

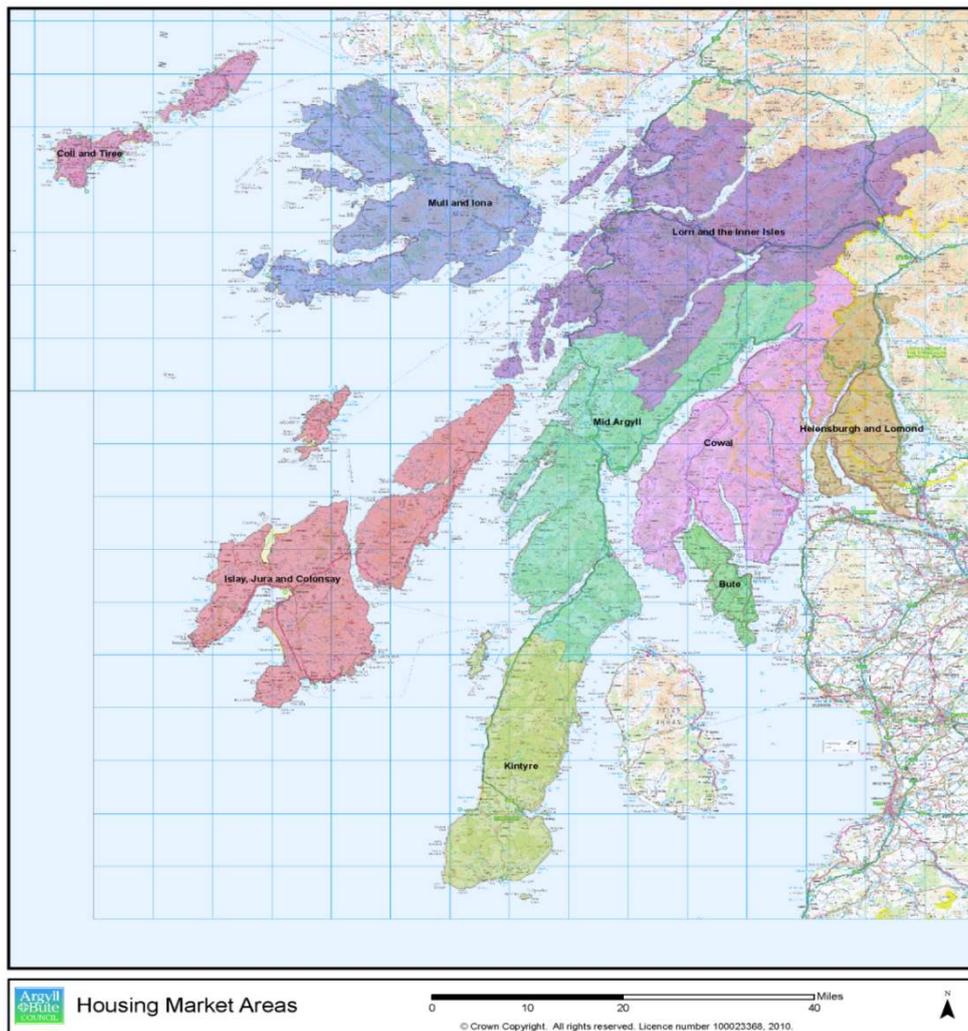
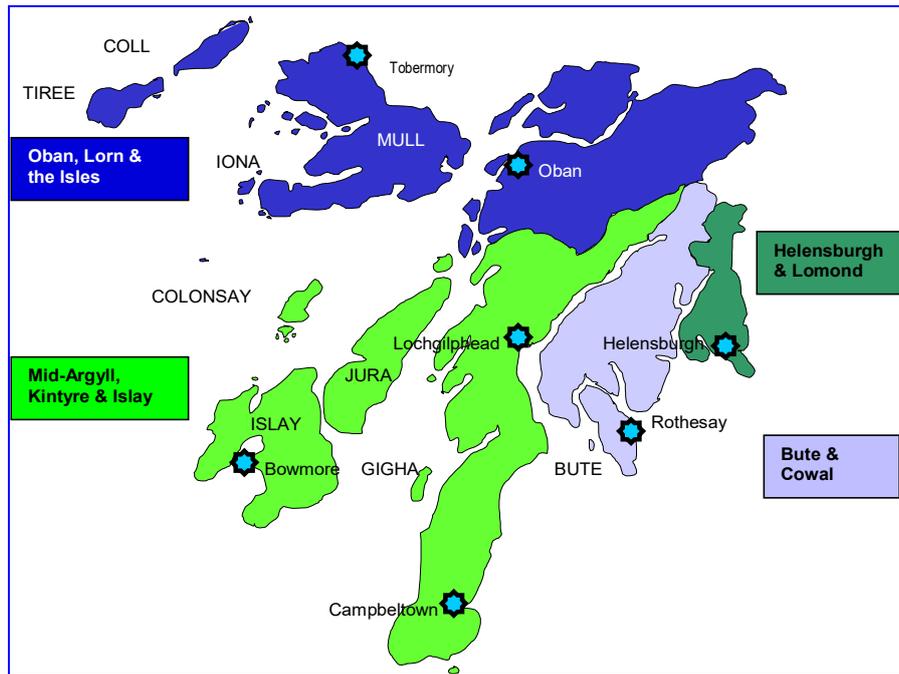


**ARGYLL and BUTE
STRATEGIC HOUSING INVESTMENT PLAN
2024/25 - 2028/29**

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Argyll and Bute Council area



INTRODUCTION

The Strategic Housing Investment Plan (SHIP) is a key operational document produced annually by the local authority which identifies priority housing projects to support the delivery of local and national strategic housing targets, to increase the supply of housing.

The SHIP is directly informed by a number of strategic policy documents, primarily the Local Housing Strategy (LHS) and its associated policies, which details the strategic policy approach of the council and its partners to deliver housing services across the area to meet identified needs.

As per the Scottish Government guidance, the SHIP is the key document for specifically identifying:

1. Proposed strategic affordable housing projects which require Scottish Government Affordable Housing Supply Programme funding support.
2. Proposed affordable housing projects which are to be provided without Scottish Government Affordable Housing Supply Programme funding support.

The focus of the SHIP is affordable housing provision via new build, replacement, rehabilitation, or re-modelling. “Affordable housing” in this context refers to accommodation made available at a cost below full market value to meet an identified need and includes:

- Social rented housing.
- Subsidised low-cost housing for sale (discounted, shared ownership or shared equity);
- Low-cost housing without subsidy (entry level housing for sale); and
- Mid-market rental housing provided by social landlords.”

[\(Guidance on the Preparation of SHIP, Scottish Government, July 2016\)](#)

This SHIP plan covers the five years from **2024/25 to 2029/29**, and details how it will deliver the LHS priorities and outcomes through a five-year strategic investment programme.

Argyll and Bute Council is committed to working closely with the Scottish Government, local housing associations, community groups, and other key partners to increase the effective supply of affordable homes across the area. The SHIP plan reinforces the council’s role as the strategic housing authority; informs Scottish Government housing investment decisions; and the preparation of Strategic Local Programme Agreements (SLPAs).

Developed in consultation with key stakeholders this SHIP builds on the previous plan published in 2022. The finalised SHIP was submitted to the Scottish Government in October 2023 and approved by full Council in November 2023.

The SHIP narrative provides a context to the SHIP and includes the following:

- A statement outlining the role the SHIP investment priorities plays in delivering LHS outcomes.
- Details of stakeholder consultation undertaken in developing the SHIP;
- A summary of the project prioritisation framework;
- Prioritisation by house size;
- How the SHIP addresses duties placed on the council by the Islands (Scotland) Act; and
- The council's investment priorities for housing in town centres
- A list of the risks and key issues constraining the delivery of the programme and identifying the actions that are required to mitigate against these constraints.
- Using different construction methods to deliver SHIP projects.
- Resourcing the programme, including :
 - Details of how the council's own resources, such as Council Tax on Second and Empty Homes, support affordable housing delivery;
 - Details of other funds that are supporting the delivery of affordable housing;
 - Details of Developer Contributions that have been used to assist affordable housing delivery; and
 - The role of the Housing Infrastructure Fund in delivering new affordable housing;
 - Details of any housing projects where funding has been or will be sought from the Vacant and Derelict Land Investment Programme.
- A summary of the empty homes services and actions being taken by the council to bring homes back into use.
- Aligning the SHIP programme with the requirement specified in the Argyll and Bute's Child Poverty Action Report.
- Details of specialist housing provision delivered over the SHIP period, including wheelchair-accessible housing.
- An outline of capital works undertaken on Gypsy/Traveller sites and whether funding has been sought through the Gypsy/Traveller Accommodation Fund.
- Outlining how the strategic housing priorities are aligned with Rapid Rehousing Transition Plan priorities.
- A statement on the council's approach to buybacks, second-hand acquisitions and off-the-shelf purchases.
- Details of progress towards delivery of the affordable housing supply programme across all tenures by completions;
- Detail any specific requirements for key worker housing and the actions that the Council or Registered Social Landlord (RSL) partners will take forward over the period of the SHIP;
- A summary of the projects in this SHIP. Full details of these projects can be seen in the Scottish Government's electronic system HARP (Housing And Regeneration Programme)
- Details of how the SHIP will be monitored and reviewed including how the SHIP programme impacts upon:
 - Equalities and Socio-Economic Impact Assessment
 - Child Rights and Wellbeing Impact Assessment
 - Health Impact Assessment
 - Islands and Communities Impact Assessment
 - Strategic Environmental Assessment

1. STRATEGIC FRAMEWORK

Argyll & Bute Outcome Improvement Plan (ABOIP)

As the overarching strategic document for local partners, including the council, the Argyll and Bute Outcome Improvement Plan 2013-2023 (ABOIP) provides the high-level context for a wide range of strategies, plans and policies, including both the Local Housing Strategy and the SHIP. The ABOIP sets out the Community Planning Partnership's (CPP) vision for achieving long term outcomes for communities in Argyll and Bute. The overall objective of the plan is:

“Argyll and Bute’s economic success is built on a growing population”

To achieve the overall objective six long-term outcomes were identified: -

1. The economy is diverse and thriving.
2. We have infrastructure that supports sustainable growth.
3. Education, skills and training maximises opportunities for all.
4. Children and young people have the best possible start.
5. People live active, healthier and independent lives.
6. People live in safer and stronger communities

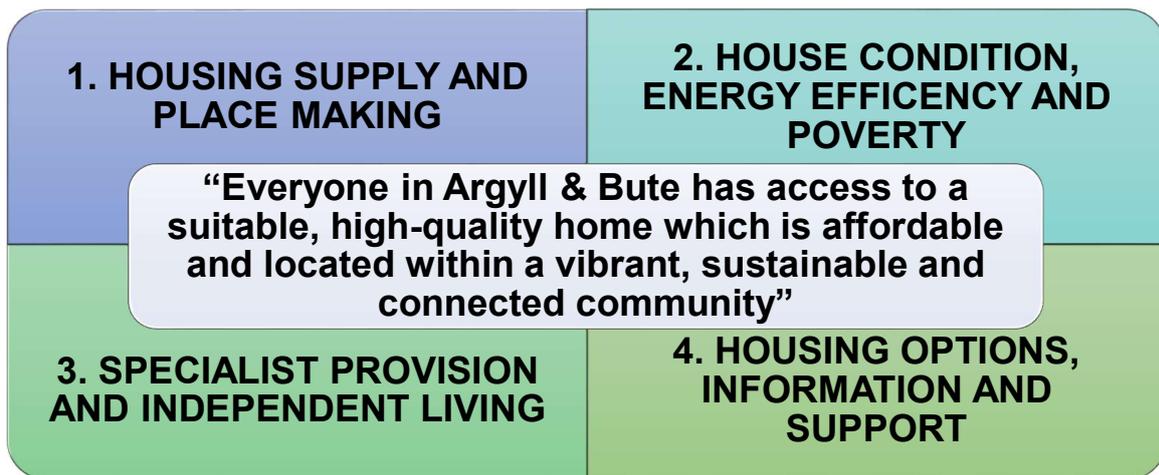
While the housing sector has a role to play in achieving all of these outcomes, the provision of affordable new build housing, particularly the delivery of the SHIP, primarily focuses on Outcome 2.

The council and its partners have been reviewing and consulting on the new ABOIP for 2024-2034 and the new draft document is expected in December 2023.

Community Engagement has identified ‘housing’ as a continued priority and future SHIPs will align with the priorities of new Local Outcome Improvement Plan.

Local Housing Strategy (LHS) 2022/23 - 2026/27

The investment programme and priorities set out in the SHIP are consistent with the vision, aims and objectives of the LHS; and that these build on the latest Housing Need and Demand Assessment (HNDA). Our strategic priorities and outcomes continue to be ratified and supported by partners and stakeholders via the Argyll and Bute Strategic Housing Forum. In 2022 the council published its new LHS which covers a five-year planning period from 2022/23 to 2026/27. The LHS sets out our core vision and underpinning this vision are four high-level outcomes:



The SHIP plays a key role in promoting the overall LHS vision and delivering on LHS, particularly Outcome 1. The Council produced a new HNDA in 2021, which was approved by the Scottish Government. The council's LHS housing supply target of providing 1075 affordable homes from 2022/23 to 2026/27 (215 homes per year) is significantly higher than the baseline HNDA estimate to take account of local and national strategic aspirations for repopulation, economic recovery, and overall growth throughout the authority area.

- **Housing supply target** 2022/23 to 2026/2027 is 1,450 units across all tenures (290 per annum).
- **Affordable housing supply target** 2022/23 to 2026/27 is 1,075 (215 per annum)

In summary, the SHIP aims to deliver sufficient suitable and affordable new homes to attract and retain young people and families, to support a sustainable and thriving business sector, and to meet the needs of the elderly/ageing population, and those with particular needs.

- Potentially, up to 10% of the five-year provision could be for alternative tenures such as shared equity; and
- 10% should comprise some form of "specialist provision" including 5% which should be fully wheelchair habitable.

Scottish Government Priorities and Convention of the Highlands and Islands (COHI)

One of the Scottish Government's priorities is to 'support a more balanced population across Scotland.' To achieve this aim, the Scottish Government has developed a strategy called- '[A Scotland for the future: Opportunities and Challenges of Scotland's Changing population](#)' to ensure all areas have a more balanced population "so *all our communities can flourish*".

The Scottish Government's [National Islands Plan](#) aims to address population decline and ensures a healthy, balanced population profile. In particular, the National Islands Plan commits to supporting the repopulation of rural and island communities.

A Ministerial Working Group was established in June 2023 to oversee the development of a '[Rural Delivery Plan](#)' within this parliamentary term. The aim of the Plan is *"showing how all parts of the Scottish Government are delivering for rural Scotland. As well as policies on agriculture, land reform, marine, and our Islands Plan, this will cover areas such as transport, housing, social justice, repopulation, digital connectivity and economic development."*

[Housing to 2040](#) aims to deliver the vision for everyone in **Scotland**, including island communities, by understanding and identifying what positive measures need to be taken forward to address, promote and ultimately reduce inequality in housing outcomes across all housing tenures by 2040 and build strong sustainable communities.

The Convention of the Highlands and Islands (CoHI) group was established to strengthen alignment between the Scottish Government and member organisations in order to support sustainable economic growth and to enable the exchange of ideas on strategic issues affecting the people of the Highlands and Islands. Argyll and Bute Council is a member of [CoHI](#) group and is participating in the pilot projects. The Council has identified the following areas as repopulation zones:

- Rosneath Peninsula
- Kintyre (Tarbert to Southend)
- Coll and Tiree
- Bute

Three Settlement Officer Posts were established across Argyll and Bute, Highland, and Western Isles Council. The posts were initially joint funded by HIE/ relevant local authority for 12 months. These positions have been extended for one year through joint funding between the Scottish Government and Local Authority.

The aims of the Argyll and Bute Settlement Support Officer include:

- Providing guidance and support to people wanting to remain/ relocate.
- Gathering information on the barriers to population retention and growth.
- Support the development of projects and initiatives to help address population decline.

2. STAKEHOLDER CONSULTATION

As outlined in previous SHIPs, the preparation of this plan, as well as the planning and delivery of individual projects, remains a continuous process. The SHIP reflects a strong collaborative approach with Registered Social Landlords (RSLs, or housing associations), the Scottish Government, communities, developers and other stakeholders.

Key strategic partners include:

- The Scottish Government: More Homes Scotland Division
- Argyll & Bute Council
- Argyll & Bute Health & Social Care Partnership
- Argyll Community Housing Association
- Fyne Homes Housing Association
- Dunbritton Housing Association
- West Highland Housing Association
- Link Group Ltd
- Bield Housing Association
- Trust Housing Association
- HMNB Clyde/ MOD
- Loch Lomond & Trossachs National Park
- Rural Housing Scotland
- Communities Housing Scotland
- Highlands & Islands Enterprise
- Veterans Housing Scotland
- Scottish Water
- Scottish and Southern Energy Networks
- Scottish Power Energy Networks
- Home Energy Scotland
- Allenergy

At local level, on a site-by-site basis, RSLs and Council officials continue to liaise closely with private developers, local landowners, local community groups and development trusts, and a range of other stakeholders to negotiate, facilitate, enable and deliver viable projects within the context of the LHS and the framework of the SHIP. Updates are also tabled at local Area Committee's. Community representatives and residents are routinely consulted regarding specific projects, sites and settlements.

The Argyll & Bute Strategic Housing Forum, comprising a wide range of key partners, the Strategic Housing Forum constitutes the overarching Housing Market Partnership with ultimate responsibility for overseeing the implementation and monitoring of the LHS and the SHIP; and is chaired by the Council Leader. The Strategic Housing Forum is also responsible for making appropriate recommendations to Council Members and lobbying the Scottish Government regarding housing issues in Argyll and Bute. The Terms of Reference for the Forum, as the formally constituted local housing market partnership within Argyll and Bute, were reviewed and agreed in September 2022 and is available on request.

The SHIP Officers Development Group - In addition to regular programming meetings between the council, the Scottish Government and individual RSLs, a dedicated SHIP Officers Group continues to bring partners together on a quarterly basis to address and progress operational development matters which are then reported to the overarching Strategic Housing Forum.

Community Housing Network Group- Argyll and Bute Council, as the strategic housing authority, recognises the importance of community groups and their role in delivering affordable housing. The Community Housing Network Group was established to improve communication and partnership working. The group exists to fulfil the following aims:

- Provide a forum for community groups interested in developing affordable housing to come together and discuss important aspects of their work to deliver housing solutions in their communities;
- Provide guidance to the community groups on relevant areas of policy and practice;
- Facilitate external speakers on areas of subject expertise relevant to the group members; and
- Encourage sharing complex issues between members, understanding that no one organisation has all answers.

Many of the community groups within the network have successfully attracted funding from the Rural and Islands Housing Fund or the Scottish Land Fund to provide affordable housing. More details are outlined in Section 5 and 14.

Housing Delivery Group – As well as our effective strategic partnerships, to help address the acute shortage of housing across all tenures, the Council have established an internal working group which is focusing on:

- Identifying existing, and new housing sites that can make potential strategic contributions to all tenure housing supply;
- Identify key barriers/constraints to development and possible solutions to help deliver these sites;
- Engage with key housing stakeholders to identify solutions and improve collaboration;
- Identifying solutions to effectively tackle market failure in the supply of private new build;
- Consider innovative approaches and direct intervention including radical delivery models such as Council funded development and property purchase;
- Consider any policy measures that could be employed by the council or government to address housing market failure.

Rural Growth Deal (RGD) Housing Sub-group - The Rural Growth Deal housing sub-group allows partners to contribute to the housing elements within the RGD. The RGD housing proposals are to:

- Construct housing for sale;
- Place rural burdens and planning conditions on homes financed by the RGD to ensure they are used as principal homes for occupants; and
- Develop proposals relating to the delivery of worker accommodation.

Argyll and Bute Child Poverty Action Group - The Argyll and Bute Child Poverty Action Group recognises that it is vital that the council, Health Board, the third sector and communities work together to tackle child poverty. Housing is an essential component in tackling child poverty; and the service has been represented in the group since its inception. The SHIP programme will deliver housing investment, enabling some families to be allocated affordable, energy-efficient homes.

Health and Social Care Partners



The Council continues to work closely with the Health & Social Care Partnership (HSCP) at all levels. The HSCP's current three-year Joint Strategic Plan was launched in 2022, incorporating a revised and updated Housing Contribution Statement (HCS) which outlines the essential role that housing plays in supporting and maintaining independent living and the health and wellbeing of residents. The SHIP has a direct and significant contribution to make to this outcome.

“People in Argyll and Bute will live longer healthier independent lives”

To realise this vision, people need access to appropriate housing models, and support from care staff to enable them to live at home or in a homely setting. The balance between care in residential and community settings has shifted considerably over recent years towards looking after people at home. The Strategic Plan estimates that 52.8% of those aged 65+ with long term care needs are looked after at home with approx. 10+ hours of home care per week¹. The provision of care at home can be restricted by staff numbers and it has been identified that a lack of affordable housing can be a barrier to attract and retain health and social care staff. The SHIP and Rural Growth Deal will provide homes which could help attract health and social care staff to the area. In addition, the delivery of suitable specialist provision via the SHIP programme will be critical to enabling people with needs to live independently in their own home.

A dedicated Housing Occupational Therapist (OT) facilitates the close partnership between the council, RSLs and the HSCP. This includes reviewing the circumstances and requirements of households with particular needs, developing a better understanding of the accommodation and support needs of wheelchair users, and facilitating early interventions, particularly concerning adaptations and property layouts and design. The Housing OT and relevant HSCP Officers participate in the SHIP Operational Group and the Strategic Housing Forum to identify specific new build requirements and inform targets for wheelchair accommodation.

The Council Housing Services also fund a dedicated Mental Health/Addictions Housing Practitioner. This post is focused on supporting the delivery of the Rapid Re-housing Transition Plan and supporting households; further enhancing the strategic and operational links between housing, health and social care.

¹ Health and Social Care Joint Strategic Plan 2022-25

Community Engagement - The council has enhanced its approach to localised housing need and demand assessment, building on a number of years' experience with community councils, development trusts, local study groups, green belt groups, tenants and residents' associations, and various other local bodies across mainland Argyll and throughout the Islands. The Community Housing Assessment Tool (CHAT) is a detailed resource for local communities and third-party support agencies to carry out surveys, stakeholder engagement, and data analysis, with the support of council staff, in order to assemble "high quality, fit for purpose" evidence base required to secure public funding and help to deliver practical housing solutions^[1].

HMNB Clyde / MOD engagement- As reported in previous SHIPs, the Strategic Delivery and Development Framework (SDDF) is established between the Council and HMNB Clyde to achieve maximum benefit for the base the wider community as a consequence of the proposals for increasing the naval presence at Faslane.

A key issue in relation to housing and potential requirements for the SHIP was the implementation of the Future Accommodation Model (FAM), which the MOD piloted from September 2019 to March 2023. The way people live, and work is changing, and the FAM reflected this, giving more choice to more Service personnel and their families over where, how, and with whom they live. The FAM pilot has now ended and a review of the evidence is underway which will take into account accommodation measurements cut across a wide section of issues from accommodation type, standard, location and preference, all of which will be measured against the existing MOD housing stock nationwide. Whilst personal were not required to disclose the location of accommodation during the FAM pilot, the anecdotal evidence received was that service personnel were not necessarily looking or secured accommodation in the Argyll and Bute area. Early indicators from the Faslane pilot include:

- Over 600 personnel benefited from the monthly FAM Core Payment which allowed them to offset the cost of owning a home away from base while they lived in Single Living Accommodation during the week;
- 10 serving personnel applied to buy a home in the surrounding areas; and
- Approx. 100 personnel applied to enter into the Private Rental Sector. Although were made and approved, this does not mean that they will have found or moved into a private rented property.

We will monitor the outcomes of the FAM pilot review and incorporate any proposed changes or alternative models into futures SHIP's to ensure that there is sufficient and suitable capacity within the local housing system to address any increased demand. The council carried out a dedicated in-house study of the particular needs of veterans and serving military personnel to inform the HNDA in 2021 and LHS in 2022. This involved engagement with local and national organisations such as Veterans Housing Scotland and Poppy Scotland, among others. Veterans Housing Scotland are key partners of Strategic Housing Forum.
[hnda technical paper 09 - veterans and armed services.pdf \(argyll-bute.gov.uk\)](https://www.argyll-bute.gov.uk/hnda-technical-paper-09-veterans-and-armed-services.pdf)

^[1] The Argyll and Bute Community Housing Assessment Toolkit (CHAT) is available on demand from Council Housing Services. See contact details on the final page of this Plan.

Wider Stakeholders, Local Business, and Economic Development - Increasingly, given the overarching strategic aims, economic development and regeneration partners are key associates in the SHIP and LHS process. Other stakeholders and strategic partners are engaged on an ad hoc basis as appropriate.

Housing Emergency - Wider Engagement - The Council declared a housing emergency in June 2023 due to the shortage of housing to meet demand in the area. This was driven by a complex range of issues including increasing house prices and rents, reducing household incomes, rising construction costs, a decrease in new homes being built, a shrinking private rented sector, increase in demand for worker accommodation, and an ageing population. There is no single solution to these issues and the Council will continue to work with a wide range of local partners to programme a broad range of activities, in the short and long term, to target action where it is needed most.

A Housing Summit is being held in November 2023 which will bring together a range of delivery partners, housing organisations, community stakeholders, and businesses to debate, prioritise, and programme solutions to increase the supply of housing. Ahead of the Housing Summit we have launched two surveys, one for local residents and another for businesses to identify emerging issues and gain wider feedback and ideas on how the housing emergency should be tackled. There will also be pre-engagement workshops with stakeholders on key themes to identify barriers and to help define potential delivery options and interventions.

3. PRIORITISING THE PROGRAMME

The SHIP has a clear and transparent framework for prioritising projects to be delivered. Investment is targeted at Housing Market Area's (HMA), communities and settlements where the HNDA has identified the most acute housing pressures. These priorities recognise the importance of investing in smaller, fragile rural communities as well as larger urban areas. The areas have been identified through consideration of:

- the relative and absolute pressure on the existing affordable housing;
- the ability to meet the need in the wider housing market area;
- deliverability (site ownership, infrastructure or planning constraints, etc.);
- the council's strategic priorities e.g potential contribution to population growth and economic growth.

Given that localised "hotspots" or pressured areas may still be masked within the wider geographic HMAs, a further refinement of the evaluation process is also required at the localised settlement (or letting area) level to reflect the complex rural and island geography of Argyll and Bute. Therefore, the council continues to employ the following key indicators: -

TABLE 1: Key Indicators/Evidence Base

Criteria	Indicator/Evidence
Identified need	HNDA & local updates – total shortfall in affordable housing.
Pressure ratios	CHR - waiting list applicants per available let on annual basis.
Homeless Pressure	HL1 statistics - applicants & time to close cases; temporary accommodation; % of RSL lets to homeless cases.
Social stock levels	Proportion of existing RSL stock to total number of dwellings on Council Tax Register.
Wider Strategic Fit	Synergies with LDPs; economic development plans or regeneration initiatives; the local improvement plan; and the primary objective of reversing population decline.
Specialist Provision	HNDA/CHR/Health & Social Work caseload – total shortfall for special needs accommodation & evidence from waiting lists or bespoke research.
Risk/Deliverability	Satisfies key development criteria (site ownership; planning consent; resourced; infrastructure constraints; contractor capacity). Early liaison with planning remains critical.
Affordability (of proposed rent)	Compared to Scottish Government benchmarks and other RSL rents; as % of LHA; and as % of local household incomes.

Prioritisation by Housing Need –

Dunbeg remains a key development priority for the Council, although the SHIP has several other projects in the Oban and Lorn HMA.

Strategically, Helensburgh & Lomond is also a high priority in terms of need and potential growth opportunities. The Helensburgh Golf Club housing development is a key site and other opportunities in the area are being explored.

The LHS concluded that there is high levels of housing need and demand across the local authority area particularly on the Islands. Small-scale developments could significantly and positively impact the Atlantic Islands.

Analysis suggests that all housing market areas in Argyll and Bute are experiencing significant increases in housing need and demand.

The 2021 Mid-year population estimates by the National Records for Scotland identified Argyll and Bute as the 6th fastest growing local authority, with the population growing by 0.9% from 2020-21, which exceeded the ambitious LHS growth target of 0.5%. The Council continually monitors pressures in each of HMAs and will modify investment priorities accordingly.

Prioritisation by Tenure – The majority of the SHIP programme will deliver houses for social rent; however, alternative affordable tenures such as shared equity, other low-cost home ownership options or below-market rent will be considered on a site-by-site basis in line with local market conditions and needs, and actively encouraged where appropriate, subject to a robust business case being made.

Prioritisation by Size – The HNDA and the HOMEArgyll common housing register identify that the most significant demand continues to be for one and two-bedroom properties; hence, the SHIP will continue to promote the delivery of smaller properties. As of April 2023, 59% of the active waiting list applicant's required 1 bedroom accommodation, 25% require two bedrooms, while 11% required three beds and 5% required four or more bedded properties.

Although waiting list demand for larger properties is lower, the HNDA process identified demand for larger, family-sized accommodation. "Bright Start, Bright Future" by the Scottish Government identified larger families as one of the vulnerable family types which are more likely to experience child poverty. The council is committed to addressing child poverty, and hence the SHIP partners will consider economically viable options, to deliver larger homes where there is a specific need, including private acquisitions and off-the-shelf properties. (See section 11).

Prioritisation by Particular Needs – Specialist housing provision is often required for:

- those who have impairments such as cognitive, physical, sensory developmental or a combination of impairments;
- older people with mobility or other health care needs;
- those with mental health conditions.

To provide suitable accommodation for those with disabilities/ impairment and the ageing population, the LHS specifies a target of 10% of new build should be purpose designed as specialist provision to suit households with medium to high-level particular needs.

As far as possible, all general needs new builds are designed to the minimum lifetime, Housing for Varying Needs Standards, to maximise the accessibility for residents whose circumstances and needs will change over time.

In addition, the extent and nature of the future ageing population, for instance, will necessitate strategic investment in developing and delivering housing-based care, support and aids, and adaptations. To this end, the council has developed a more cohesive partnership with the Integrated Health & Social Care body to ensure that the SHIP process is fully aligned with the health and social care integration agenda and other relevant plans such as the "Keys to Life" strategy for persons with learning disabilities, the Integrated Children's Services Plan, the refreshed national housing strategy for Older Persons published in August 2018, "Age, Home and Community: the next phase"; and the Fairer Scotland for Disabled People strategy published by the Scottish Government in 2016; among others. Further refinement of the wheelchair housing targets in line with the Scottish Minister's directive is set out in Section 8 of this plan.

The finer detail of the programme will be established through specification of suitable type and size of accommodation for individual developments, taking into account the needs of actual households on the waiting list, information gathered through local housing need and demand assessments, and in consultation with HSCP coordinated through the Housing OT.

Prioritising projects which align with the council's overarching vision to grow the population

The Argyll and Bute Rural Growth deal aims to facilitate the delivery of a range of housing tenures to provide market level housing for sale and also deliver accommodation for workers. The intension is to support business growth in the initial pilot areas of Tobermory and Bowmore. The Islay and Mull SHIP projects will complement the RGD housing proposals.

Prioritising projects which improve town centres

In addition, to supporting remote rural and island communities, the SHIP programme also supports projects which improve town centres. This SHIP has the following town centre projects on site:

- Jeanie Deans, Helensburgh
- Eton Avenue, Dunoon

SHIP projects should provide Rural and Island Proofing² – the Council's Housing Service will continue to apply a policy of rural-proofing housing plans and strategies to ensure the more remote and isolated areas, or those designated as "fragile", are not disadvantaged or adversely affected by investment and development decisions. Critical to this aim is joint working with local planners to support the development and sustainability of designated key rural settlements across Argyll and Bute, as well as supporting the aims of the Loch Lomond & Trossachs National Park.

Key factors influencing the prioritisation of rural developments include:

- the ratio of waiting list applicants to lets;
- the ratio of social housing to second homes;
- proportionate historic losses through Right to Buy;
- the percentage of social housing to total dwelling stock;
- the ratio of local earnings to average or lower quartile house prices and private rents;
- resilience of communities; and
- population demographics.

While existing, evidenced need remains the primary concern, consideration will also be given to rural areas of potential economic development and/or population growth in liaison with Economic Development colleagues and the local business sector.

The rural/urban housing differential is acknowledged nationally in the structure of the Scottish Government's benchmark framework for grant funding, whereby Argyll and Bute receives a rural uplift to address the additional costs involved in remote rural and island development. The council previously commissioned dedicated

² Rurality is defined in the Scottish Government Urban Rural Classification, see: <http://www.gov.scot/Topics/Statistics/About/Methodology/UrbanRuralClassification>. In addition, one definition of fragility is outlined in the report: Review of Fragile Areas and Employment Action Areas in the Highlands and Islands, HIE, November 2014.

studies of island housing markets, specifically for Mull and Islay³, which provided evidence of the disproportionate uplift development costs for these areas and highlighted specific issues and barriers to development in these contexts. The Council continues to work with local communities to gather further evidence and identify solutions.

This SHIP has also been developed within the context of the Islands (Scotland) Act 2018, which introduced measures to support and help the unique needs of Scotland's islands now and in the future. The Act also seeks to help create the right environment for sustainable growth and empowering communities. With around 23 inhabited islands in this local authority area (more than any other Scottish authority), Argyll and Bute is committed to supporting and sustaining population and economic growth in these communities and will always ensure to engage directly with the islands when new policies and strategies are being developed that may impact on them.

The publication of the Scottish Government's '**Rural & Islands Action Plan (R&IAP)**' in October 2023 acknowledges that in remote, rural and island areas, small-scale actions can bring about significant impacts and a small number of additional homes can make a generational difference, supporting the long-term resilience of communities. The R&IAP sets out a range of actions in four key areas:

1. Enable the delivery of more high-quality affordable homes;
2. Making best use of existing homes and support for home ownership;
3. Supporting community-led development;
4. Housing and local economies;

The Council supports the key principles and the identified short, medium and long term actions, many of which have already been taken into account in this SHIP.

The SHIP aims to support the priorities of the island communities, and our consultation reflects this commitment. In addition to the aforesaid island studies, we ensure that our overarching HNDA process allows for a significant, representative sample of local households on individual islands to participate and register their housing needs and voice their general views on local housing. A formal Islands Impact Assessment has been developed as part of the LHS process, and this document also covers the SHIP. See Section 14 for details.

To tackle the lack of sufficient housing in island communities the SHIP in the last 5 years (2018/19- 2022/23) has delivered 68 units on the islands, equating to 12% of all units provided within Argyll and Bute. Of the seven SHIP projects completed during 2022/23, two (10%) were located on the islands, and three (70%) were in rural locations out with larger towns including Dunbeg. A further two projects (20%) were located in the main towns of Helensburgh and Campbeltown. This reflects a spread of new developments across the local authority area. The Council will continue to explore opportunities to deliver more island and rural homes with our partners and wider community groups.

³ "Islay Strategic Housing Overview", Community Housing Scotland (2019); "Isle of Mull Strategic Housing Review", Rural Housing Scotland (2019).

Future prioritisation process

The implementation of National Planning Framework 4 (NPF4) requires councils to support communities undertaking Local Place Plans. This will place greater pressure on councils to address the needs identified by community plans. In the future, the council will revise its prioritisation process to include a robust scoring system to ensure transparency in the decision-making process.

AFFORDABILITY – as a basic rule of thumb, an affordable house price is reckoned to be no more than 3.5 times the annual income of the household, and in terms of renting a property, the affordable benchmark is often considered to be around 25% of the household's income.

The volatile financial markets are having an impact on mortgage affordability. The Financial Conduct Authority (FCA) classifies 'higher risk' lending as a loan-to-value ratio over 90% and an income multiple greater than or equal to 3.5 for single income purchasers, or 2.75 for joint income purchaser/s. (SG website, September, 2023)

[Background and historic data - HNDA modelling mortgage impacts: guidance - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/consultations/hnda-modelling-mortgage-impacts-guidance/)

4. DELIVERING THE PROGRAMME: MITIGATING RISKS AND RESOLVING DEVELOPMENT CONSTRAINTS

It is important to identify, assess and respond to any risks or potential constraints that might impact the overall programme or individual projects; and that effective measures are taken to mitigate these as far and as early as possible. The SHIP aims to assure that, if funding is secured, any other constraints will be resolved by the time of the estimated site start of the relevant project. The main risks or constraints that tend to apply to the SHIP programme include:

- Increased construction costs which are being impacted by supply chain issues, unprecedented fuel costs and inflation.
- The constrained capacity of the local construction sector and tight labour market.
- Development and Infrastructure constraints.
- Effective land supply and legal procedural constraints.
- Planning issues.
- Financial assumptions.

Mitigating Constraints

The council and its partners are working continuously to minimise these risks and mitigate constraints as far as possible

a) Increased construction costs and a constrained labour market

The constrained capacity of the local construction sector has a huge impact on delivering new homes. Local contractors sometimes are forced to rely on tradespeople from the central belt to fill in gaps in provisions. The on-going impacts of Brexit and Covid 19 have reduced the number of people in the labour market.

Therefore, employees are able to be more selective in the jobs they undertake. A shortage of labour combined with the exorbitant fuel costs have placed additional hurdles in the way of recruiting construction workers who are prepared to travel to Argyll and Bute to undertake construction work.

The Scottish Government issued revised benchmark costs in June 2023 to reflect the increased construction costs. However, the cost of labour and materials appear to have increased more sharply in remote rural and island communities. In addition, RSLs and contractors continue to highlight concerns in balancing cost and quality considerations, especially given the ongoing cost of securing private finance in a high-interest financial environment. These factors will make delivering new homes within the revised benchmark extremely challenging.

To mitigate against higher construction costs and shortages of labour the Council and its partners continue to explore innovative construction solutions, including utilising technological solutions and modular construction methods if appropriate for development.

b) **Rapidly changing economic landscape**

The HNDA published in 2021 included a range of scenarios such as:

- the worst-case scenario of severe demographic and economic decline in the short term;
- less severe and stabilising scenarios;
- to more optimistic growth scenarios;

While the years following lockdown have resulted in increased population and higher house prices in Argyll and Bute the economic landscape is extremely volatile and uncertain. High energy costs, high inflation and higher interest rates have had an adverse impact on the economy. This has resulted in further pressures on the social rented sector.

The prioritisation framework underpinning the SHIP must be flexible to address emerging need and demand trends.

- c) **Development Constraints** (such as infrastructure issues: roads, utilities, ground condition problems/ abnormal costs) - The core SHIP programme has always aimed to focus on sites that are not subject to significant development constraints, such as contaminated brownfield sites, designated greenbelt areas, or sites with restricted infrastructure capacity in terms of access roads or water supply. However, in certain instances within some highly pressured areas where a substantial shortfall in affordable housing is evidenced or in areas of wider strategic importance, it may be necessary to consider such sites in the absence of more practicable or easily progressed sites. Apart from the site constraint, there may be costs associated with carrying out remedial works, preliminary feasibility studies, or mitigating the potential impact on areas of archaeological significance or historic buildings, which further constrain on-site development. Mitigation may be aided by ensuring site investigation is carried out at early stages and seeking to ensure land values reflect any remediation costs. Regarding infrastructure constraints, such as

Scottish Water connections/ capacity/ access, early discussions with the Utility companies are part of the SHIP process in order to address potential issues and find solutions. Where possible, abnormal costs should be deducted from the land purchase price, and unforeseen costs may be met from alternative sources such as the council's Strategic Housing Fund, developer contributions, or other funding sources.

The Housing Infrastructure Fund (HIF), in particular, has already proven to be a significant factor in supporting housing development in this authority through grants for sites which are of strategic importance and cannot proceed or have stalled due to exceptional infrastructure works (out with the curtilage of the development); and can help facilitate the unlocking of these sites for the delivery of housing. The council successfully prioritised the further development of Dunbeg, for instance, as a key site for delivery of housing utilising this fund and was awarded £2.1m in total, in line with the eligibility criteria and guidance set out by the Scottish Government.

- d) **Effective Land Supply** – The RSLs and the Council are working actively in partnership to identify landbank opportunities. A notable feature of a rural and island authority such as Argyll and Bute is the dominance of large estates in terms of land ownership in many areas exhibiting housing need. This can present additional challenges in respect of accessing and assembling suitable sites for development. Nevertheless, through collaborative efforts with planning colleagues, the council and National Park are confident that a supply of land for affordable housing continues to be sustained, as seen in the table below.

The land supply figures in the table below are based on 2022 Housing Land Audit. Work is on-going for the 2023 figures and these will be taken into account in the next SHIP.

TABLE 2: Land Supply within the Local Authority by Housing Administrative Area 2021-2026

Administrative Area	Local Development Plan Allocated Sites and Potential Development Areas (1)	Large Windfall Sites (2)	Small Windfall Sites (3)	25% Future Windfall Allowance (4)	Effective Housing Land Supply
Helensburgh and Lomond	399	81	57	86	623
Bute and Cowal	202	61	71	48	382
Oban, Lorn and the Isles	580	109	233	139	1061
Mid Argyll, Kintyre and the Islands	373	14	130	101	618
TOTAL	1554	265	491	374	2684

Source: Housing Land Audit 2022.

Occasionally, proposed projects are subject to complex or protracted negotiations with private owners and their agents, which can impact on the timing and ultimately on their deliverability. Therefore, effective liaison with the Scottish Government to prioritise projects and progress site acquisitions to enable projects to be pulled forward if required is essential.

In addition, the impact of both the Council and National Park Affordable Housing Policies continues to prove valuable; there is an obvious need to sustain practical negotiations with landowners, Estates, private developers and others. Some RSL partners have, however, raised concerns that in the current climate, the application of the Council's Affordable Housing Policy will make site development less attractive, and sites are only likely to be developed where there is pressure to secure a return in the short term. In the medium to long term, the private ownership of many sites in Argyll and Bute means that the Affordable Housing Policy will continue to have a definite role in securing a sufficient supply of affordable housing through developer contributions.

Partners continue to carefully consider the timing and possible phasing of developments to make realistic assumptions on when affordable housing will proceed. We aim to ensure that a sufficient supply of sites has been identified to accommodate unforeseen project slippage and to ensure the spending of allocated funding.

In situations where projects cannot be taken forward due to land supply issues, the council will consider a Compulsory Purchase Order (CPO) approach where there are compelling benefits to the public interest.

- e) **Planning issues** - Early discussions will continue to be prioritised with planning services (both Council & National Park) regarding road layouts/ car parking requirements, flood risk assessments, school catchment areas, and other possible issues. The provision of adequate footpaths adjacent to new developments, for instance, has been a particularly prominent issue in a number of recent SHIP projects. All of the development sites included in the SHIP programme should be effective given that they will, in most cases, require to be already allocated for housing development in the relevant local development plans. Many of the sites identified in the SHIP are of relatively small capacity. The costs associated with progressing smaller sites in the more remote rural areas are likely to be higher if developed as standalone projects. However, it is envisaged that where SHIP sites form part of a larger allocation identified in the LDP/ LDP2, through partnership working with private developers on adjacent sites, the risk of such sites not being developed on cost grounds will be reduced.

RSLs in Argyll and Bute have recently made significant progress in delivering alternative tenures such as shared equity units. The future provision for tenures other than social rent will require detailed business plans and must reflect a robust and credible assessment of local needs before approval. The Council intends to evaluate the impact of these projects to inform the future programme. The Council is keen to encourage and support alternative, intermediate tenures when appropriate, to enhance the housing mix and to increase the range of potential housing options.

5. RESOURCING THE PROGRAMME & THE COUNCIL'S CONTRIBUTION

The three primary funding sources for the SHIP remain as follows:

- a) Scottish Government Grant (the Affordable Housing Supply Programme – AHSP)
- b) Council grant or long-term loan (the Argyll & Bute Strategic Housing Fund – SHF; which may be supplemented from Council central reserves)
- c) Registered Social Landlord (RSL) Private Finance Borrowing

The majority of developments will require a complex package of funding from at least all of these sources (additional investment from other sources may also be required – some of these are outlined below).

a) Scottish Government Resource Planning Assumptions (RPAs)

In July 2021, the Scottish Government confirmed local authorities' RPAs up to 2025/26 however the current SHIP runs until 2028/29. The Scottish Government have not yet agreed the RPA for years three (2026/27), four (2027/28) and five (2028/29) of the SHIP programme. To address this the council has agreed to an assumed RPA for these later years however it is important to note that the figures for 2026/27 to 2028/2029 are not a formal definitive allocation.

TABLE 3: RESOURCE PLANNING ASSUMPTIONS (RPA) 2023- 2028 (£m)

Argyll & Bute	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Minimum RPA	£18.328	£18.632	£18.632*	£18.632*	£18.632*	£92.856m

Source: Scottish Government Letter to Councils – AHSP RPA 2021-26, July 2021

The actual AHSP spend in 2022/23 was lower than the original RPA for that year. The council will continue encouraging RSLs/developers to maximise funding opportunities and utilise the available RPA as much as possible. This might include increasing off-the-shelf / buy-back acquisitions, land banking in areas of identified need or designated future economic growth spots.

b) The Council's Contribution – The Strategic Housing Fund (SHF)

Resourcing the SHIP programme also requires a significant contribution from the council's Strategic Housing Fund (SHF). This fund is primarily based on the revenue raised from reduced tax discounts on empty and second homes. Where local authorities have used discretionary powers and reduced the empty and second homes tax discounts, the additional revenue **must** be used to support affordable housing delivery in their areas. In addition, since 2013, local authorities have had the flexibility to remove the discount and apply a levy of up to 100% on long-term empty properties. These revenues are not ring-fenced, although their use to bring long-term empty properties back into use, or to support affordable housing provision, is encouraged by the Scottish Government.

The SHF in Argyll and Bute is used for the following eligible expenditure:

- Expenditure incurred in relation to assets formally held on the Housing Revenue Account;
- Expenditure relating to the acquisition of sites for the landbank;
- Expenditure related to the delivery of the Empty Homes Initiative;
- Payments to enhance infrastructure where this is restricting the development of affordable housing;
- Payments to registered social landlords (RSLs) to partially fund proposed projects to deliver homes in accordance with the local housing strategy. Since April 2016, the council has provided grant funding of £12k per unit to supplement the Scottish Government grant;
- Following the council's annual policy review of the Strategic Housing Fund in 2018, grant funding of £12k per unit is available to community organisations, who have been awarded Scottish Government support from the Rural or Island Housing funds, to deliver affordable homes. Awards greater than £12K may be awarded in certain instances to ensure the deliverability of projects with particular challenges however this will be decided on a case by case basis.

The balance of this fund as of 31st March 2023 was £10.183m, of which £1.474m was already committed, with £8.709m available to help fund the SHIP programme. It is anticipated that the SHF will continue to accrue annual revenue in the order of £2m over the SHIP planning period.

TABLE 4: Argyll & Bute Council Strategic Housing Fund, balance as of March 2023

Income 2022/23	Expenditure 2022/23	Balance March 2023	Committed Spend	Available to support SHIP
£2.231m	£1.574m	£10.183m	£1.474m	£8.709m

An indicative minimum estimate of circa £14.9 m would be required to support the core projects outlined in this SHIP (£12k x 1241 units),

In addition, the council has also used its financial reserves on occasion to advance long-term loans to support RSL projects, and this commitment is subject to ongoing review.

c) RSL's Private Finance Borrowing

Banks and other lenders in the private sector also remain vitally important partners in the delivery of affordable housing. RSLs are required to demonstrate that sufficient borrowing capacity or reserves exist to ensure the delivery of the proposed development programme. The impact of rising interest rates on RSLs' ability to borrow will have to be kept under review.

Housing Infrastructure Fund (HIF)

The Housing Infrastructure Fund supports housing development through grants and loans, with priority given to sites of strategic importance that cannot proceed or have stalled due to infrastructure requirements. Grant is available to local authorities and RSLs for works which are out with the curtilage of the affordable housing site and/or of scale and will open up larger sites for housing development. Loans are available for viable non-public sector-led sites to support infrastructure delivery.

The council's main priority for HIF funding remains focussed on the Lorn HMA but the Council also continues to explore opportunities across the local authority area. As reported in previous SHIPs, the Scottish Government awarded a Housing Infrastructure Fund grant amounting to £2,129,247 for upgrade works to Kirk Road to enable the development of 300 new affordable homes.

The council and RSL partners will continue to propose potential projects within the SHIP that could benefit from HIF investment. Details of current projects are in the table below.

TABLE 5: SHIP Projects with potential HIF requirements, as of August 2023

Project	RSL	Total Units	Estimated HIF Requirement
Glencruitten, Oban	LINK	100 (tbc)	£0.72m
Hospital Field, Oban	LINK	50	£2.0m
Dunbeg Phases 4-6	LINK	150	£2.5m
Bowmore (Phase 4)	ACHA	17	£0.75m

Rural and Islands Housing Funds (R&IHF)

The Scottish Government administers a £25 million Rural Housing Fund and a £5 million Islands Housing Fund. Both funds are aimed at increasing the supply of affordable housing of all tenures in rural Scotland and to contribute to the national affordable homes targets. The Scottish Government have confirmed that these funds will continue beyond 2021.

During 2021/22 a private developer in Argyll and Bute accessed support from the R&IHF to renovate and bring an empty building back into use as affordable housing on the Island of Mull in conjunction with Mull and Iona Community Development Trust (MICT). This was the first example of a local private developer using the R&IHF to increase the supply of housing in the area.

The Scottish Land Fund

The Scottish Land Fund is funded by the Scottish Government and delivered in partnership with the National Lottery Community Fund and Highlands and Islands Enterprise. The SLF supports rural and urban communities with grants of up to £1 million to help communities become more resilient through ownership of land and buildings, as well as practical support to develop projects.

The Scottish Land Fund (SLF) continues to provide support to housing projects in Argyll and Bute. With a recent award made to:

- Tayvallich Initiative Ltd - The group are looking to purchase land and will use the site to deliver affordable housing for rent, along with a number of environmental initiatives.

Key Worker £25m Fund - 2023/2028

The announcement of the new £25m fund to help local authorities and registered social landlords to make best use of underused or empty properties by making them available as affordable homes for key workers and others in need in rural communities is welcomed in Argyll and Bute.

The Council will aim to maximise all funding opportunities and work with partners to identify projects that could deliver worker housing to sustain our communities and support economic growth.

Rural Growth Deal

The housing element of the Rural Growth Deal is £3m. Two projects are being taken forward, the project in Bowmore, Isle of Islay will focus on housing for sale for principal occupation, and the one in Tobermory, Isle of Mull will provide accommodation for workers.

Islands Programme Funding

The Council were successful in securing £700k from the Islands Programme funding to enable the delivery of the infrastructure to support the development of worker housing in Tobermory, Isle of Mull.

Developer Contributions

Argyll and Bute falls within the purview of two planning authorities: while the council covers most of the mainland and islands, Loch Lomond & Trossachs National Park is the planning authority for parts of Cowal and Lomond. Both authorities have set out formal Affordable Housing Policies in their respective Local Development Plans. These policies outline mechanisms and options to secure developer contributions where there is a demonstrated need for affordable housing.

The Argyll and Bute Local Development Plan 2 includes a policy on the provision of housing to meet local needs including affordable housing. This expects all new housing developments of 8 or more units to deliver a minimum of 25% of the total number of units on site as affordable housing. Given the revised and reinforced strategic vision of growth and repopulation for the whole of Argyll and Bute and the Council's declared housing emergency, a technical note on the delivery of affordable housing (including housing for key workers) to accompany LDP 2 will be prepared in 2024.

Developer contributions can be delivered by a variety of means, including social rented housing, mid-market rented housing, payment of commuted sums and also the building of houses/apartments designed to meet the needs of first-time buyers (provided these are available at affordable levels as defined by the council's HNDA and with reference to the relevant local housing market).

The sequential mechanisms for securing Affordable Housing via the policy are applied in the following order:

- on-site provision;
- off-site provision;
- commuted payment;
- discounted low-cost sale;
- affordability by design without subsidy.

To date, no commuted sums have been received, and the preferred approach has been to engage with an RSL to deliver the affordable quota on site.

The LLTNP policy follows a similar approach, with a requirement for 25%, 33% or 50% affordable provision on sites of 4 or more units depending on the location. Sites of up to 3 units in accessible rural areas may also have a policy requirement under certain circumstances. A formal policy for calculating commuted sums within the LLTNP has been established. There has been one recent commuted sum within the LLTNP for an application approved in 2020 which was in relation to the erection of a new dwelling house incorporating conversion of former kennel building. The policy required development within the site to provide for 100% affordable housing, the project costs for the development had been provided and it was recognised that works involved in converting the existing building would mean that that resultant dwelling would not be affordable. Whilst this was a departure from the approved Housing Policy 2, due to the particular circumstances, and the benefits of restoring the traditional building, it was considered that the payment of a commuted sum towards affordable housing would be acceptable which was accepted by the applicant and secured through a Section 75 Agreement.

The delivery of unsubsidised affordable housing for purchase via the Affordable Housing Policy, but without Scottish Government funding, will normally target a different client group and requires close working between Housing Services and Planning colleagues to ensure these models are in fact affordable in accordance with the LHS and SHIP priorities.

Other Initiatives

The council will also continue to explore and, where appropriate, promote non-AHSP financing models such as Build-to-Rent, Low-cost Initiative for First Time Buyers (LIFT), and Open Market Shared Equity (OMSE), which may fall out with the remit of the SHIP.

6. EMPTY HOMES

Supporting empty homeowners to take action to bring properties back into use remains a priority for the council as this will help to maximise the use of existing resources to meet housing need; contribute to number of the council's wider strategic objectives; and provide cross-service benefits both within the council and with external partners. The council has an Empty Homes Officer who can support owners with a range of practical options to help them make informed choices about the best outcome for them and their property.

During 2022/23 the Empty Homes Officer assisted in bringing **41** empty homes back into use which was 37% above target. Over the last 3 years, the council's approach has enabled owners to bring 108 vacant properties back into use against a baseline target of 30 per year. The length of time that properties had remained empty prior to being brought back into use varies, the average is between 1-5 years, with the longest empty for 15 years.

TABLE 6: Length of time a property had been empty 2022/23

Length of time property had been empty 2022/23	No of Empty Homes
less than a year	5
between 1-2 years	13
between 2-5 years	13
between 5-10 years	9
longer than 10 years	1
Total	41

Over the last five years, according to the Council Tax Register, the number of long-term empty properties has reduced by 14%, whilst the number of second/holiday homes and the total dwelling stock has remained relatively static with slight variations in the overall numbers.

TABLE 7: Estimated Ineffective Stock Argyll and Bute 2017-2022

Council Tax Register	2019	2020	2021	2022	2023
All properties	48,906	48,285	48,166	48,570	48,971
2 nd /holiday homes	2,939	2,881	2,689	2,821	2,874
Long-term empty including those subject to levy	1,479	1,363	1,230	1,135	1,263
No of long term empty subject to double charge (200% levy)	586	644	644	640	795
Long-term empty homes as % of total	3.02%	2.82%	2.55%	2.33%	2.58%
Empty + 2 nd /holiday homes as % of total	9.03%	8.79%	8.14%	8.14%	8.45%

Source: Council Tax Register

Empty Homes Officer – Key Worker HSCP / Shelter Project

The Councils empty homes service was expanded in 2022/23 with an innovative new project. Following a successful funding bid to Shelter Scotland and A&B Health and Social Care Partnership (HSCP), a new Empty Homes Officer post has been created in 2022/23 who will specifically work with partners to bring empty homes back into use for HSCP staff. The post will be managed within Councils Housing Service team and build on the work of existing Empty Homes Officer post. This post will help to address the acute shortage of housing which is hindering recruitment of key health and social care staff, and to support local service delivery.

Compulsory Purchase Orders (CPOs)

The use of Compulsory Purchase Orders legislative powers allow councils to acquire empty homes under certain circumstances and subject to specific conditions. The Scottish Government refreshed the guidance in 2018, which has refined the legal process and made it less complex and time-consuming for local authorities to submit an application to Ministers for consideration. Whilst the CPO has historically been considered a last resort and has not been standard practice, it is the council's view that these powers do have a strategic role to play and could be used more effectively where there are no other practical solutions to address the issues of the most problematic buildings in the area. This has been reinforced by feedback to the LHS early engagement consultation: when local residents and community groups were asked to rank the top housing challenges currently facing Argyll & Bute, 38% of

respondents highlighted the impact of empty properties and second/holiday homes, making it the third highest issue among the local population.

CPO powers were successfully utilised in 2019, to acquire an empty property that had no legal owner. The council then facilitated back-to-back sale to enable the property to be brought back into use. Without legal intervention the property would have remained empty indefinitely having a detrimental and financial impact on the other owners in the tenement.

A CPO policy and process will be incorporated into our revised Scheme of Assistance as an action for the LHS, targeting resources to the most difficult cases where there are no alternative options to bring them back into use.

7. CHILD POVERTY AND FUEL POVERTY

In line with the Child Poverty (Scotland) Act 2017, the council, together with the Health Board, produces on an annual basis the Argyll & Bute Local Child Poverty Action Report (LCPAR). This report sets out progress against the four statutory, income-based targets, to be achieved by 2030. These targets are:

- Less than 10% of children are in relative poverty
- Less than 5% of children are in absolute poverty
- Less than 5% of children are in combined low income and material deprivation
- Less than 5% of children are in persistent poverty

The Scottish Government's Delivery Plan for tackling child poverty 'Bright Start, Bright Futures' places the tackling of child poverty at the heart of the Affordable Housing Supply Programme. Bright Start Bright Futures states: "Housing has a vital role to play in tackling child poverty; it forms not only the foundation for family life – as a safe place for children to grow and learn, and for families to come together – but it also one of the most significant costs which families must continue to meet on an ongoing basis. If families lose their home, the effects can be devastating – and cause lasting damage to children's lives."

Research suggests that living in temporary or insecure housing negatively impacts children's development and education, locking them into a cycle of poverty. Therefore it is vitally important to provide homeless families with children permanent accommodation. The council and its partners have substantially reduced the number of homeless families with children in temporary housing. Table 8 shows that both the number of households and the numbers of children in temporary accommodation increased last year.

TABLE 8: Number of homeless households and the number of children in temporary accommodation as at 31st March 2023

HOMELESS STATISTICS 2019/20 to 2022/23	2019	2020	2021	2022	2023	Change 2022 to 2023 Number	Change 2022 to 2023 %
Households with children or a pregnant woman in temporary accommodation	30	25	30	25	30	5	20%
Number of children in temporary accommodation	65	55	60	45	60	15	33%

Source: Scottish Government, "Homelessness in Scotland: 2022-23", October 2023

The numbers of homeless children or children threatened with homelessness within Argyll and Bute increased between 2021/22 to 2022/23. The Cost of Living Crisis could have an impact of figures as wages are not keeping track with inflation resulting in families paying exorbitant amounts for food and energy. This, coupled with higher interest rates, will mean, for some, higher mortgage payments or private landlords passing on increased mortgage costs to their tenants. The consequences of energy, food, accommodation as well as many other products all costing substantially more will mean many families will be unable to finance the necessities and for some this may result in them becoming homeless. Therefore, having an adequate supply of affordable housing is more important than ever.

Table 9: Number of children associated with applications assessed as homeless or threatened with homelessness

Local Authority	2018-19	2019-20	2020-21	2021-22	2022-23	Change	Change
						21-22 to 22-23	21-22 to 22-22
						Number	%
Argyll & Bute	164	153	161	166	183	17	10%

Source: Scottish Government, "Homelessness in Scotland: 2022-23", October 2023

In 2022/23, the HOMEArgyll RSLs rehoused 305 households who had at least one household member under 16 years of age. This equated to 528 children housed in 2022/23 which was 38% of the total lets that year.

Although housing 528 children last year was a considerable achievement, as of September 2023, there were 970 applicants over a third (33%) of the waiting list, with a household members under 16 waiting to be housed. This equates to 1,821 children currently on the housing waiting list. Some of these households (130) have been awarded the maximum 200 points and are deemed to be in extreme housing need and hence will be a priority for rehousing. However, not all families with children will receive priority assistance for rehousing, with 224 applicants with children not being awarded any housing points under the allocations policy.

The Child Rights and Wellbeing Impact Assessment (see section 14) undertaken as part of the LHS process highlighted the negative impact on educational attainment of children living in overcrowded accommodation. As of September 2023, 448 households with children under 16 years of age are overcrowded. Bright Starts Bright Futures identified families with more than three children are one of the six family types at greatest risk of poverty. There were 144 applicants with children equating to 4% of HOMEArgyll waiting list who required a larger family home (4 or more bedrooms). The SHIP housing planning process will place additional focus on housing those with a need for a particular size of property in a specific location. This approach will ensure that larger family homes are delivered where they are required. This may include RSLs purchasing appropriate 'off the shelf' properties' (see section 11).

TABLE 10: Minimum number of bedrooms required by families on the HomeArgyll waiting list

HOMEARGYLL WAITING LIST SEPTEMBER 2023	1 bed	2 bed	3bed	4 bed	5 + bed	TOTAL
Number of Applicants (with members under 16)	2	493	331	105	39	970
as % of total	0.21%	50.82%	34.12%	10.82%	4.02%	100.0%

Source: HOMEArgyll waiting list September 2023

In most households housing and energy costs are the largest financial outgoing. The SHIP not only provides access to affordable homes for families living on low incomes but it also provides energy efficient homes. In the current economic climate, energy costs are unprecedentedly high, making it more important than ever to reduce the amount of energy needed to keep a home warm. Therefore, the council will ensure that 100% of the SHIP programme will meet the green standards.

Promoting energy efficiency and tackling fuel poverty remain strategic priorities for the LHS and key commitments for the council; and maximising opportunities for sustainability in development remains a key principle underpinning the SHIP. As with all public bodies, this council is also required to meet its statutory duties arising from the Climate Change (Scotland) Act 2009, and the LHS and SHIP have been developed to ensure that the provision of new affordable housing complies with the Act; and that all housing activities and outputs should contribute to the overarching net zero targets and principles. The Council are also developing a Local Heat Energy Efficiency Strategy (LHEES) and Delivery Plan, which will set out strategic aims and priorities for achieving net zero across the Argyll and Bute area.

8. SPECIALIST PROVISION INCLUDING WHEELCHAIR ACCESSIBLE HOUSING

The SHIP aims to address the housing needs of all the communities we serve and continues to reflect a positive approach to equalities issues in line with the policies of the council and its partners, and the principles of diversity and inclusion in accordance with the Equality Act 2010. The HNDA (2021) provides robust evidence of accommodation and support needs across the range of protected equalities characteristics, and these have been translated into the SHIP priorities. The joint Argyll

and Bute Health, Care & Housing Needs Assessment, completed in 2018, provided supporting evidence of the requirements for wheelchair accommodation, supported housing, and other forms of specialist provision. In 2019/20, the council undertook further specific studies on the need and demand for specialist provision for wheelchair users, gypsy/travellers, military personnel and veterans, and persons who are autistic or have learning disabilities. The findings have informed the 2021 HNDA and the revised LHS which was published in 2022. An equalities impact assessment (eqseia) was undertaken during the development of the LHS, and this will inform the SHIP.

All SHIP projects, seeking public subsidy from the Council or Scottish Government, are required to meet basic design and building standards (of the Housing for Varying Needs Standard as a minimum) and should incorporate adequate provision to meet any additional identified particular needs. Prioritisation of projects will give due weight to those which incorporate elements of design or additional specifications for specialist forms of housing where the local profile of need and demand indicates such a requirement. The committed and planned programme include provision for elderly and disabled residents and through the close partnership working with Health & Social Work, including Occupational Therapists, the SHIP will continue to ensure the strategic aims of the LHS in this respect are carried forward.

In particular, the dedicated Housing OT post to co-ordinate and promote these needs through the SHIP group, was made permanent in 2021, funded in full by the council Housing Services but working very closely with RSLs and the HSCP. In practice, this commitment to equalities principles will ensure:

- building all new affordable housing to HfVN Standards;
- implementing design solutions which help to meet the needs of disabled and infirm households;
- assessing and seeking to resolve the needs and aspirations of households with community care needs in partnership;
- developing communities with a good mix of households;
- allocating housing via HOME Argyll and national RSL partners who have strong commitments to equal opportunities; and
- providing affordable housing in rural areas which enables young and old people to remain within their communities.

Housing for Varying Needs (HfVNs) is a Design Guide published in two volumes (Parts 1 and 2). While not mandatory, the standards outlined in the guide have been used as the basis for standards for housing developments seeking grant funding support. The standards are intended to ensure that the housing is accessible, adaptable for different needs and over its lifetime represents good value for money. They are based on the principle that the design of a property should not hinder a person's ability to live as independently as possible and should recognise the needs of people as they age, become less able or whose mobility, dexterity, cognitive function, hearing or sight is impaired.

The idea of designing all housing to accommodate the needs of less able people is known as "barrier free" design and this is reflected in the core guidance of the design guide; but the guide also recognises that barrier free design in itself is not a substitute

for homes designed specifically for people with particular needs so it identifies additional features that should be included to address these needs.

Analysis of the HOMEArgyll Common Housing Register in September 2023 suggests that over 21% of applicants could benefit from some form of specialist provision such as amenity, sheltered, or wheelchair housing (this will include an element of double counting as applicants can select more than one type of housing). Three percent (106) applicants requested wheelchair accessible accommodation; although 72 of these applicants also selected some other form of accommodation, including general needs/mainstream housing. Only 27 applicants only selected wheelchair housing.

Applicants requesting wheelchair provision required homes with the following number of bedrooms:

- 58 (55%) of wheelchair applicants required a 1 bedrooms
- 30 (28%) of wheelchair applicants required 2 bedrooms
- 15 (14%) of wheelchair applicants required 3 bedrooms
- 3 (3%) of wheelchair applicants required 4+ bedrooms

The Health, Care & Housing Needs Assessment (2018) identified the following key points:-

- Over 1,300 people in Argyll and Bute have wheelchairs on issue
- Around 350 wheelchairs are issued each year to people in Argyll & Bute
- The majority of wheelchairs issued are manual chairs
- 55% of people with wheelchairs are aged 75+
- Up to 280 people a year may be new wheelchair users
- There could be 240 additional people needing wheelchairs by 2027
- The most common reason for a wheelchair is cerebrovascular disease (stroke) but the main reasons for wheelchair vary by age with Cerebral palsy being the most common reason in people under 25.

Correlating the data sources may suggest that a majority of wheelchair users are satisfactorily housed or do not aspire to social rented properties. However, some wheelchair users who could benefit from specialist provision in the social rented sector may not apply due to lack of awareness or misperceptions regarding the suitability and availability of stock. This was identified as a key area for further research and analysis, and in 2019/20 an in-house study completed jointly by the council's strategy team and the Housing OT. A key finding of this study, collated with national research, is that wheelchair users and those who might benefit from wheelchair accommodation are not a homogenous group and a variety of housing solutions are required.

Solutions such as aids and adaptations or support services will have a crucial role to play, nevertheless, the SHIP will continue to require a target of 10% of the new build programme to provide some form of specialist provision (to include retirement housing, amenity housing, and other specially adapted properties); and within that, half (i.e. 5% of the total new builds) should be built to the fully wheelchair habitable standard as defined in the relevant Section of the current HfVN standards guidance. In 2022/23 there were a total of 36 affordable homes designed for particular needs delivered within the SHIP programme, amounting to **19%** of the year's total, which exceeds the annual target of 10% overall (5% wheelchair and 5% other models of specialist

provision, excluding adaptations to existing stock). The new build units included 14 wheelchair accessible homes (7.45% of total) and 16 adapted/amenity/older person units (11.7%).

As far as possible, the wheelchair housing targets will also be encouraged within the private sector, across all tenures, on all developments where this would be appropriate. The SHIP Officers Group and the Strategic Housing Forum approved this policy with immediate effect in 2020. RSL partners also continue to explore with the HSCP requirements for extra care provision and possible new housing models for people being housed in the community which is in accordance with the HSCP aspiration to enable those with additional needs to live as independently as possible. The council will strive to incorporate housing models which promote independent living within the SHIP programme as it rolls forward.

9. GYPSY/TRAVELLER SITES

Argyll and Bute Council continues to support the Scottish Government’s commitment to improve the lives of our Gypsy/Traveller communities; and to prioritise joint working with ACHA (who own and manage the two official, operational, Travelling Person sites in Argyll and Bute) and other stakeholders to drive forward positive improvements for this client group.

The council continues to allocate ACHA an annual grant from the Strategic Housing Fund as a contribution towards the operation and maintenance of the two remaining Travelling Persons Sites at Bayview near Oban, and Duncholgan near Lochgilphead. A Minute of Agreement set up at the point of stock transfer in 2006 set the sum at £30k plus annual indexation. In 2018, the sum payable was reduced to reflect the withdrawal of the Torlochan site near Dunoon, which was deemed to be surplus to requirements due to the lack of demand. Recent council investment in the official sites is summarised below:

TABLE 11: ACHA Gypsy/Traveller Sites – Annual Council Funding

Year	2018/19	2019/20	2020/21	2021/22	2022/23	5 year Total
Grant	£31,001	£28,939	£29,338	£31,639	£35,881	£156,798

As part of the comprehensive refresh of the Housing Need and Demand Assessment for Argyll and Bute, the council carried out a dedicated study to assess the accommodation and support needs of Gypsy/ Travellers in the area. This included an assessment of any “bricks and mortar” mainstream accommodation that may be required. The study has involved extensive primary engagement with Gypsy/Travellers and their representatives; and this work has informed the development of the latest LHS for Argyll and Bute.

Gypsy/Traveller Working Group

In 2019 the Scottish Government and the Convention of Scottish Local Authorities (COSLA) launched the ‘Improving the Lives of Scotland’s Gypsy/Travellers’ strategy. One of the key aims of the strategy is for the Gypsy/Travellers community to ‘*have a seat at the table, are listened to, and have a say in the decisions that affect their lives*’.

The Housing Service established a Gypsy/Traveller Working Group (GTWG) in 2022 as the forum which aims to make this happen in Argyll and Bute. The Terms of Reference of the GTWG include:

- Understanding the accommodation needs and preferences of Gypsy/Travellers to inform future provision
- Work with Gypsy/Traveller communities to raise awareness of rights and entitlements
- Ensure that our public services are responsive to Gypsy/Travellers needs and preferences
- Provide leadership to tackle racism and discrimination
- Strengthen community development and engagement
- Work with Gypsy/Travellers to improve their involvement in national and local decision making

The GTWG has been instrumental in improving partnership working, co-ordinating action, and facilitating engagement with the community.

Gypsy/Traveller Site Upgrades

ACHA secured £108k from the Scottish Government's Capital Fund for Improving Gypsy/Traveller Sites. This was invested during 2021/22 and works completed in 2022/23 to make interim improvements to both official sites at Bayview (near Oban) and Duncholgan (near Lochgilphead).

To develop longer term plans for the future of both the sites in Argyll, ACHA engaged consultants to work with the community over the last year. A number of consultation sessions have been held and plans on the future of the sites are being developed in conjunction with the community to ensure that these meet their housing needs. The main round of Capital Funding to enable Gypsy/Traveller site improvements across Scotland, was oversubscribed and we are awaiting an update from COSLA/Scottish Government to identify if the Capital Fund will be extended to enable long-term proposals to be taken forward in the near future.

10. HOMELESSNESS/ RAPID REHOUSING TRANSITION PLANS & RAPID REHOUSING TRANSITION PLANS

Scottish Ministers have made an ongoing commitment to end homelessness in Scotland and consequently set up a national Homelessness and Rough Sleeping Action Group (HARSAG) to bring forward recommendations to address this. A key proposal was that each local authority should develop a Rapid Rehousing Transition Plan (RRTP) by December 2018, covering a 5-year period, or longer if required, to enable the implementation of this new approach. The RRTP maximises prevention and sets out the council's approach to minimise the time a household remains homeless and to ensure that they can access appropriate suitable accommodation as soon as possible.

Local Rapid Rehousing Transition Plans should be reflected in the LHS and also be fully integrated into Health & Social Care Partnership strategic plans. The Argyll and

Bute RRTP has consequently been included in the current Housing Contribution Statement to ensure it forms part of the planning framework. This SHIP's strategic housing priorities are aligned and consistent with the proposed RRTP priorities and outcomes. A crucial objective is to facilitate and deliver more affordable housing via the SHIP.

Argyll and Bute Council continues to liaise with RSL partners and other key stakeholders to develop and implement the RRTP; and will aim to ensure that homelessness remains a critical factor in the SHIP process. This includes homelessness as one criterion for assessing need, prioritising projects, and awarding grants from the Strategic Housing Fund. SHIP projects are expected to contribute directly or indirectly to alleviating homelessness across Argyll and Bute. The performance of developing landlords in respect of the proportion of allocations to homeless households and time taken to rehouse these clients will continue to be material considerations in SHIP programming decisions and resource allocation moving forward.

RRTP funding was made available for a 5 year period which comes to an end in March 2024. The main Argyll and Bute projects which continued to be funded in 2022/23 include:

1. **Mental Health / Addictions Housing Practitioner** – There have been over 81 referrals for support. The post was vacant for period of time in 2022/23.
2. **Housing First** – Four new Housing First cases were supported. All seven Housing First tenancies are being sustained although progress in creating new tenancies has been slower than originally planned. The Housing First Delivery Group are committed to continue creating Housing First permanent tenancies across Argyll and Bute.
3. **Rent Arrears Prevention Project** – Working with RSL partners, 95 households in rent arrears were prevented from becoming homeless.
4. **Flexible Emergency Fund** – 211 households have received assistance to prevent them becoming homeless.
5. **Psychologically Informed Environments (PIE) Decoration Project** – 104 households have been assisted through the project to set up their permanent tenancy.

11. BUYBACKS, SECOND-HAND ACQUISITIONS AND OFF SHELF

Argyll and Bute Council agreed a statement (Annex 1) with the Scottish Government in 2022 which would provide a streamlined approach for acquiring second-hand stock where the acquisition and work costs do not exceed £75k of ASHP grant.

This approach will help increase the supply of affordable housing especially for priority property types and sizes in areas of high demand (particularly where stock has historically been depleted through Right to Buy). The AHSP funding will help enable the purchase of existing properties for people with particular needs, or to meet specific demands.

Buy-backs

To help address the challenges in the housing market, the Council have created a scheme to promote the option for 'buy back' of properties to increase the supply of social housing stock. In June 2023, in conjunction with our RSL partners / SHIP Group we agreed for a statement to go on the Council's website to promote the Buy Back Initiative in Argyll and Bute. There are restrictions on the types of properties that can be purchased and it must not lead to current occupant being left with no alternative housing options. A property will be considered if it meets the following criteria.

- There is demand for the type and size of property in that area;
- The combined cost of buying the property and bringing it up to letting standards would represent value for money;
- Properties, where a tenant would have to leave the property to enable a sale, cannot be considered;
- Priority will be given to purchasing properties which would enable an RSL to take complete, or majority, ownership of blocks of flats making communal repairs much easier to complete.

Whilst the Council are monitoring the enquiries received, the details are passed directly to the appropriate RSLs for consideration and follow up with the owner if they have an interest in acquiring. If a suitable property is identified, the Scottish Government will be approached directly for any units that RSLs are interested in acquiring to discuss potential benchmark subsidy level for acquisition.

During the first three months since the statement was released (end June to September 2023), there have been **26** enquiries received. 7 of these have been general enquiries and 19 with specific properties offered for sale including a mix of residential and commercial. The range of enquiries has varied from one bedroom flats to large detached properties. Our RSL partners are currently considering a number of these enquiries.

Off-the-shelf purchases

While it is expected that the majority of homes will be delivered through the SHIP occasionally, the most appropriate approach to meeting particular needs may be best satisfied by an 'off the shelf' purchase from developers. These will be considered on a case-by-case basis.

Other opportunities

In addition to the buy-back initiative, to help to maintain viable, sustainable communities, the Council are exploring the possibility of buying properties on the open market for resale with title burdens which require primary occupancy.

12. WORKER ACCOMMODATION

The remote geography of Argyll and Bute means that many communities are isolated and require a degree of self-provision in terms of local services. At a local level, employment opportunities are often interlinked and contribute to the general cohesion of the community, for example a fish farm may rely on local transport providers, but in turn be relied upon by local hospitality and food providers. Such is the fragility of these

situations that a reduced capacity caused by a lack of staff anywhere in this chain can impact on the wider range of services and sustainability of communities.

The definition of key workers can vary and is often determined by individual local authorities based on local priorities. To reflect the fact that housing workers of all types can affect the local economy, and especially in light of the evidence given by the pandemic of how important all workers are, it is proposed in Argyll and Bute to use the term '**worker housing**' to capture the important role all workers have in sustaining communities and the economy in the widest possible context.

Worker housing has been identified as a key issue and increasing the supply of housing options to retain and grow Argyll & Bute's working age population is being prioritised. The lack of housing is frequently cited by employers as one of the main difficulties in attracting and retaining staff, and it is important to address this within the LHS and SHIP.

As referred to in Section 2, Argyll and Bute Council have declared a housing emergency and have been undertaking wider engagement with local households and employers. To help inform how the workforce housing shortages should be tackled, we have issued a survey to local businesses to understand how a lack of housing is affecting employee recruitment, retention, and business growth; and to obtain feedback on what local employers think needs to happen to increase housing options and choice for working age households across the area. The survey findings will help inform future priority areas and tenure types to increase the supply of worker housing.

The Council are continually exploring opportunities to increase supply of worker accommodation to support businesses and the local economy. There are already some specific projects being taken forward, including a new Empty Homes Officer post in conjunction with Shelter and Health and Social Care Partnership to bring properties back into use for HSCP staff; using a Council owned property for the provision of worker accommodation on Isle of Mull in partnership with Mull and Iona Community Trust; and proposals for the development of worker housing in Mull via Rural Growth Deal. We are working within the Council and with our RSL and community group partners to identify suitable projects to utilise the £25m Scottish Government funding, including potential of repurposing of two office spaces in Oban.

13. UPDATE FROM THE PREVIOUS SHIP

SHIP 2017/18 to 2022/23:

Building on the 448 units completed between 2017/18 and 2021/22, there were a further 180 units completed in 2022/23; bringing the five-year cumulative total to 628 affordable homes.

The **180** completions during 2022/23 are below our ambitious annual affordable housing target of 215. Given the extremely challenging conditions over the last few years, resulting from the pandemic and the resultant supply chain issues this is still a very positive outcome. This equates to **87%** of the annual affordable Housing Supply Target outlined in the LHS.

TABLE 12: LHS 2022-2027 Housing Supply Targets (HST)

Argyll & Bute	2022/23 - 2026/27		2027/28 - 2031/32		2022/23 - 2031/32
	Annual Target	Total	Annual Target	Total	10 Year total
Total HST	290	1,450	33	165	1,615
Affordable Housing	215	1,075	13	65	1,140
Private Market Housing	75	375	20	100	475

During 2022/23 five of the local RSLs contributed to the total programme. Loretto developed 36 new affordable units; ACHA delivered 15 new homes; West Highland completed 18 new builds; and Link completed 119 units in Dunbeg Phase 3, with the remaining units to be completed during 2023.

In terms of tenure, 162 units (86%) were for social rent and 26 (14%) were new supply shared equity (NSSE). Whilst the majority on units were for general needs housing (152), there were 20 amenity units and 16 wheelchair/specialist units delivered.

TABLE 13: SHIP Completions 2022/23

Project	Housing Market Area (HMA)	Developer	Tenure	Type of provision	Number units
Sawmill Field, Helensburgh	H&L	LORETTO	Social rent	32 x General 4 x Amenity	36
Jura	Islay, Jura & Colonsay	WHHA	Social rent	8 x Amenity, 2 x General	10
Millknowe, Campbeltown	Kintyre	ACHA	Social rent	1 x wheelchair	1
Dunbeg Phase 3	Lorn	LINK/ WHHA	Social rent x 95 & NSSE x 24	102 x General 11 x Wheelchair 6 x Amenity	119
Oakhill, Tarbert	Mid-Argyll	ACHA	Social rent	4 x General	4
Inveraray	Mid-Argyll	ACHA	Social rent	6 x General, 2 x wheelchair 2 x specialist	10
TOTAL					180



Map of completed units via SHIP 2022/23

14. THE REVISED PROGRAMME

The current year, 2023/24, is covered by the Strategic Local Programme Agreement (SLPA) between the council, the Scottish Government, and the developing RSLs, and the previous SHIP (approved in 2022); while this new SHIP will commence from 2024/25. The programme is subject to ongoing change as either barriers to progress or windfall opportunities arise. Consequently, the following tables simply summarise all proposals at the time of writing, including those projects which are expected to complete in 2023/24 and for which funding has already been drawn down. It should be noted that the status of many future projects, particularly in the later years, remains provisional and purely indicative at this stage; some may not proceed, or complete, within the timescale. However there is also scope for additional proposals to be brought forward or included in the programme.

Further details of the programme and individual projects are outlined in the electronic reports recorded on the Scottish Government's Housing and Regeneration Programme (HARP) system.

TABLE 14: SHIP Projects Completions/Anticipated Completions in 2023/24

Project address	Developer	Units	Anticipated Completion Date
Eton Avenue, Dunoon	ACHA	4	October 2023
Dunbeg Phase 3 (remaining units)	LINK	66	TBC
Imeraval Phase 4 Islay	WHHA	20	March 2024
Port Appin Phase 1	WHHA	6	March 2024
Buyback Acquisitions	ACHA	8	March 2024
Buyback Acquisitions	FH	2	March 2024
Argyll & Bute 2023/24 Total Completions (est.)		106	March 2024

If this programme is successfully delivered in full within the planning period (plus completions in 2023/24), it could provide over **1,395** new affordable homes across Argyll and Bute by March 2029. Projects on islands account for 22% of properties to be developed by the SHIP, the rural mainland accounts for 17% of the programme; while 36% of units are in the key strategic settlements of Oban and Dunbeg; 7% in Helensburgh; with 16% in the other main towns of Dunoon, Campbeltown and Lochgilphead.

There is an expectation that the majority of these units will be built to allow for future adaptation to meet changing needs over time; and in addition approximately 10% (i.e. 128 units, if the above programme is delivered in full) should be purpose-designed to medium or high dependency standards with potentially 64 of those units (5% of the total) being fully wheelchair accessible.

In addition to this core programme, a number of other potential proposals are being developed for further consideration in later years of the SHIP, subject to robust assessments of need and demand, site assembly or acquisition, and available funding. Some of these projects therefore remain notional at this stage or are subject to development constraints that require to be addressed/ mitigated before they can proceed. These projects are also dependent on clarification of local need or potential demand to support growth and recovery agendas; and will be considered in future updates of the SHIP.

The council will also continue to actively explore other sites and projects out with the core SHIP funding programme, as outlined in previous sections of this plan, where these are consistent with LDP policy/housing land provisions and align with high quality fit-for-purpose assessments of local housing need and demand.

TABLE 15: SHIP Core Programme - Potential Completions by March 2029

Project Address	Developer	Total Units	Anticipated Completion
Bowmore Phase 4	ACHA	17	Year 1 (24/25)
Dalintober, Campbeltown	ACHA	20	Year 1 (24/25)
Acquisitions	ACHA	5	Year 1 (24/25)
Tighcargaman, Port Ellen	ACHA	50	Year 2 (25/26)
East Clyde Street, Helensburgh	ACHA	14	Year 2 (25/26)
Coll	ACHA	10	Year 2 (25/26)
Acquisitions	ACHA	10	Year 2 (25/26)
Glenmachrie, Islay	ACHA	10	Year 3 (26/27)
Tarbert Phase 1	ACHA	15	Year 3 (26/27)
Kilcreggan	ACHA	10	Year 3 (26/27)
Tayvallich	ACHA	10	Year 3 (26/27)
Dunoon Phase 1	ACHA	35	Year 3 (26/27)
Keils, ISLAY	ACHA	4	Year 4 (27/28)
Tarbert Phase 2	ACHA	15	Year 4 (27/28)
Tiree	ACHA	10	Year 4 (27/28)
Dunoon Phase 2	ACHA	35	Year 4 (27/28)
Dunoon Phase 3	ACHA	30	Year 5 (28/29)
Dunoon Phase 4	ACHA	20	Year 5 (28/29)
Jeanie Deans, Helensburgh	DUNBRITTON HA	12	Year 1 (24/25)
18th Tee, Helensburgh Golf Club	DUNBRITTON HA	16	Year 2 (25/26)
Cardross	DUNBRITTON HA	35	Year 3 (26/27)
Helensburgh Golf Club	DUNBRITTON HA	62	Year 5 (28/29)
Succoth Phase 2, Arrochar	DUNBRITTON HA	12	Year 5 (28/29)
Riverside Drive, Lochgilphead (Baddens)	FYNE HOMES	6	Year 1 (24/25)
Ballochgoy	FYNE HOMES	8	Year 1 (24/25)
Rothesay - acquisition	FYNE HOMES	8	Year 1 (24/25)
Inveraray Phase 1	FYNE HOMES	16	Year 2 (25/26)
Rothesay Academy	FYNE HOMES	50	Year 4 (27/28)
Lochgilphead Phase 6	FYNE HOMES	80	Year 4 (27/28)
Inveraray Phase 2	FYNE HOMES	10	Year 4 (27/28)
Rothesay Academy Phase 2	FYNE HOMES	30	Year 5 (28/29)
Tighnabruaich Phase 2	FYNE HOMES	10	Year 5 (28/29)
Rosneath	LINK GROUP	49	Year 2 (25/26)
Hospital Field, Oban	LINK GROUP	50	Year 3 (26/27)
Dunbeg Phase 4	LINK GROUP	129	Year 3 (26/27)
Glencruitten	LINK GROUP	100	Year 3 (26/27)
Dunbeg Phase 5	LINK GROUP	97	Year 4 (27/28)
Dunbeg Phase 6	LINK GROUP	123	Year 5 (28/29)
Colonsay	WHHA	5	Year 1 (24/25)
Port Charlotte Phase 1	WHHA	16	Year 2 (25/26)
Imeraval Phase 5	WHHA	20	Year 2 (25/26)
Tobermory Shillinghill Phase 3	WHHA	10	Year 2 (25/26)
Dalmally	WHHA	16	Year 2 (25/26)
Salen	WHHA	8	Year 4 (27/28)

Lochawe Phase 1	WHA	16	Year 4 (27/28)
Baliscate, Tobermory	WHA	12	Year 5 (28/29)
Port Appin Phase 2/3	WHA	24	Year 5 (28/29)
Bunessan Phase 2	WHA	4	Year 5 (28/29)
Port Charlotte Phase 2	WHA	17	Year 5 (28/29)
Craignure	WHA	24	Year 5 (28/29)
Argyll and Bute Total		1395	2024-2029

¹ NB. Timescales are indicative and subject to change; and will be monitored regularly. Some projects could also revise their final number of units.

RSLs have also identified future opportunities, which they will continue to develop. These projects could be included in the later years of the SHIP. For example, ACHA is exploring options for sites in Helensburgh, Dunoon, Kilcreggan, Tiree and on Mull such as Dervaig, and Ulva, as well as further development sites on Islay. WHA are considering sites in Oban town centre, and options for Kilchrenan, as well as Lochawe Phase 2 which will be in future SHIP. Dunbritton are keen to deliver more units in the Helensburgh area and exploring site opportunities. LINK Group continue to work closely with WHA and are scoping options for development sites in Oban. In addition, the Council are working with Trust Housing Association to deliver improvements to their existing stock in Strachur which will meet identified need and demand in the area.

Finally, a number of community-led projects or private developments with associated affordable requirements, may be delivered out with the core SHIP programme and should deliver major synergies with the SHIP. Several community projects are progressing, and while small in scale these community-based projects deliver substantial impacts at the local level, and help to ensure the viability and sustainability of fragile communities. The following table summarises the work being undertaken by our Community Housing Network partners on rural and island projects out with the core SHIP programme.

TABLE 16: PROPOSED/POTENTIAL COMMUNITY-LED HOUSING PROJECTS

ARGYLL AND BUTE - COMMUNITY LED HOUSING PROJECTS			
COMMUNITY GROUP	PROJECT AREA	NOTES ON PROJECT STAGE	TOTAL UNITS (if relevant)
Colonsay community Development	Scalasaig, Isle of Colonsay	Houses complete bar commissioning, external works stalled	9 units + 3 self build plots
Luing Community	Isle of Luing	Finalising Housing Needs Assessment. Detailed housing proposals prepared and to be submitted in Local Place Plan	12
Mull and Iona Community Trust	Worker Accommodation	Report commissioned to determine scale of housing issue	n/a
	Worker Accommodation Tobermory	Supporting A & B Council in the provision of worker accommodation in Tobermory	12
	Glengorm affordable housing	MICT supporting the Glengorm estate with their allocations policy for their affordable housing	5
South West Mull and Iona Development	Ardmeanach View Bunessan	Working with WHHA demonstrating Feasibility	6
	Bunessan Village	Exploring feasibility of site, funding for site purchase	5 or 6
Tiree Community Development	Tiree	SLF Stage 1 approved, awaiting RIHF	12
Isle of Gigha Heritage Trust	Ardminish	Expected completion: July 2024	5
North West Mull	Isle of Ulva	Post Construction Management	
Tayvallich Initiative	Gifted Property, Tayvallich	About to advertise and allocate this 2 bed property	1
	Farmhouse, Tayvallich	About to take ownership of this 4 bed property which is currently tenanted	1
	Archie's Land, Tayvallich	Housing needs assessment completed. In discussions with housing agencies regarding different models. Further feasibility works required and to engage with planning	10

15. MONITORING, REVIEW AND IMPACT ASSESSMENTS

The SHIP will continue to be appraised on an annual basis by the Scottish Government and affordable housing outcomes are monitored regularly by the Council's Housing Management Team; local authority Members via the corporate Pyramid performance management system; the overarching Community Planning Partnership via the ABOIP

framework; and partners on the Strategic Housing Forum; as well as the boards and committees of the individual SHIP partners. In addition, as appropriate, wider stakeholder involvement will be sought via consultation with local communities, private developers and relevant particular interest groups. All pertinent feedback will help to inform the ongoing development and regular revisions of the SHIP.

The council has also been exploring potential mechanisms for establishing a wider evaluation framework to capture the broader social return on investment and economic impacts of the SHIP programme, as well as the basic cost effectiveness and value for money of specific projects. Working with RSL partners, the council is keen to implement a formal evaluation procedure which will capture evidence on the wide range of strategic benefits that the SHIP actually delivers, beyond monitoring the basic number of completions.

In 2021/22, the council undertook a number of impact assessments during the LHS process. The SHIP is an investment plan which sits underneath the LHS and sets out how the LHS objectives can be delivered. Therefore, these impact assessments also inform the SHIP. The impact assessments can be found on the council's website.

- Equality and Socio-Economic Impact Assessment [lhs_eqseia_sept_2021.pdf \(argyll-bute.gov.uk\)](#)
- **Child Rights and Wellbeing Impact Assessment**
[childrens_rights_and_wellbeing_impact_accessment_stage_abc_lhs_jan_2022.pdf \(argyll-bute.gov.uk\)](#)
- **Health Impact Assessment** [APPENDIX 4: Template for scoping workshop reports \(argyll-bute.gov.uk\)](#)
- Islands and Communities Impact Assessment
[lhs_island_communities_impact_assessment.pdf \(argyll-bute.gov.uk\)](#)

In future, the council will monitor and assess the impact of the SHIP and the LHS in terms of the aforementioned impact assessments and in line with the principles of the Fairer Scotland Duty. Any relevant findings from such assessments will be reflected in the SHIP and future updates of the LHS and other associated plans, policies and strategies.

Strategic Environmental Assessment (SEA)

As the "Responsible Authority" under the terms of the Environmental (Scotland) Act 2005, the council has previously determined that the LHS (and by association its ancillary component, the SHIP) does not require a full SEA. [sea_pre_screening_report_october_2021.pdf \(argyll-bute.gov.uk\)](#)

The primary document in relation to land use planning is the Local Development Plan which is subject to a full SEA and which will ultimately cover all housing projects set out in the SHIP.

CONCLUSION

The Argyll and Bute Strategic Housing Investment Plan for 2024/25 to 2028/29 sets out an ambitious but realistic programme for the delivery of **1,395** new affordable homes; of which the majority would be built to lifetime standards, allowing for future adaptation to meet changing needs over time; and around 10% will be purpose-designed for specialist needs, with half of those i.e., 5% of the total being fully wheelchair accessible. The programme reflects a strong commitment to Argyll and Bute's economic growth agenda and will directly support the sustainability of fragile rural and island communities.

The earlier years of the SHIP align with the LHS housing supply targets, published in 2022, of 215 new affordable homes per year; the later years are slightly below the target. Several additional potential projects have also been suggested and are at an early stage of development. These projects are likely to be considerations in later years, although if needs are identified during the annual review of the programme, then these projects could be brought forward. In addition, the Council and partners continue to seek new opportunities which could raise the number of units in the later years of the SHIP to align with the 5 year LHS target of 1075 affordable units.

The LHS targets take account of the council's ambitious strategic objectives as well as the potential increased demand for social housing arising from the current economic crisis and other worldwide events; the anticipated impacts of the Rural Growth Deal and other local and national resources and strategic imperatives for repopulation, recovery and growth; and therefore the scale of the proposed programme is likely to be more in line with actual requirements as well as our aspirational goals for Argyll and Bute.

This SHIP clearly and directly aligns with the LHS and Argyll and Bute Outcome Improvement Plan (ABOIP) outcomes; sets out a core programme which is feasible to deliver; highlights the contribution of the council, developers and other partners; evidences the support and facilitation role of the local authority; outlines the extensive stakeholder engagement underpinning the planning and delivery of the programme; and explicitly reflects the central importance of equality issues for all partners.

Appendix 1 - Individual Open Market Purchases Statement January 2022

Scottish Government affordable housing supply guidance states:-

*“It is expected that the majority of homes delivered through the Programme will be new build units that are delivered either directly by grant applicants or through ‘off the shelf’ purchases from developers. **However, where it can be demonstrated that the use of grant to acquire ‘second hand’ stock that is for sale on the open market is the most appropriate method of meeting housing need in a particular area, subsidy may be available to fund this, subject to agreement between the Council and the Scottish Government.** Funding may also be made available to remodel/ rehabilitate existing properties where this is considered a strategic priority”.*

Argyll and Bute Council will consider a limited number of individual, second hand open market purchases if the following criteria are met:

- There is a need for the size and type of housing in the town/settlement, (this will be determined by the current housing need and demand assessment)
- Land availability and infrastructure issues are a barrier to delivering the affordable housing target in the area through new build development
- The purchase will not result in homelessness
- The purchase price must reflect the condition of the property.

Second hand open market purchases will be prioritised as follows:

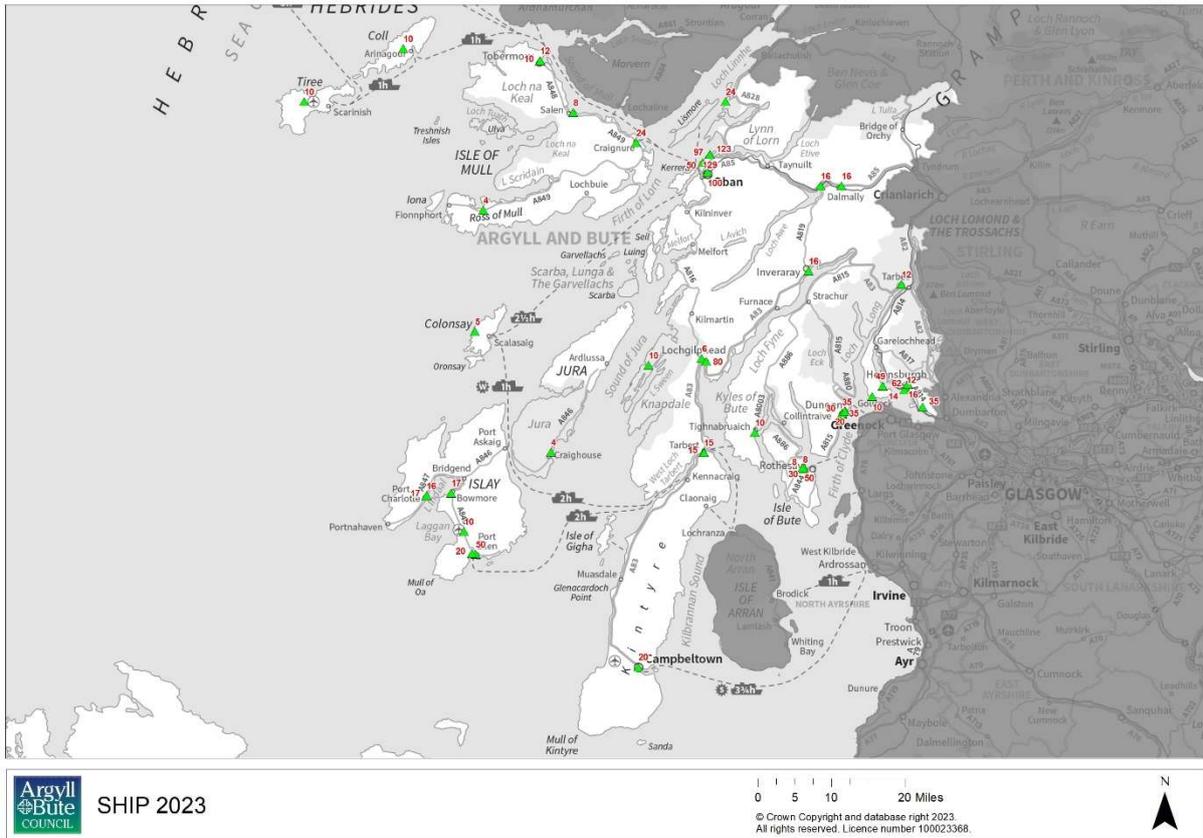
1. Where the purchase will assist the RSL to meet general housing need as identified in the HNDA and agreed with Argyll and Bute Council.
2. Where the purchase will assist the RSL to meet particular housing need as agreed with Argyll and Bute Council.
3. Where the purchase will bring an empty property back into occupation
4. Priority will be given to acquiring properties that are in good/reasonable condition.

Each property will require a valuation and condition survey completed by the District Valuer or other RICS Chartered Surveyor. Vendors must pay their own costs.

Applicants should note the following:-

- Grant requested must be the minimum level of grant required to deliver the project.
- Grant requested should exclude costs for any works normally funded by the Association’s capital maintenance/cyclical programme.
- Streamlined submissions for acquisition only, the maximum Scottish Government grant will be up to £50,000 or 50% of the acquisition value, whichever is the lower.
- Streamlined submissions for acquisition and works, grant will be up to £75,000 maximum for each property. This will encompass the purchase price and any works required to the property.
- Where grant required for acquisition and works cost is higher than £75,000 a full value for money appraisal will be required and acquisitions should not be completed before confirmation of Scottish Government and Council agreement on the level of costs.

APPENDIX 2 - SHIP DEVELOPMENTS ACROSS ARGYLL & BUTE: Projects in the Core Programme 2024-2029



**THIS DOCUMENT IS
AVAILABLE ON THE COUNCIL WEBSITE AT:**

[Local Housing Strategy and Housing Need and Demand Assessment](#)

This document can also be made available in other formats on request.

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