

7(a) ISLAY HOUSING NEEDS

1.0 EXECUTIVE SUMMARY

1.1 Argyll and Bute Council is the Strategic Housing Authority for the local authority area. As such the Council must carry out a Housing Need and Demand Assessment (HNDA) every 5 years. The HNDA is a formal process which is prescribed by technical guidance issued by the Scottish Government. The HNDA is calculated by adding together the backlog (existing need) and newly forming (future) demand and taking away the existing and anticipated housing supply. The resultant deficit or surplus equates to the requirement for new build housing. The HNDA is agreed with the Scottish Government and is used to target affordable housing investment in the local authority which is set out in the Strategic Housing Investment Plan (SHIP).

1.2 As well as addressing unmet local housing need and contributing to national targets, the SHIP generates additional investment in the local economy, supporting additional jobs including new apprenticeships in the construction sector and associated labour market; it stimulates community regeneration and sustainability; it helps to attract and retain residents and employees for local businesses; it encourages movement within, and more effective operation of, the local housing system; it also contributes to improving general health and well-being; and more pragmatically the new homes will also generate additional Council tax revenue.

1.3 RECOMMENDATION

It is recommended that the MAKI Community Planning Group

- I. Consider the content of this report.

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2.0 INTRODUCTION

- 2.1 This paper details the delivery of affordable housing and proposed housing delivery on Islay through the SHIP in the current Local Housing Strategy (LHS) period 2016-2021.
- 2.2 This paper will explain the HNDA process and confirm when work on the next HNDA will begin.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the MAKI Community Planning Group:
- I. Consider the content of the report

4.0 DETAIL

- 4.1 The Local Housing Strategy (LHS) sets out the strategic policy approach of the council and its partners to delivering high quality housing and related services across all tenures to meet identified need in the area. SHIPs are directly informed by the LHS and its policies and are developed in consultation with key stakeholders. Therefore, the SHIP is operational and not a policy document.
- 4.2 The core purpose of the SHIP remains to set out strategic investment priorities for affordable housing over a five year period to achieve the outcomes contained in the LHS. The plan reinforces the council as the strategic housing authority; the importance of the outcomes and targets set out in the LHS; and informs Scottish Government investment decisions.
- 4.3 The SHIP should therefore
- Set out investment priorities for affordable housing
 - Demonstrate how these will be delivered
 - Identify the resources required to deliver these priorities
 - Enable the involvement of key partners

The content of the SHIP also includes the following;

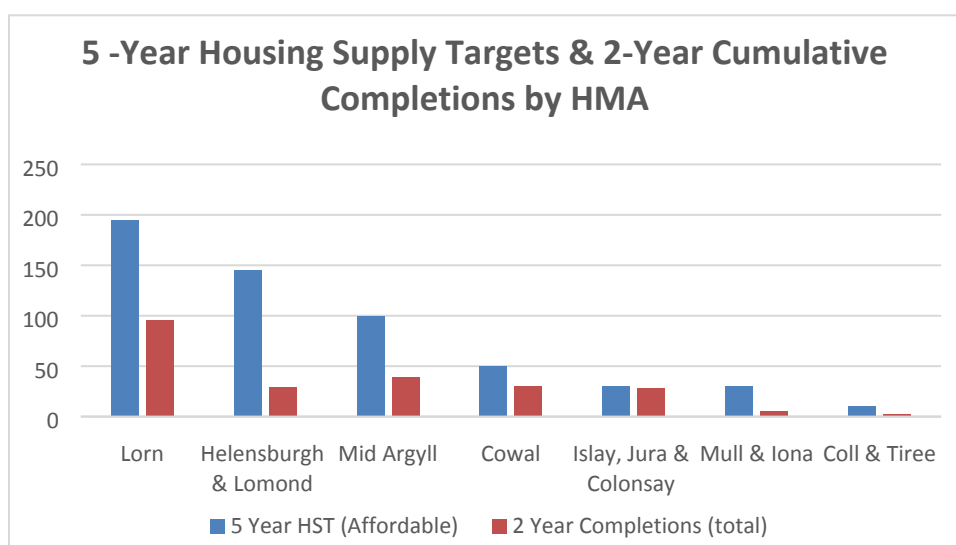
- That the priorities listed are consistent with the Local Housing Strategy (LHS) and any subsequent updates;
- A summary of the methodology used to prioritise projects;
- That beyond securing funding, any other development constraints will have been resolved by the estimated site start date;

- The level of consultation undertaken with RSLs and other stakeholders in developing the SHIP;
- That the projects will maximise the opportunities for energy efficiency and reduction of fuel poverty.

4.4 The table below details the number affordable housing units which have been delivered on Islay since the start of the current LHS in 2016

Location	Registered Social Landlord	Number of Units
Port Ellen	West Highland Housing Association	18
Bowmore	Argyll Community Housing Association	30

The graphic below shows the progress made towards the Housing Need and Demands identified broken down by Housing Market Area.



We have met the 5 year Affordable Housing Target for the Islay and Jura Housing Market Area in the first 2 years of the SHIP but the Council recognises that there is still a need and demand for more affordable housing on Islay. The table below shows the proposed affordable housing developments on Islay in the SHIP which are due for completion by March 2021.

Location	Registered Social Landlord	Number of Units
Port Ellen	West Highland Housing Association	8
Bowmore	Argyll Community Housing Association	20
Keills	Argyll Community Housing Association	4

- 4.5 The current HNDA was completed in 2015/16 and covers the period to 2021, however this is a continuous, cyclical process and the council aims to complete a comprehensive review and update across all Housing Market Areas(HMAs) in 2019, which will then underpin the development of the next LHS during 2020, for implementation from 2021.

While the legal/Scottish Government HNDA framework applies primarily to local authority and higher level housing market areas, the

council re

5.0 CONCLUSION

- 5.1 The Council is committed to working with all partners including communities in order that Housing Need and Demand can be assessed accurately and appropriate affordable housing solutions can be delivered across the local authority area.

6.0 IMPLICATIONS

- 6.1 **Policy:** The contents of the paper consistent with current Council policy, including the revised policy in respect of the use of Strategic Housing Fund monies. The SHIP supports the Local Housing Strategy vision and outcomes which are directly aligned with the overarching objectives of the Single Outcome Agreement, in particular SOA Outcome 2 – we have infrastructure that supports sustainable growth.
- 6.2 **Financial:** The SHIP is based on the Resource Planning Assumptions provided by the Scottish Government; the Strategic Housing Fund and RSL private finance. There will be an ongoing requirement to retain and target SHF resources to support the proposed programme.
- 6.3 **Legal:** The Housing Need and Demand Assessment process will be carried out in line with the Council's statutory duties.
- 6.4 **HR:** None
- 6.5 **Equalities/Fairer Scotland Duty:** The content of the paper is consistent with aims and objectives set out in the Local Housing Strategy, which is subject to an EQIA.
- 6.6 **Risk:** Risk assessment is an integral part of each development which is informed by the HNDA process. Failure to forward plan judiciously and to programme development in line with identified

needs could result in over supply; generating imbalances in the local housing market, and creating risks for RSL's and the management of their existing stock, with consequent adverse effects on local neighbourhoods and communities.

- 6.7 **Customer Service:** The proposals will deliver increased access to a range of suitable, affordable housing options.

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