to developers to build bungalows? Is there a way of putting a market failure funding towards bungalows that are built to assist developers?"

"It would help if there was a level playing field that a planning policy was applicable to all developers – everyone has to deal with the issues of building houses in proportions to meet the needs of the local community?"

Stakeholders were also aware of the waiting time for adaptations and how this can cause lengthy delays for people requiring adaptations to their homes or for people coming out of hospital. There were also concerns about public awareness of these delays as well as recent changes to the guidance on the adaptation process. There were also concerns that there was a lack of community involvement in decision making on funding and in the past when communities had engaged there was a lack of feedback which has led to a decrease in engagement.

"Major adaptations is a complex process so understandably there are delays"

"Grant funding for owner occupiers is underspent – this is due to a backlog from the OT waiting list"

"The reason for underspend in grant funding could be that owners don't want to wait and are just funding the adaptations themselves?"

"We need to engage with more contractors - the issue is not the funding it's the delay in getting adaptations done"



"The process in place is straight forward and there are no major concerns about Council or RSL property adaptations – it is more of an issue in the private sector"

"We need to do some education with the public on adaptations and what is available for specific health and mobility needs"

"Grant funding is always late but we do not want to cause a delay in people getting adaptations so we sometimes go ahead and complete the adaptations without the funding in place"

"We need to involve the communities more and get them involved in what's going on in their community in relation to housing and housing choices – they are the ones who know what is needed"

Another issue with adaptations is the reactive nature of service demand, with the team often not being told that adaptations are required until the person is in crisis and in hospital. There is then an expectation that adaptations will be carried out quickly to allow the person to return home when this is difficult due to lengthy waiting times. Stakeholders agreed there is a need to be more proactive in identifying future needs at an earlier stage.

"Quite often these issues don't come to light until the person is at crisis point"

"We need to make the public more aware about delays in adaptations and what future housing choices there are for people so that people can forward plan rather than waiting till they are in crisis"

"There needs to be some engagement with owner occupiers on future housing needs and futureproofing homes. This is something that needs to be seriously considered as we could prevent a lot of problems"

There was also discussion around care and support gaps for people who are experiencing lower level care needs. Care is being commissioned for complex and high need cases but there is limited care availability for households with lower support needs. There is also an issue with resourcing support needs especially in the more rural parts of Moray.

"There is a huge gap for services and accommodation for young adults with learning difficulties"

"If the level of need is not high then there is limited accommodation that people can move to"

"Some client groups are not being provided sufficient support to enable independent living in the community"

There was also discussion around the need to create a robust Housing Contribution Statement that is meaningful and fully describes housing's role in improving the health and wellbeing of people in Moray. It was acknowledged that the outcomes from the Housing Need and Demand Assessment should be considered when putting forward the contribution statement.

"A Housing Contribution Statement needs to be created to show how housing providers will work with health partners and what their role is"

"There is a lack of knowledge and understanding of what housing's role is addressing health, care and support needs"

It was also acknowledged that to achieve anything from these discussions, partnership working is key, especially to this LHS priority and although it was felt that partnership working is good across Moray, there was some discussion about possible gaps and how better practices could give better outcomes. Resources were a big issue with lots of teams currently running under capacity which limits the time that can be spent on joint working and planning. It was also noted that different



organisations operate within distinct structures and priorities and this made partnership working difficult in the past.

“We have good working relationships and numerous forums where different sectors can get round the table – adaptation partnership forum, operational grant & adaptation meetings”

“We need to bring back the housing strategy meetings”

“Competing priorities is an issue and a lot of teams are working under capacity – we have different priorities to meet so partnership working can be very challenging”

“There are good relationships there but it is just striking the balance between what we can manage and what our resources are”

“Housing support team is very small and covers Moray, Aberdeen City and Shire so nearly 3,000 properties over a large geographical area”

“There are also issues with the political process that can be quite frustrating for partnership working, conflicting priorities and changes in direction when there is a change in administration”

“Political decisions also impact funding and resourcing issues”

Following on from the partnership discussion was the issue of data, the issues that arise from data being on multiple, different systems, with a lack of data sharing in place. This causes frustration for service users who have to recount everything when talking to different services and departments. Confidentiality and data protection regulations are also creating barriers to working together. It was noted that the DHI are looking to work collaboratively with all sectors to set up person centered data, with the person having control of their own data and who they share that with.

“We are looking to innovate data and analytics in a person focused way but we need housing to work with us and be part of this innovation”

The discussion then moved to funding issues and how short term funding can limit initiatives being put in place for the longer term and how following legislative requirements can bring some challenges for both housing and health and social care partnerships.

“We are only funded March to March which doesn’t help when you are trying to long term plan”

“Issues arise when trying to sign tenancies but this cannot be done until a guardianship is in place and housing benefit cannot start until tenancy has been signed”

“There are tenancies lying empty for considerable periods of time when people come out of care due to waiting on guardianship, working together but again differing priorities lead to delays”

Further discussions also took place on the best use of the current housing stock and how different localities had different problems in relation to availability and choice of stock as well as availability of housing support.

“Elgin is well resourced as there is more availability but in more rural areas there is an issue in resourcing support needs”

“There is a challenge in matching tenancies to the availability of the resources in the area”

“Can we introduce a retrofit program to help increase the number of specialist housing?”

Analysis of this stakeholder evidence, concludes that the main challenges associated with ‘partnership working to maximise housing’s role in improving health and wellbeing’ are:



4.3.3. What's been proven to work and what are our priorities for action?

Informed by focus group discussions, participants were invited to identify actions, investment requirements or partnership approaches that would be instrumental in tackling the main issues. A number of key themes emerged within the action points suggested including:

- increase the supply of specialist housing for key client groups
- maximise funding for aids & adaptations, raise awareness and promote early assessment
- overcome rural and geographic barriers to accessing care and support services
- improve integrated working between housing, health and social care.

The results were as follows:

Partnership working maximises housing's role in improving health and wellbeing	
Increase the supply of specialist housing for key client groups	
1.	Increase the supply of extra care housing across Moray and redesign the current sheltered accommodation to be more in line with an extra care housing model
2.	Analyse the evidence from the Housing Need & Demand Assessment for housing market and sub areas and focus delivery on high demand areas for specialist housing
3.	Develop intergenerational housing and care developments especially in more rural areas to address isolation issues
4.	Continue to develop core and cluster accommodation for key client groups through the SHIP
5.	Make best use of existing stock by developing a retrofit program that will help to increase the number of specialist homes within the social housing sector
6.	Encourage local communities to take an active role in developing housing, whether bringing back ineffective stock or building new housing that meets local need including specialist housing options
maximise funding for aids & adaptations, raise awareness and promote early assessment	
7.	Engage with more contractors to reduce the waiting times for adaptations in owner occupied homes
8.	Develop apprenticeship schemes specifically for installing aids and adaptations and provide in house services to address the backlog of cases
9.	Deliver a cross sector public campaign to raise awareness of the benefits of early and proactive planning for aids, adaptations and support needs in later life as well as housing waiting list times
10.	Improve collaborative working between housing and social care partners to achieve early assessment for adaptations to stop crisis intervention



overcome rural and geographic barriers to accessing care and support services and connecting communities
11. Work in partnership across housing, health, social care and transport providers to address poor transport connectivity to essential health and care services including analysis of missed appointment rates and minimal transport options
12. Develop local community hubs, in collaboration with DHI, in rural areas that act as a one stop shop for all health, care and housing needs providing access to services on a weekly basis
13. Review the allocations policy to further prioritise housing points for key workers and provide long term accommodation for key workers
14. Improve collaboration between housing providers and the HSCP to develop a scheme where properties are leased by the HSCP and used for key worker accommodation
improve integrated working between housing, health and social care
15. Create a robust Housing Contribution Statement that clearly outlines housing's role in improving the health and wellbeing of people in Moray
16. Provide cross sector training on the Housing Contribution Statement that highlights the role of each service across housing, health and care sectors to increase knowledge and encourage collaboration
17. Improve joint planning, funding, commissioning and delivery of preventative housing solutions such as aids, adaptation, housing support and technology enabled care
18. Focus on the common priorities across the housing, health and care sectors to minimise conflicting priorities and work towards achieving common goals
19. Work in partnership with DHI to overcome the data sharing issues between sectors and implement a person centered data hub

4.4. Improving property condition and achieving affordable warmth is enabled in all homes

Analysis of housing system evidence, local priorities and a review of the current policy and investment opportunities, suggests that 'improving property condition and achieving affordable warmth in all homes' should be a strategic priority within the new LHS.

As preparations begin for the development of the new Moray LHS, it is important that partners and stakeholders have an opportunity to discuss whether this main issue should be a strategic housing priority over the next five years. To consult and engage stakeholders, two focus groups on this issue were held during the LHS Development Conference, with the outcomes of both groups detailed in the sections below.

4.4.1. Is this a main housing issue, and does it continue to be a priority for the LHS?

Stakeholders in both focus groups unanimously agreed that, yes, 'improving property condition and achieving affordable warmth in all homes' should be a strategic priority within the new Local Housing Strategy for Moray.

Stakeholders suggested a number of key drivers which make prioritising this LHS outcome so important, including a need for the LHS to:



- recognise that households in Moray are more likely to be in fuel poverty and extreme fuel poverty than is the case across Scotland
- support improvements in property condition as Moray has more than double the proportion of homes failing the basic tolerable standard than is the case nationally, has a greater proportion of home failing SHQS and above average rates of homes in disrepair and urgent disrepair
- recognise the additional challenges Moray faces with the rural setting of many homes meaning they are more likely to be off grid and reliant on high emissions heat sources
- target interventions so that Scottish Government targets are achieved
- support homeowners and private landlords to undertake improvement works as combined they account for over 80% of the housing stock in Moray
- acknowledge the scale improvements required as Moray's starting position is much lower than other parts of Scotland in relation to fuel poverty, property condition and energy ratings
- set a Moray standard to recognise the unique property profile of homes in Moray and its ageing stock
- supports the take up of home improvement works in the social rented sector where there is a low approval rating for improvement works to be carried out
- reverse the declining trends in property condition across the private sector as a result of the removal of private sector housing grant (PSHG), the limited impact of the scheme of assistance and recent decrease in uptake of HEEPS/ABS projects
- explore innovative funding solutions to support households on low incomes with high fuel costs meet the cost of improvements
- develop energy efficiency programmes and approaches that avoid the need to move to solutions that are more costly to run.

4.4.2. What are the challenges we face in tackling this issue?

The main challenges associated with improving property condition and achieving affordable warmth in all homes, were discussed in two rounds of focus group sessions.

Stakeholders acknowledged that funding constraints and the high cost of improvement works were the main barriers to meeting standards and improving property condition. This is especially challenging in Moray as it has a lower wage economy so households will find it even more difficult to fund necessary home improvements. The group also discussed the challenges for (both social and private) landlords funding improvements without it having an impact on the rent they charge.

"The biggest challenge is financial, there just isn't the money to pay for these improvements which can be costly"

"Affordability is an issue for owners but also landlords, if we carry out the improvements then this will push up rents as any available external funding doesn't meet the full cost"

"If we increase costs to PRS landlords to maintain properties they'll leave the sector and we rely on them for housing options"

"There is funding from the Scottish Government but it can only be used to fund 'conventional' improvements and not the work that is required to fund some of the property types we have in Moray that require a more niche solution"



“Electrical renewables and solar panels are in vogue but they are more expensive to install than the traditional gas boiler”

“There is often a need to install multiple measures to get the best out of a decarb or retrofit programme, for example an air source heat pump works best if you have battery storage and solar panels but this just ranks up the overall cost”

A general reluctance by tenants and owners to have, what can often be intrusive, works in their homes was also discussed by the group. There is no real obligation on homeowners to carry out improvement works and even with funding and contractors in place it can be a challenge for social landlords to persuade tenants to have improvements to their homes. The group agreed it was particularly problematic with older households and those who have lived in the same house for a long period.

“We in Environmental Health see evidence that property owners and tenants don't want to improve the property due to concerns re costs or just the upheaval”

“It can be more problematic to convince older households to have improvement works carried out”

“Moray Council tenants who are older or have sustained a long term tenancy are also unwilling (to get improvement works done). So even with funds and contractors in place we are still unable to improve our houses to meet standards”

“Owner occupied stock makes up the largest tenure so we need a carrot or a stick to get them to do the improvement works”

“There is a real reluctance for people to move from known and familiar heat sources given affordability concerns. They are happy with their log burners or coal fires as they think it is cheaper to run than some of the new technology. This will be an issue for Moray given the number of people off grid”

Whilst many households might be in a position to make property improvements and switch to renewable and low carbon options there is a dearth of knowledge on what to do, what to install and a lack of reliable and trusted information sources to use. There is also a lack of knowledge and education on how renewables operate meaning those with households with renewable heat sources are not getting benefits they should. There is also concern that a lack of expertise on how to operate renewables that is leading to other property condition issues.

“There is just a lack of information for owners on where to start with improvements”

“It's all very confusing and very technical so it's difficult for people to understand what needs done and how. It's really difficult to navigate the various improvement programmes and terminology. You need to work in housing to understand what to do”

“There's evidence of unscrupulous operators giving homeowner and tenants incorrect advice and they are not impartial”

“Most people would manage to reset their gas boiler but try resetting your air source heat pump, battery and solar panels - it's not that easy for folk!”

“We're getting many complaints re the costs and operation of air source heat pumps. We're now looking at installing monitors to provide dashboard information but this is more cost”

“Yes, we are seeing more complaints in social housing regarding the air source heat pumps. This is generating bad press making it even more difficult to convince tenants to get the improvements carried out in their homes”



“Often those with an air source heat pump aren’t on the right tariff so they are not getting the best price, making it much more expensive to run”

“Tenants have been used to immediate heat but air source heat pumps need constant heat so we need to educate tenants on their use”

“Some renewables are leading to condensation/mould due to lack of ventilation. Log burners and coal fires have natural ventilation so we might be creating new property problems”

The rural nature of Moray presents another challenge in improving property condition and achieving affordable warmth. Properties in rural areas tend to be off grid and older and of a construction type makes retrofitting challenging. The profile of Moray’s housing stock where it has more houses than flats than the national average increases the total cost of improvement works across the region.

“The rural nature of Moray as well as the volume of older stone built properties is a specific challenge to Moray”

“The Scottish Housing Regulator estimates it will cost £42k for a house and £28k for a flat to meet the Social Housing Net Zero standard. We have a much higher proportion of houses in Moray so this pushes up the overall cost to the region”

The sheer scale of the challenge to meet energy standards and improve properties was also debated by the groups. They acknowledged that Moray has a lower starting point than other areas of Scotland given the higher prevalence of fuel poverty, the higher proportion of stock failing tolerable and quality standards and the volume of properties that don’t meet future Scottish Government energy efficiency standards. While affordability would be a major issue so too is the limited capacity in the local construction sector to undertake the required work programmes

“We simply don’t have the availability of contractors/trades to undertake the level of work required. It’s going to be especially difficult in rural areas and to get trades to work on older house types”

“Based on the evidence shared (in the briefings) we’ve got a huge number of properties needing improvement and energy efficiency works done to them. We’ll be competing for the same tradespeople”

“Much of the construction industry locally is working on the new build development, so it does not leave a lot of workers to do the retrofitting and energy improvement works”

“Moray Council is playing catch up on their heating replacement programme so this will require a lot more funding but also a lot more tradespeople”

Whilst achieving affordable warmth and moving to low carbon heat sources was agreed as priorities for the LHS both groups were concerned about the electricity network’s capacity to accommodate this transition.

“The capacity of the grid thwarts a move to electrical measures”

“We’ve already experienced the impact of the grid’s limitations, a development in Elgin has already been stalled due to concerns over the grid’s capacity”

Analysis of this stakeholder evidence, concludes that the main challenges associated with ‘improving property condition and achieving affordable warmth in all homes’ are:



4.4.3. What's been proven to work and what are our priorities for action?

Informed by focus group discussions, participants were invited to identify actions, investment requirements or partnership approaches that would be instrumental in tackling the main issues. A number of key themes emerged within the action points suggested including:

- Improving information and advice to homeowners and tenants
- Increasing capacity in the construction sector
- Developing financial solutions to support property improvements
- Developing energy efficiency programmes to support property improvements and reduce impact and/or increase capacity of the electrical grid

The results were as follows:

Improving property condition and achieving affordable warmth is enabled in all homes
Improving information and advice to homeowners and tenants
1. Gather a body of evidence (from existing energy efficiency and retrofit programmes) on the positive impact associated with investing in improvements
2. Encourage social landlords to share experience and knowledge with private sector owners of the most impactful energy efficiency and fabric improvements to reduce fuel poverty and improve energy efficiency
3. Deliver a public awareness campaign (using videos, SWAY newsletters etc.) on the financial and health benefits of improving property condition and energy efficiency of homes.
4. Enable Moray Council Tenant Liaison Assistants to take a proactive approach to engaging with tenants on the positive impacts of investing in repair, maintenance and improvement works
5. Introduce monitors for air source heat pumps and/or damp and mould sensors to track problems in tenants' homes to help reduce fuel poverty and support the education of tenants using new systems
Increasing capacity in the construction sector
6. Earmark funding from the Just Transition programme and Moray Growth Deal to target interventions to increase capacity and the range of skills in the construction sector
7. Develop a Moray Council and RSL community benefits framework which encourages apprenticeship opportunities specialising in fabric improvements and renewable heating sources
8. Extend the Moray Council Building Services apprenticeship programme to increase the number of people entering the construction sector



9. Develop partnership with Highlands and Islands University to promote construction as a career and improve awareness of career opportunities in the renewable sector
Developing financial solutions to support property improvements
10. Lobby government agencies to extend cost effective tariffs to those installing and using renewables to make them cheaper to run
11. Coordinate contractors into area based programmes and have a multi tenure approach to make it more attractive for trades to bid for work and more cost effective for landlords and owners to procure
12. Reinstate the Moray Council Private Sector Housing Grant (PSHG) by establishing a business case to promote the health and economic benefits of funding private sector repair and delivery of LHEES objectives
13. Tackle empty homes and poor condition by combining budgets from the acquisition programme, private sector grant (once reinstated) and homelessness budget to bring empty homes back into use where feasible and housing need is demonstrated
14. Lobby the government to reintroduce Feed in Tariff schemes to make it more financially viable for owners to upgrade to renewables
15. Increase the capacity of the private sector housing team to enable a more proactive approach to improving property condition and energy efficiency in owner occupied and PRS tenures
16. Work in partnership with local and national businesses who wish to purchase carbon credits by investing funds in social housing property improvements and /or private sector housing grant projects
Developing energy efficiency programmes to reduce impact and/or increase capacity of the electrical grid
17. Replicate the previous Moray Council solar scheme which provided solar panels to 600+ households in an area which generated excess energy to back to the grid and reduced energy bills for occupants
18. Explore the feasibility of community ownership schemes (e.g. heat networks or community windfarms) to produce low cost energy
19. Work in partnership with SSEN to upgrade sub-stations to improve capacity
20. Explore local energy generating solutions to utilise waste heat (e.g. distillers, Walkers etc) to reduce impact on the grid and support heat network

5. Main issues: Refining Ideas and Options

The focus groups on LHS strategic priorities were designed to enable stakeholders to define potential policy interventions to address each LHS priority. The ideas generated will now be used as the basis of developing a range of policy options which should form the basis of LHS actions. To achieve this, a further round of consultation activities will be held to assess and refine the ideas and options identified. Further engagement workshops will be held to assess the ideas for action and intervention defined by LHS stakeholders under each main issue by:

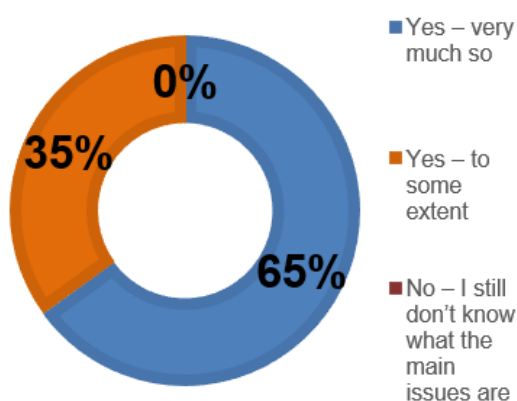
1. eliminating options that should not be taken forward
2. providing further definition to ideas using SMART principles

3. identifying gaps which should be addressed through further option definition.

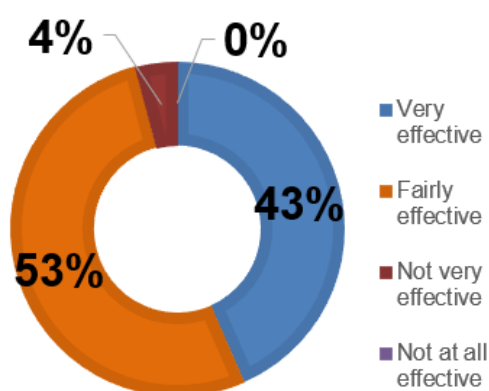
The refined policy interventions will form the basis of actions under each LHS priority as the draft LHS framework builds through consultation and engagement. These actions will be subject to option appraisal to finalise the 2025-30 LHS Action Plan.

At the close of the LHS conference, partners were invited to share their views on the extent to which the event created a positive start to the process of coproducing the LHS action plan. Using an interactive polling tool, partners were invited to evaluate the outcomes achieved and offer their expectations for the future. The outcomes of this evaluation exercise are detailed below:

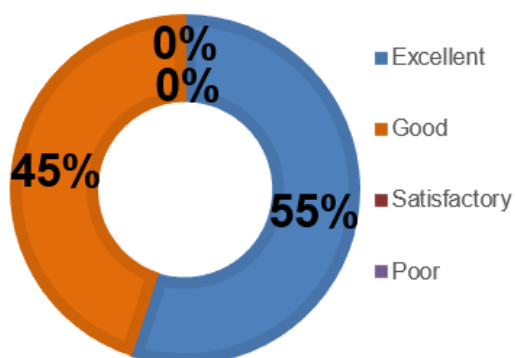
Has today's event improved your knowledge of the main issues facing the housing system in Moray?



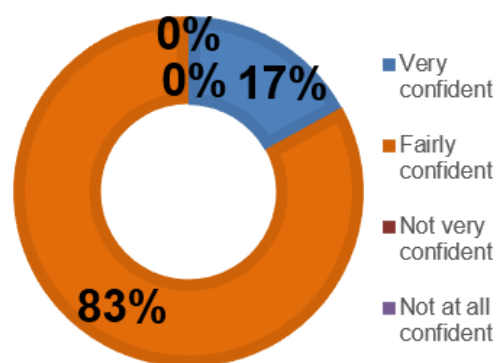
How effective has today's event been in developing a vision for the LHS?



How would you rate today's event in encouraging a partnership approach to defining LHS priorities?



Based on today's conference, how confident are you that emerging LHS priorities can drive positive change in the Moray housing system?



These evaluation outcomes suggest that the conference was successful in coordinating the collective and bold action needed to deliver the new Local Housing Strategy, as follows:

- 100% of conference delegates leaving with an improved understanding of the main issues facing the housing system in Moray



- 96% of delegates were satisfied that the conference has been effective developing a vision for the LHS
- 100% of delegates rating how well the conference encouraged a partnership approach as 'excellent' or 'good'
- 100% of delegates showing some confidence that the emerging LHS priorities can drive a positive change to the Moray housing system.

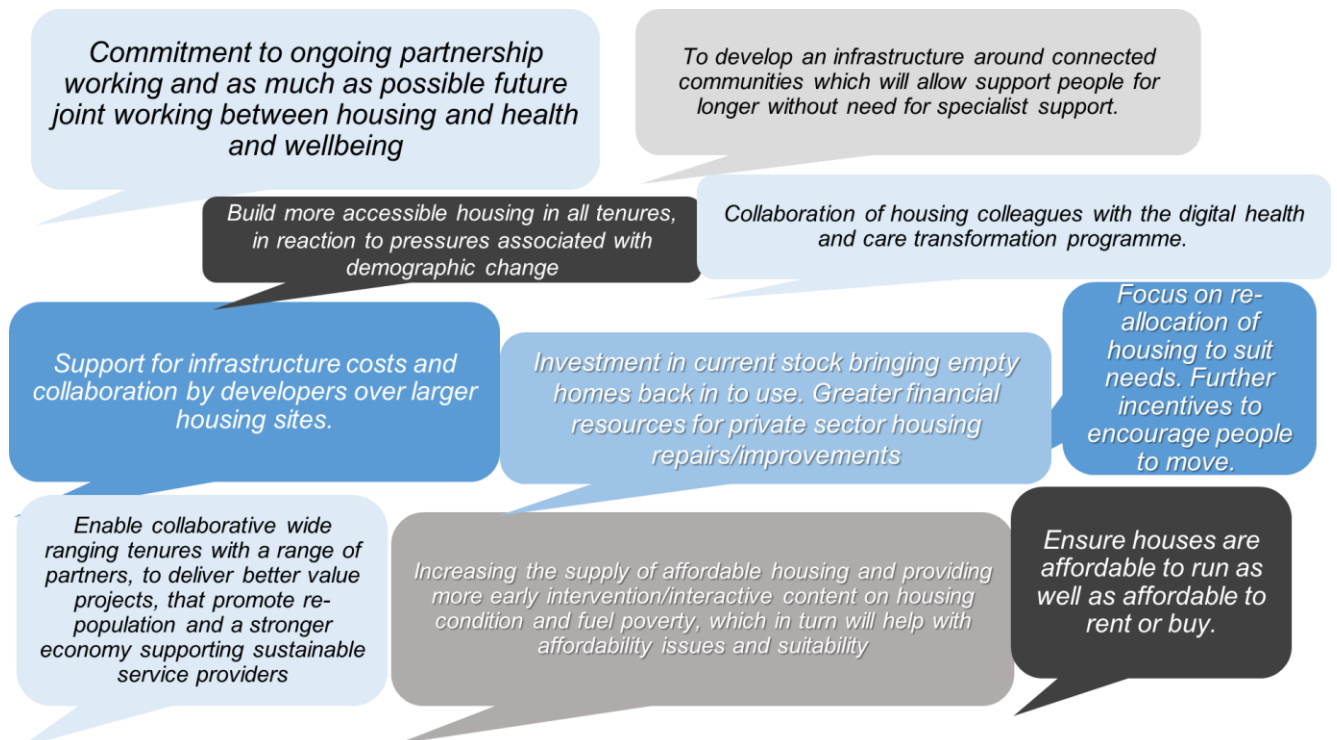
The outcomes of the conference will be used to develop the Local Housing Strategy framework as the basis of ongoing planning, activity, investment and partnership. Stakeholder options to tackle each LHS priority will be refined and finalised as the basis of carrying out collaborative option appraisal to identify the interventions which should form the basis of the LHS action plan.

5.1. Improving the Moray Housing System: One Key Action

In closing the conference, stakeholders were asked to reflect on all the evidence shared, discussions held, and ideas generated to define the one single action that would have a positive and lasting impact on the operation of the Moray housing system. Key themes included:

- **Affordable & Accessible Housing** – Emphasis on creating housing that is both financially accessible and adaptable to demographic changes.
- **Collaboration & Partnership** – Focus on multi-agency collaboration across sectors, including health and digital transformation.
- **Housing Repairs & Improvements** – Need for financial resources to repair and upgrade housing, including private sector improvement.
- **Sustainable & Connected Communities** – Developing infrastructure that supports independent living and revitalises communities.
- **Financial Incentives & Investment** – Central government investment and incentives for new builds and property improvements.
- **Housing Condition & Energy Efficiency** – Ensuring homes are affordable not just to rent or buy, but also to maintain, focusing on energy efficiency and condition.

The outcomes of this final exercise include:





5.2. Next Steps

Having drafted a vision for the Local Housing Strategy and identified policy interventions to tackle the main issues facing Moray's housing system; the Council's next priority will be to review conference outcomes with subject matter experts to further validate and add value to these outputs in the next round of LHS development.



Appendix A

Delegate List of Partners/Organisations

Name	Organisation
Aaron Kerlin-Scott	Places for People Scotland
All Elected Members	Moray Council
Andrew Stanley	HIE
Andy Stewart	Moray Council
Beverly Smith	Moray Council
Carol Chambers	Moray Council
Chris McLeod	HSC Moray (MIJB)
Chrissy Stower	Moray Council
Ciara Toland	Places for People Scotland
Colin Souter	Robertson Homes
Craig Stirrat	Grampian HA
Daska Murray	Moray Council
David Gordon	Moray Council
David Munro	Moray Council - Housing
Edward Thomas	Moray Council
Emma Ozanne	Castlehill Housing Trust
Fiona Boyd	Changeworks
Fiona Geddes	Moray Council
Fraser Buchanan	Grampian HA
Gary Templeton	Moray Council
George Gunn	Moray Council
Gordon McCluskey	Moray Council
Graham Harper	Hanover HA
Helen Gauld	Langstane HA
Ivor McIvor	Moray Council
James Buchan	SCARF/HES
Jeff Pyrah	Cairngorms NPA
Jill Craig	Changeworks
John Campbell	Moray Council - Social Work
John Divers	Moray Council
Judith Sutherland	Langstane HA
Juli Harris	Moray Council
Karen Sievwright	Moray Council
Kathleen Donaldson	SACRO
Kathleen Robertson	Moray Council



Katie Parry	NHS Grampian
Kirsteen Pyett	Moray Council - Social Work
Laura Fiddes	Places For People
Lawrence Johnston	SCARF/HES
Lesley Attridge	Health and Social Care Moray
Lisa Taylor	NHS Grampian
Lydia Simpson	Moray Council
Marie Burnell	Moray Council
Marie Simpson	DHI Scotland
Neal MacPherson	Moray Council
Neil Cameron	Moray Council
Neil Smith	Springfield Properties
Neil Strachan	Moray Council
Neil Moir	Scottish Government
Patrick Quinn	Albyn HA
Rebecca Irons	Moray Council
Ronald McCrae	SSEN
Scott Lawrence	Moray Council
Scott Quinn	SSE
Shona Morrison	Moray Council
Sonya Warren	Moray Council
Stacy Angus	Osprey Housing
Steven Paterson	Scottish Government
Stuart Morrison	Springfield
Theresa Coull	Moray Council
Tracey McKie	Moray Council
Tracie Wills	Moray Council