



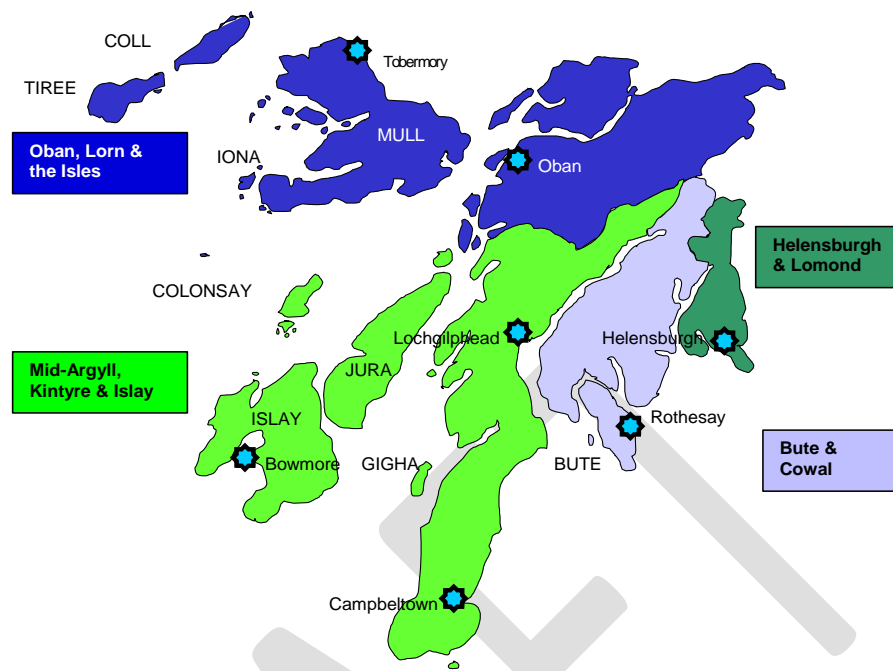
ARGYLL & BUTE STRATEGIC HOUSING INVESTMENT PLAN 2019/20 - 2023/24

Draft October 2018



“Delivering a housing system in Argyll and Bute that makes a strong contribution to thriving and sustainable communities and supports economic growth.”





The focus of the Strategic Housing Investment Plan (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);
- Private rented accommodation available at lower cost than market rents; and
- Mid-market rental housing provided by social or private landlords.

The term **“intermediate affordable housing”** is used to cover all types of affordable housing which are not social rented.

[Guidance on the Preparation of Strategic Housing Investment Plans, Scottish Government, July 2016](#)

AFFORDABILITY – as a basic rule of thumb, an affordable house price is reckoned to be no more than 4.0 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.

1) INTRODUCTION

Argyll and Bute Council remains committed to working closely with the Scottish Government, local housing associations, and other key partners to increase the effective supply of affordable homes across the local authority area so that everyone can access a good quality home that is affordable and that meets their needs.

The Strategic Housing Investment Plan (SHIP) is a key local authority document which identifies priority housing projects to support the delivery of both local and national strategic housing targets; as well as the supply of housing across other tenures as appropriate.

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. The SHIP is directly informed by the strategy and its associated policies.

This plan is an operational document and the core purpose is to set out the strategic investment priorities for affordable housing and other tenures over a 5 year period, to achieve the priorities and outcomes set out in the LHS. It reinforces the Council's role as the strategic housing authority; and informs Scottish Government housing investment decisions. It also underpins the preparation of Strategic Local Programme Agreements (SLPAs).

This SHIP has been developed in consultation with key stakeholders; and following agreement of the strategic local programme in August 2018 with the Scottish Government and individual, partner RSLs. The outline draft plan was approved by the Strategic Housing Forum on 12th September 2018 and will be set before Council Members in November 2018.

Content of the SHIP

The SHIP comprises two key elements:

- a) This narrative document setting out the context to the plan and including:
 - LHS Priorities and Outcomes
 - Project Prioritization Framework
 - Resourcing the Programme and the Council's Contribution, including the use of Council Tax on Second and Empty Homes
 - Developer Contributions
 - Specialist Provision, in particular supporting the delivery of wheelchair accessible housing
 - Deliverability and Mitigating Development Constraints
 - Consultation and Stakeholder Engagement
 - Impact on Fuel Poverty and Energy Efficiency
 - Impact Assessments including Equalities and Health Inequalities,
 - The Current and Projected Programmes
- b) An electronic annex listing affordable housing projects identified as priorities for funding over the five year period, including projects seeking support from:-
 - The Affordable Housing Supply Programme (AHSP)
 - The Housing Infrastructure Fund – grant and loan (HIF)
 - Sources other than the Scottish Government's AHSP funding

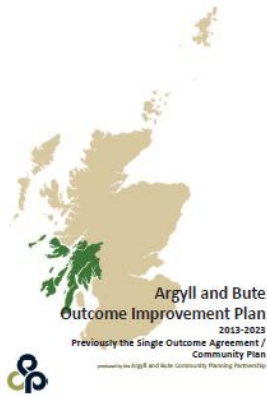
In summary, the SHIP

- Sets out investment priorities for housing of all tenures for which Scottish Government funding is sought;
- Demonstrates how these will be realistically delivered over the plan period;
- Identifies the resources required to deliver these priorities; and
- Enables the involvement of stakeholders and other key partners.

In preparing this SHIP, the council has considered the range of mechanisms available including those from the Scottish Government; the council's own resources; and other sources; and has also rolled forward and updated material from the previous SHIP (November 2017).

2) THE STRATEGIC FRAMEWORK

□ Local Outcome Improvement Plan (LOIP)



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

The overall objective of the plan for the 10 years to 2023 is –

Argyll and Bute's economic success is built on a growing population.

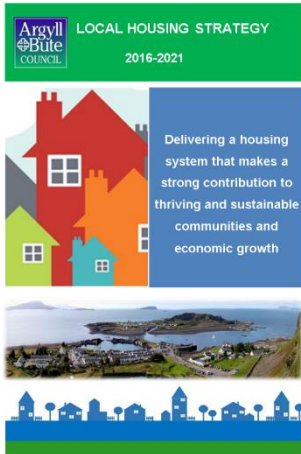
This objective is underpinned by 6 long term outcomes:-

In Argyll and Bute:

- 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, is primarily located within Outcome 2, in relation to infrastructure that supports sustainable growth.

□ **Local Housing Strategy (LHS)**



The Council continues to ensure that the investment programme and priorities set out in the SHIP are consistent with the LHS and its annual updates; and that these remain firmly based upon a “robust and credible” assessment of housing need and demand (HNDA). Existing strategic priorities and outcomes continue to be ratified and supported by partners and stakeholders via the Argyll and Bute Strategic Housing Forum.

The current LHS was implemented in 2016, and covers the five year planning period to 2020/21. It sets out the core vision:

“To deliver a housing system in Argyll and Bute that makes a strong contribution to thriving and sustainable communities and supports economic growth.”

Supporting this vision are four high level priorities:

- 1) **To facilitate access to sufficient, suitable and affordable housing across all tenures**
- 2) **To promote individual housing options to meet housing need**
- 3) **To enable people to live independently in their own homes**
- 4) **To regenerate communities through improving the quality, condition and energy efficiency of housing**

The SHIP will play a key role in achieving the vision and all of these high level priorities, as well as delivering the Housing Supply Targets (HSTs):

Argyll & Bute	Annual	5 Year Total	10 Year total
Total HST	240 - 300	1,200 -1,500	2,400 - 3,000
Affordable Housing	110-130	550-650	1,100-1,300
Private Market Housing	130-170	650-850	1,300-1,700

- In summary, the SHIP will aim to deliver:
- *At least* 550 new affordable homes over five years;
 - At least 80% of which should be for social rent; and
 - 10% should comprise some form of “specialist provision” (e.g. wheelchair accessible, supported, amenity or sheltered)
- In addition, the SHIP will entail:
- An effective land bank of sites in areas of housing need; and
 - An Affordable Housing Policy which maximizes the impact of private developer contributions.

3) PRIORITISING THE PROGRAMME

The SHIP sets out a clear and transparent framework for the prioritisation of projects to be delivered over the next five years. In prioritising the programme, the Council has sought to maintain an appropriate balance of housing provision across Argyll & Bute that reflects the affordable housing shortfalls identified in the five year HNDA, published in 2016, (and any subsequent local Housing Market Area or Community needs assessments) and contributes towards the outcomes detailed in the LHS & the Argyll and Bute Outcome Improvement Plan.

Council Housing Services reviewed the existing prioritization framework in August 2017, and found that this remains an appropriate and proportionate approach, subject to minor adjustments. As previously, within each HMA, investment is mainly targeted at communities exhibiting the greatest affordable housing pressures. These priorities continue to recognize the importance of investing in small rural communities as well as larger urban areas. The communities have been identified by consideration of:

- the relative and absolute pressure on the existing affordable housing;
- the ability to meet need in the wider housing market area; and
- recent investment patterns; as well as
- deliverability (site ownership, infrastructure or planning constraints, etc)

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:-

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 - total applicants per HMA & relative time to close cases; number/duration of temporary accommodation cases; RSL performance re housing homeless cases.
Social stock levels	Proportion of existing RSL stock to total number of dwellings on Council Tax Register.
Wider Strategic Fit	Links to, & synergies with, Local Development Plans (including support of the Council’s Key Rural Settlements as well as identified fragile areas); economic development plans or regeneration initiatives; or other wider community benefits.
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 will be critical.
Affordability (of proposed rent)	Compared to Scottish Govt. benchmarks & other RSL rents; as % of LHA; and as % of local household incomes.

Prioritisation by Housing Need - In terms of distribution by Housing Market Area (HMA), the main need by far is evidenced in Oban & Lorn, the only HMA exhibiting continued growth. Topographically and geographically, options are constrained in Oban itself, therefore, Dunbeg is the primary development priority for the Council.

Strategically, Helensburgh & Lomond is also a high priority in terms of need and potential growth opportunities. Mid Argyll could benefit from further developments albeit this continues to be closely monitored to avoid creating imbalances in the existing system; and Cowal, as the HMA most at risk of severe population decline, could be regenerated with judicious development, operating in tandem with improvements in employment opportunities and transport infrastructure, albeit again caution will be required to ensure new build developments in this area do not have any unforeseen, adverse impacts on the existing housing system.

Small-scale developments could also have a significant and positive impact on the Atlantic Islands. However, Bute and Kintyre are relatively well balanced in terms of current supply and demand (annual RSL lets are more than sufficient to address waiting list demand, and there are a number of long-term voids in these areas, with key landlords considering strategic stock rationalisation and/or demolition) and therefore any new build in these two HMAs should focus on unsubsidised, private market accommodation.

Prioritisation by Tenure - The LHS proposes that a majority of the programme should be for social rent (at least 80% of completions), however, alternative tenures such as mid-market rent, shared equity or other low cost home ownership options, will be considered on a site-by-site basis in line with local market conditions and needs, and actively encouraged where appropriate.

Prioritisation by Size – The SHIP will continue to promote the delivery of smaller properties (1 and 2 bedrooms) where feasible, in line with the HNDA and the continuing evidence of the HOMEArgyll common housing register. In 2018, for example, 81.3% of the active waiting list applicants required 1 or 2 bedroom accommodation; while 14.2% required three beds and only 4.4% required 4 or more bedded properties. Nevertheless, the requirement for larger, family-sized accommodation will continue to be monitored and addressed as appropriate.

Prioritisation by Particular Needs – Given the impact of the ageing population, and the particular needs of other sectors of the population including the physically disabled and those with learning disabilities or mental health issues, as outlined in the HNDA, and as reinforced in the findings of the joint Health, Care and Housing Needs Assessment produced in 2018 by the council and the HSCP, the LHS specifies a *minimum* target of 10% of new build should be purpose designed as specialist provision to suit households with medium to high level particular needs. This includes provision of wheelchair and extra care accommodation, and, particularly,

medium dependency, amenity housing. As far as possible, all general needs new builds are designed to the 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 the development and delivery of 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.

The finer detail of the programme will be arrived at through specification of suitable type and size of accommodation for individual developments, taking into account the needs of actual households on the waiting list and, where appropriate and as far as possible, in consultation with local community stakeholders.

Rural Proofing¹ – 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. As well as the ratio of waiting list applicants to available RSL lets and other indicators outlined above, key factors influencing the prioritisation of rural developments include: the ratio of social housing to second homes; proportionate historic losses through Right to Buy; the percentage of social housing to total dwelling stock; and the ratio of local earnings to average or lower quartile house prices and private rents. 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. In this context, the potential impact of the proposed Rural Growth Deal (RGD) for Argyll and Bute will be significant, and the SHIP and the housing sector in general can contribute to this strategic agenda. Housing opportunities being pursued via the RGD include innovative construction methods, such as off-site, modular homes for example.

¹ 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.

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. Ultimately, final preference will be influenced by project costings, therefore the proposed programme can only be indicative at this stage.

4) DELIVERING THE PROGRAMME: MITIGATING RISKS AND RESOLVING DEVELOPMENT CONTSRAINTS

It is important to identify, assess and respond to any risks or potential constraints that might impact on 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 provide assurance that, if funding is secured, any other constraints will be resolved by the time of estimated site start of the relevant project. The main risks or constraints that tend to apply to the SHIP programme include:

- Development and Infrastructure constraints
- Financial Assumptions
- Planning issues
- Legal procedural constraints; and
- Effective land supply

In addition, an ongoing, critical factor in the context of this authority is the capacity of the local construction sector and the constrained market for competitive tendering.

The council and its partners are working to minimize these risks and mitigate constraints as far as possible, for example:-

Development Constraints (such as infrastructure issues: roads, utilities, ground condition problems/ abnormal costs) - The core SHIP programme aims to focus on sites that are not subject to significant development constraints such as contaminated brownfield sites, un-zoned greenbelt areas, or those with restricted infrastructure capacity in terms of access roads or water supply. However, in a small number of cases within certain highly pressured areas with evidence of a substantial shortfall in affordable housing, or 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 itself there may be costs associated with carrying out remedial works, preliminary feasibility studies, or mitigating the potential impact on areas of archaeological significance or on historic buildings and this places a further constraint 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. In terms of infrastructure constraints, such as

Scottish Water connections/ capacity/ access, early discussions with the Utilities companies will be initiated to address potential issues and achieve possible synergies in investment programmes. Where possible, abnormal costs should be deducted from the land purchase price and unforeseen costs may be met through the Scottish Government's Housing Infrastructure Fund; the council's Strategic Housing Fund, developer contributions, or other sources such as potential Rural Growth Deal funding subject to a successful bid to government.

The Housing Infrastructure Fund (HIF) in particular has already proven to be a significant factor in supporting housing development in this authority through loans or grants for sites which are of strategic importance and cannot proceed or have stalled due to exceptional infrastructure works; 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 £1.9m in 2017, in line with the eligibility criteria and guidance set out by the Scottish Government.

Effective Land Supply - The historic RSL land bank and available council owned sites have now been depleted and it may be that in the future land assembly will prove a significant challenge. Nevertheless, through collaborative efforts with planning colleagues, the council and National Park are confident that a "generous" supply of land for affordable housing continues to be sustained. The council continues to audit housing allocations in the current Local Development Plan to ensure a more robust and rigorous approach to effective site provision, with ineffective allocations being removed from the plan. 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 remains identified in the system to accommodate unforeseen slippage in the timing of projects coming forward; and to maximise the benefits of increased or additional funding. The council's combined Planning, Housing and Regulatory Services' annual Planning Performance Framework, 2017/18 recorded the following National Headline Indicators (NHIs):-

Effective Housing Land Supply	2017/18	2016/17
Established housing land supply	5471 units	5865 units
5-year effective housing land supply	3808 units	3908 units
5-year effective land supply total capacity	4419 units	n/a
5-year housing supply target	3725 units	3725 units
5-year effective housing land supply	5.1 years	5.2 years
Housing approvals	539 units	866 units
Housing completions over the last 5 years	1088 units	1149 units

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 invaluable; and 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 a pressure to secure a return in the short term. To facilitate private development, therefore, the Council's current policy exempts certain low pressure areas in accordance with the current HNDA (e.g. Bute, Kintyre) from the 25% affordable quota. However, in general, 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. Strategic engagement with local communities and agencies such as Highlands & Islands Enterprise to assess potential use of Strategic Land Fund, where appropriate, may provide benefits; and additional mechanisms may also be available via recent initiatives such as the Rural or Island Housing Funds and new Community Empowerment legislation. The council is also exploring the current legislation around Compulsory Purchase Orders (CPOs) and will consider the potential benefits of pursuing these on a case by case basis, where circumstances are proving unreasonably intransigent.

Planning issues - Early discussions will continue to be prioritised with planning services (both Council & National Park) regarding road layouts/ car parking requirements, school catchment areas, and other possible issues. All of the development sites included in the SHIP programme should be effective given that they will, in most cases, require to be already zoned for housing development in the relevant local development plans. Many of the sites identified 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 practical through partnership working with private developers on adjacent sites the risk of such sites not being developed on cost grounds will be reduced.

More rigorous build quality standards, and "greener" standard requirements, can lead to conflicting pressures in terms of resources required per unit. RSLs and their partners continue to highlight concerns in balancing cost and quality considerations, especially given the rising cost of securing private finance in recent years.

Local RSLs are also currently committed to exploring effective measures for maximising procurement efficiencies through volume, but also continuity of work and standardisation of specifications and products as far as possible.

RSLs face increased risk in delivering and selling shared equity units or mid-market rent schemes, in the current economic climate. The Council has been required to provide extended loan facilities to counter this particular problem in the past. In the future, provision for tenures other than social rent will require detailed business plans and must reflect robust and credible assessment of local needs before approval.

5) PARTNERSHIP WORKING AND CONSULTATION

As outlined in previous SHIPs, the preparation of this plan, as well as the planning and delivery of individual projects, remains a continuous, iterative corporate activity; based on close working relationships between the Council's combined Planning, Housing and Regulatory services, along with Economic Development and Strategic Transport, Development & Infrastructure Services; as well as the ad hoc involvement of other departments such as Property Development/Estates when appropriate. The SHIP process in Argyll and Bute particularly reflects a strong collaborative approach with Registered Social Landlords (RSLs, or housing associations), the Scottish Government, communities, developers and other stakeholders.

Key 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

At the very local level, on a site by site basis, RSLs and Council officials continue to liaise closely with private developers, local land owners, 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 being tabled at local area community planning groups; and at the level of specific projects, sites and settlements, a range of community representatives and residents are routinely consulted.

The Argyll & Bute Strategic Housing Forum, comprising a wide range of key partners from the Community Planning Partnership, constitutes the overarching body with ultimate responsibility for overseeing the implementation and monitoring of the LHS and the SHIP; and is chaired by an elected Member with the policy remit for Communities, Housing, Islands and Gaelic. The Strategic Housing Forum is also responsible for making appropriate recommendations to Council Members and for lobbying the Scottish Government in respect of housing issues in Argyll and Bute.

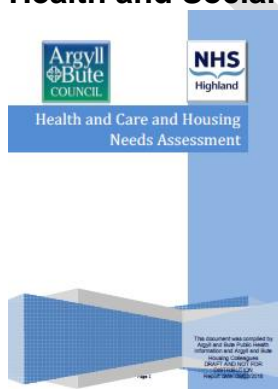
The SHIP Officers Development Group - In addition to regular programming meetings between the Council, the Scottish Government and individual RSLs, a

dedicated SHIP Officers Group has been reinstated by the Council which brings all these parties together on a quarterly basis to address and progress operational development matters which are then reported to the overarching Strategic Housing Forum.

Wider Stakeholders, Local Business, and Economic Development - Other stakeholders and strategic partners, such as Scottish Water, will be engaged on an ad hoc basis as appropriate. Increasingly, given the overarching strategic imperatives, economic development and regeneration partners are also emerging as key associates in the SHIP and LHS process. This has led, for instance, to an ad hoc working group (facilitated by Housing, Economic Development and HIE) co-ordinating a dedicated event in August 2018 for local employers and representatives of the business sector to engage with housing providers, and explore innovative delivery mechanisms and opportunities such as the Rural Growth Deal. The event also provided networking opportunities for local community representatives as well as RSLs (which of course constitute local, community-based and focused organisations and charitable associations in their own right). In total, over 50 organisations, agencies, services and individuals attended the event, and the intention is to retain this network as one thematic interest group for future consultation and engagement.

Community Engagement - In addition to the above, the council has recently reviewed and updated 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 result is a detailed information pack which is intended to provide a 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 the crucial, "high quality, fit for purpose" evidence base required to secure public funding and help to deliver practical housing solutions. The council has already engaged with local representatives on Mull, and community councils in North Lorn, for instance, to implement the new toolkit; and this will now be made available both proactively and on demand.

Health and Social Care Partners



As a priority, the Council continues to foster closer engagement with the Health & Social Care Partnership (HSCP) at all levels (from senior management group to locality planning groups) and at the earliest possible stages in the process. The HSCP's three year Strategic Plan incorporates a Housing Contribution Statement (HCS) outlining the essential role housing plays in supporting and maintaining independence, health and well-being of all residents.

In 2018, a joint Health, Care and Housing Needs Assessment was published jointly by the HSCP and Council Housing Staff , setting out extensive data and

analysis across a range of client groups and types of specialist provision. The final report also set out an agreed action plan for future joint collaboration, based on a set of recommendations which were appraised by a wide range of cross-sectoral stakeholders at a dedicated workshop session in June 2018. This will now form the basis of the revised HCS which will be incorporated into the HSCP's next 3-year Strategic Commissioning Plan due to be launched in 2019.

In summary, the agreed strategic framework for Housing, Health and Social Care is based on a shared vision and five key aims, as outlined below:

Our vision for housing and health and social care in Argyll and Bute is that:

“People in Argyll and Bute with health and social care needs have access to housing options that maximise their health, wellbeing and independence”

To achieve this, people need to be enabled, through their contacts with services and provision of information, to live at home, or in a homely setting, as independently as possible and to be well connected to their communities. The agreed action plan is presented under five key aims:

1. There is appropriate and sufficient housing available in each local area to meet the needs of people living there.
2. People are aware of the availability of different housing options to enable them to make appropriate choices, and are supported to do this if necessary due to learning disability or physical and mental health conditions.
3. Health and Social Care, Housing Association and Argyll and Bute Council Housing officers are able to work effectively together to promote early housing options appraisal and early intervention and adaptations as required.
4. Waiting lists for RSL properties (and in particular specialist provision) are managed as efficiently and effectively as possible to maximise availability of existing properties.
5. Planning for housing and housing services is based on robust data and information.

HMNB Clyde / MOD engagement - As reported in previous SHIPs, a Strategic Delivery and Development Framework (SDDF) has been established between the Council and HMNB Clyde to achieve maximum benefit for the Base and the wider community. This dedicated working group continues to explore the potential accommodation needs arising from the development of the naval base as the Royal Navy's UK Submarine Centre of Specialization; and the consequent economic impact this is likely to have in the local area. The SHIP is therefore required to take full account of the associated emerging accommodation needs in the Helensburgh and Lomond area; and to this end a comprehensive housing market study of the area was commissioned in 2018 which involved further extensive consultation and stakeholder engagement.

6) RESOURCING THE PROGRAMME & THE COUNCIL'S CONTRIBUTION

There are three primary funding sources for the SHIP:

- 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)

For 2017/18, the AHSP allocation for Argyll and Bute amounted to £11.6m. In April 2018 the Scottish Government confirmed the RPAs to local authorities for the three years from 2018/19 to end-March 2021. This involved further increases on previous assumptions and will support longer term planning for the affordable housing supply.

Argyll & Bute	2018/19	2019/20	2020/21	Total
Annual RPA	£16.182m	£17.140m	£18.286m	£51.608

Source: Scottish Government Letter of Confirmation, April 2018

In addition, the revised SHIP Guidance, published in August 2018, advises that in line with the Scottish Government's 50,000 affordable homes target, local authorities are expected to over-programme for the first two years of the SHIP period (to March 2021) to ensure delivery should slippage occur. The recommendation is that a minimum slippage factor of 25% be applied on an annual basis to the AHSP for these two years.

This would give a potential working figure for these years of: £21.425m in 2019/20 and £22.858m in 2020/21. The revised guidance also suggests that, for planning purposes, local authorities should use their 2020/21 RPA as the basis for funding for the final three years of this SHIP period i.e. £18.286m. However, this is a provisional assumption and it must be acknowledged that there is no guarantee or certainty around AHSP funding beyond 2021.

Working with RSLs and the Scottish Government's local More Homes Scotland team, the council estimates current requirements from the AHSP to deliver the proposed programme in full would be in line with this level of investment, as summarised in the following table.

An approximate calculation (based on the average AHSP 3-person unit benchmark of £72k for social rent in rural Argyll) would suggest that the baseline level of

investment for the first three years of the SHIP period (i.e. £53.712m, without the 25% over programming factor) could deliver almost 750 new affordable homes in the period from 2019/20 to 2021/22.

It should be noted that this is potential investment only, dependent on actual need and deliverability of suitable projects; and while the council and its partners clearly welcome this level of funding, it will present real challenges. This would be subject, for example, to sufficient complementary funding being available from the council and RSLs themselves to support the programme; and is also dependent on the capacity of the constrained local construction industry.

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

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 provision in their areas. In addition, since 2013 local authorities have had flexibility to remove the discount entirely and to 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.

Since 2007, the SHF in Argyll and Bute has been 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; and
- Payments to registered social landlords (RSLs) to partially fund proposed projects to deliver homes in accordance with the local housing strategy

The balance of this Fund as of 31 March 2018 was £8.763m; of which £2.008m was already committed and £6.755m was available to fund the SHIP programme. It is anticipated that the SHF will continue to accrue annual revenue in the order of £1.9m over the SHIP planning period.

The SHIP sets out plans to fully utilize this balance over 5 years to support the affordable housing development programme, including empty homes grants and loans. Since April 2016 the Council has provided grant funding of £12k per unit, to supplement Scottish Government grant; and an evaluation exercise carried out by independent consultants in 2016 confirmed that this remains the most appropriate and cost effective level of grant aid to support the SHIP programme. Around **£2.189m** was invested from this source by the Council to support the SHIP in the financial year 2017/18; while in total over **£2.285m** was allocated to support the 9

projects and 75 new affordable homes completed that year (with funding being drawn down over two or more years).

The council will review the Strategic Housing Fund policy in 2018/19 and thereafter a comprehensive policy review will be carried out by 2021 with a view to ensuring that this resource continues to complement Scottish Government priorities for Housing Beyond 2021.

An indicative estimate of around £9m would be required to support in full the Scottish Government investment outlined in the three year RPAs above; and around £9.5m would be required in order to support all core projects outlined in this SHIP (and circa £11m if the additional, notional projects were included).

HMA	Total Project Costs	SHF Required	SHF as % of Total Costs
Coll & Tiree	£249,154	£12,000	5%
Cowal	£3,680,697.19	£240,000	7%
Helensburgh & Lomond	£25,663,785	£2,196,000	9%
Islay, Jura & Colonsay	£9,099,352.86	£564,000	6%
Lorn & Inner Isles	£88,905,942.6	£5,544,000	6%
Mid Argyll	£6,993,595	£480,000	7%
Mull & Iona	£6,470,328.13	£408,000	6%
Argyll & Bute Totals	£141,062,854.8	£9,444,000	7%

NB. These figures are purely indicative and provisional at time of writing.

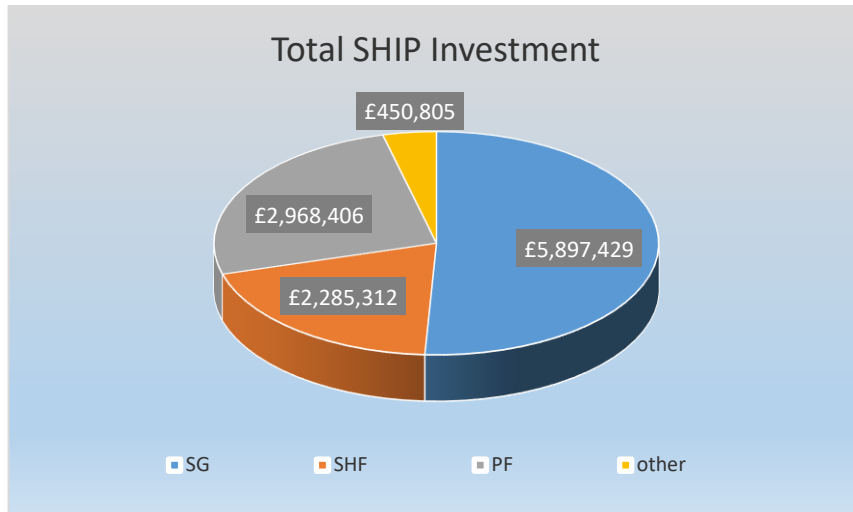
In addition, the Council has also used its financial reserves on occasion to advance long term loans to support RSL projects and this commitment is subject to ongoing review.

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, and RSLs are required to demonstrate that sufficient borrowing capacity or reserves exist to ensure delivery of the proposed development programme. Following a period of restrictive lending, with greater scrutiny of projects, higher lending rates and the requirement for additional security from existing stock, which often resulted in RSLs being forced to use their own reserves rather than borrow under such conditions; RSLs are now reporting positive improvements in their potential to access private finance; and at a national level the sector continues to explore innovative funding models. Private finance in support of the 9 SHIP projects completed in 2017/18, totaled almost **£3m**, approximately 26% of the total investment for those projects.

Additional investment in support of the SHIP programme includes, inter alia, Scottish Water grant; sales revenue on New Supply Shared Equity (NSSE) schemes; and other partner contributions, such as local Estates. In 2017/18, at least £450,805 was invested from these additional sources.

Figure 1: Breakdown of SHIP investment for all projects completed in 2017/18

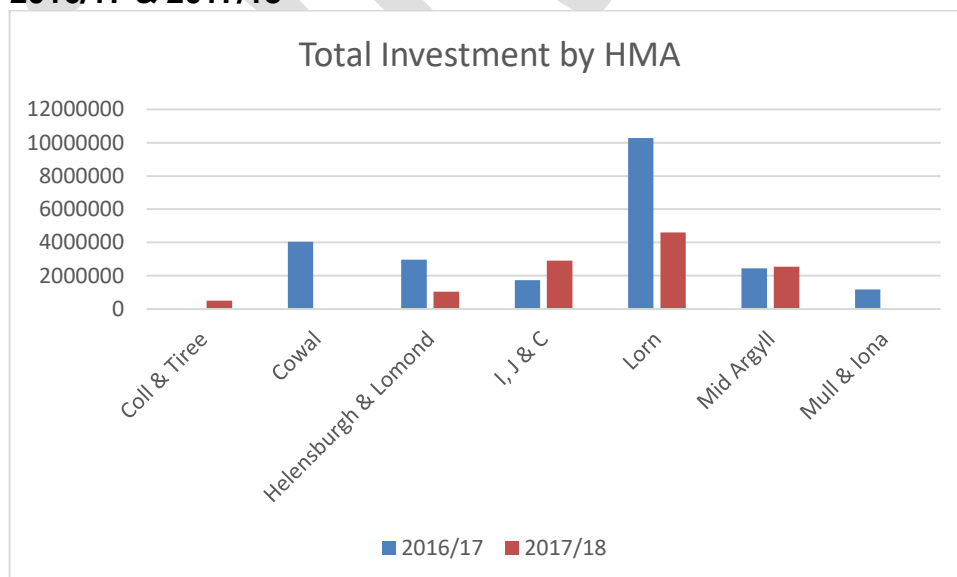


KEY: SG = Scottish Government Affordable Housing Supply Programme; SHF= Council Strategic Housing Fund; PF = RSL/Private Finance; "Other" includes Scottish Water contribution, Estates investment etc.

Total investment from all sources for all SHIP projects completed in 2017/18 (as opposed to the actual spend within the year) amounted to £11.6m. In terms of RSL projects, the breakdown by landlord/developer was:

- ACHA - £3,375,679 (29%)
 - Fyne Homes - £2,536,767 (22%)
 - Link - £1,045,000 (9%)
 - West Highland - £4,643,904 (40%)
- (NB. Dunbritton had no completions within this year).

Figure 2: Annual Investment for Completed Projects by HMA, 2016/17 & 2017/18



Housing Infrastructure Fund (HIF)

This is a five-year Scottish Government programme, running to at least March 2021, which supports housing development through loans (£40m in total) and grants (£10m in total) with priority given to sites which are of strategic importance and cannot proceed or have stalled due to infrastructure requirements. Grant is available to local authorities and RSLs for works which are a) outwith the curtilage of the affordable housing site and/or b) 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 is the Dunbeg development in Lorn, being delivered by the Link Group. A bid for funding from the grant scheme in November 2017 was successful, and Argyll and Bute has secured one of the largest grant allocations of any local authority in Scotland to date, £1,937,078 from the national pot of £10m, to undertake upgrade works for Kirk Road, Dunbeg, to enable the delivery of 300 affordable homes to proceed.



Kirk Road, Dunbeg: Upgrade Works under construction – via HIF investment.

Rural and Islands Housing Funds

The Scottish Government has also established a £25 million Rural Housing Fund and a £5 million Islands Housing Fund which run until 2021. Both funds aim to increase the supply of affordable housing of all tenures in rural Scotland and contribute to the national 50,000 affordable homes target. The Islands Housing Fund provides £5 million ring-fenced for islands housing projects and comprises two parts:

1. a main fund that offers capital support (grants and loans) for direct provision of new affordable housing, and refurbishment of existing empty properties
2. a small fund that contributes to feasibility studies

Both funds are open to a wide range of applicants including: community organizations; development trusts; private landowners; private developers; and traditional housing providers; however applications from individuals will not be accepted. Eligible projects must have a specific site or properties identified; be in an eligible rural area – levels 4, 5, and 6 of the six-fold urban/rural classification, which includes the majority of Argyll and Bute.

Islands Housing Fund applications must be located on a Scottish Island; demonstrate evidence of housing pressure in the location identified; have the support of the relevant local authority; be prepared to undertake appropriate community engagement; be able to provide long term affordable housing.

Applicants can apply for either the Rural Housing Fund or the Islands Housing Fund, not both.

In 2018, local community-led bids from groups based on Mull, such as the Mull & Iona Community Trust (MICT) and the North West Mull Community Woodland Company, were among the first to access this national funding and are currently proposing feasibility studies into the delivery of small scale developments on island sites, with support from the council and third party agencies such as Rural Housing Scotland and the Highlands Small Communities Housing Trust.

Other Initiatives

The council and strategic partners are also currently awaiting further guidance on other potential funding sources, such as the Scottish Government's new Building Scotland Fund and the roll out of the national Self-Build Loan Fund of £4m which was announced in September 2018, following a pilot exercise in Highland local authority. These initiatives could provide additional investment which will support the delivery of the SHIP and/or alternative affordable housing provision in the future.

We 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), Help to Buy (Scotland) and Open Market Shared Equity (OMSE), outwith the remit of the SHIP.

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 council's current policy was adopted in supplementary guidance to the LDP in March 2016, and requires that outwith specified housing allocations and Potential Development Areas (PDAs) new private developments proposing 8 or more homes should deliver a minimum of 25% affordable housing units. There are exemptions in HMAs such as Bute and Kintyre, where the HNDA identified limited or nil requirement. The Cowal HMA was also subject to a two year exemption which ended in 2017. Exemptions are designed to avoid inhibiting the delivery of private development in areas where there is no evidence of pressing need for additional affordable provision in the short to medium term.

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 within the lower quartile of the relevant 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 National Park policy follows a generally 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 has been established but again, to date, little or no payments have been received.

DRAFT

7) SPECIALIST PROVISION, WHEELCHAIR ACCESSIBLE HOUSING, & EQUALITIES ISSUES

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 current HNDA provides robust evidence of accommodation and support needs across the range of protected equalities characteristics, and these have been translated into the SHIP priorities. In addition, the joint Argyll and Bute Health, Care & Housing Needs Assessment, completed in 2018, provides further evidence of the requirements for wheelchair accommodation, supported housing, and other forms of specialist provision.

An overarching equality impact assessment was completed for the LHS in 2016 and this continues to inform our assessment of the impact of the SHIP, and how the strategic aims are embodied in the housing priorities of the programme.

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 programmes 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, a jointly funded post of dedicated Housing OT has been established and will be operational from October 2018, to co-ordinate and promote these needs through the SHIP group. 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 recognize 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 recognizes 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.

An indicative review of the Common Housing Register in 2018 suggests that around 5% of applicants could benefit from some form of specialist provision; and of these 106 applicants included wheelchair accessible accommodation as an option; although only 27 of these applicants did not also select some other form of accommodation, including general needs/ mainstream housing. Around 40% of the applicants requesting wheelchair provision are aged between 20 and 54, and 60% are over 55. In the wider population as a whole, the Health, Care & Housing Needs Assessment (2018) identified the following key points:-

- Around 350 wheelchairs are issued each year to people in Argyll & Bute
- The majority of wheelchairs issued are manual chairs
- Over 1300 people in Argyll and Bute have wheelchairs on issue
- 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 suitable, 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 has been identified as a key area for further research and analysis, to be carried out jointly by information officers within the HSCP and the council's strategy team, and co-ordinated by the new Housing OT post.

On that basis, while in situ 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 be built to the fully wheelchair accessible standard or equivalent. RSL partners have accepted this policy in principle, and are also exploring with HSCP partners requirements for extra care provision and replacement models for existing care homes which may no longer be deemed fit for purpose. Where possible, the council will strive to incorporate such needs within the SHIP programme as it rolls forward.

8) ENERGY EFFICIENCY & FUEL POVERTY

Promoting energy efficiency and tackling fuel poverty remain strategic priorities for the LHS and key commitments for the council; and maximizing 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.

The Council requires affordable housing developments, as far as possible, to have a low environmental impact and to contribute to the LHS objectives of addressing fuel poverty and to ensure at least minimum standards of sustainability as required under Scottish Building Standards Agency regulations. This remains a key assessment criterion for any project seeking public subsidy from the Scottish Government or the Council.

There are significant challenges in delivering higher quality, energy efficient developments in an authority such as Argyll & Bute - for instance, a significant proportion of the area's rural properties are not connected to the gas grid and many rely on costly oil heating – all of which impact on costs and on the ability to achieve sustainability targets. Nevertheless, local RSL partners continue to embrace sustainability principles which promote local material sourcing, recycling, insulation standards, and renewable energy, as far as possible within the current financial climate. It is expected that all SHIP partners will continue to follow these principles to the best of their abilities despite the resourcing constraints under which they are currently operating. In particular, all new build RSL stock will be required to address the national Energy Efficiency Standard for Social Housing (EESH).

Developers will be encouraged to deliver the “Greener Standard” as default in all new developments.

Sustainable Design

The SHIP and LHS are closely aligned with the Local Development Plan processes and the Council and its partners will explore sustainable design principles, not only to address climate change and provide energy efficient homes, but also to contribute to the creation of safe, sustainable communities which have a real sense of identity and place. In order to achieve a sense of community in new developments (whilst also delivering low environmental impact housing) we will work with partners to ensure a range of factors are considered; and when developing new areas sustainability principles will also be central to the design process.

9) HOMELESSNESS & 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. One key proposal was that each local authority should develop a Rapid Rehousing Transition Plan (RRTP) by December 2018, covering a five-year period, or longer if required, to enable the implementation of this new approach.

Local Rapid Rehousing Transition Plans should be reflected in the LHS and also be fully integrated into Health & Social Care Partnership strategic plans. They should be included in the Housing Contribution Statement to ensure they are part of the planning framework. The revised SHIP guidance issued in August 2018 also states that local authorities should be aware that RRTPs will be addressed in future SHIPs.

In the report “Scotland’s transition to rapid rehousing”, produced by the Indigo Group on behalf of the Scottish Government’s HARSAG in June 2018, two specific recommendations were made in relation to the SHIP:

- Rapid Rehousing Transition Plans could be seen as an integral part of the SHIPs, and should be annually reviewed as part of the SHIP process
- The Scottish Government and Scottish Housing Regulator should improve data collection from local authorities or housing associations on completions and lettings relative to housing need.

With this in mind, Argyll and Bute Council will liaise with RSL partners and other key stakeholders to develop the RRTP by the end of 2018; 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 will be expected to contribute directly or indirectly to alleviating homelessness across Argyll and Bute (for example, as a result of direct allocations or via consequential lets to existing properties freed up on transfer of occupants to new build properties). The performance of developing landlords in respect of the proportion of allocations to homeless households and time taken to rehouse these clients will be material considerations in SHIP programming decisions and resource allocation.

10) UPDATE FROM THE 2017 SHIP

Current Progress: Outputs 2017/18

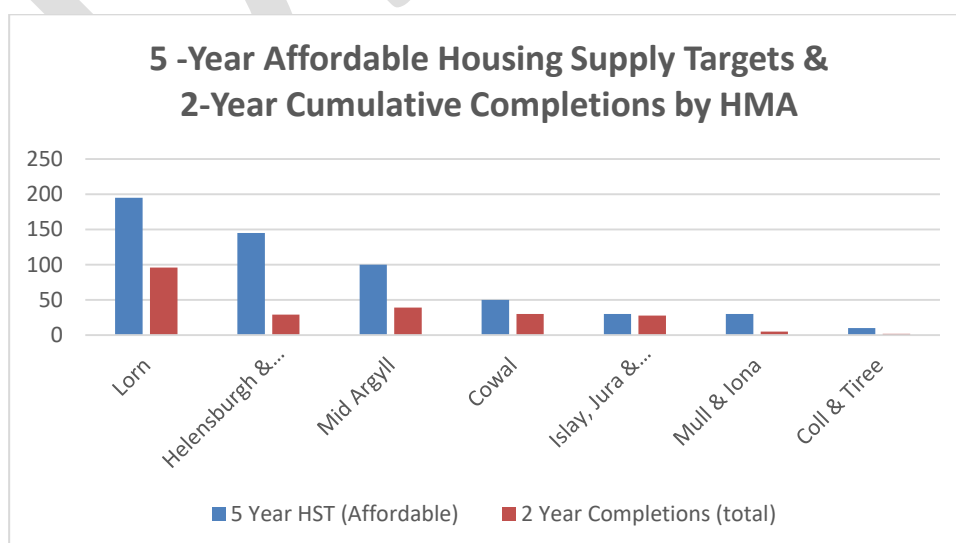
Building on the 154 units completed in 2016/17, a further 75 new homes were delivered via the SHIP in 2017/18. This brings the two-year cumulative total to 229 which is in line with the current LHS target for at least 224 new affordable homes to be completed by the end of year two of the 5-year planning period.

TABLE 1: SHIP New Build Homes by HMA & Project, 2017/18

Housing Market Area	Projects	Completions	% of Total
Helensburgh & Lomond	Luss	5	7%
Mid Argyll	Lochgilphead Phase 5	12	24%
	Minard Phase 1	6	
Islay, Jura & Colonsay	Port Ellen	18	24%
Coll & Tiree	Arinagour, Coll	2	3%
Lorn	Glenshellach, Oban	8(+2)	43%
	Connel Phase 3	10	
	Benderloch Phase 2	12	
Total		75	100.0%

Three of the four local RSLs contributed to the total programme, along with the national Link Group. ACHA delivered 22 of the new builds; Fyne Homes delivered 18; Link provided 5 homes; and West Highland Housing Association completed 30.

Reviewing overall progress at the end of Year 2 of the current 5-Year LHS, the SHIP programme is on schedule to meet the Housing Supply Targets for Argyll and Bute as a whole (with 229 new build homes, i.e. over 40% of the total target with three years remaining to deliver the balance); and also making positive progress at individual HMA level, although there is a need now to progress the planned projects particularly in Helensburgh & Lomond and some of the islands.



11) THE REVISED PROGRAMME

The current year, 2018/19, is covered by a Strategic Local Programme Agreement (SLPA) between the council, the Scottish Government, and the developing RSLs; while this new SHIP will commence from 2019/20. 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 (September 2018), including those projects which were expected to complete in 2018/19 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 2: SHIP Projects – expected to complete in 2018/19

Project Address	Developer	Tenure*	Units
Bowmore Phase 3, Islay	ACHA	SR	20
North Connel, Lorn	ACHA	SR	1
Succoth, Helensburgh & Lomond	Dunbritton	SR	26
Minard Phase 2, Mid Argyll	Fyne Homes	SR	4
Queen's(formerly Spence) Court, Dunoon	Fyne Homes	SR	16
Lochgilphead Phase 4	Fyne homes	SR	16
Albany Street, Oban	Link	SR	8
Argyll & Bute Total			91

(*SR = social rent)

(NB. Partial phases of ACHA's developments at Glenshellach, Oban and Castle Wood (formerly Jutland) Court, Helensburgh may also be delivered within this year, which could provide a further 22 units to the above total.)

ACHA's site at Bowmore, Islay



DHA's site layout for Succoth



TABLE 3: SHIP Core Programme - Potential Completions by 2021

Project address	Developer	Tenure	Units	Anticipated Completion
Jutland Court, Helensburgh	ACHA	SR	32	2019/20
Connel (Phase 4; incl. 1 whch unit)	ACHA	SR	2	2019/20
Inveraray (Phase 2)	ACHA	SR	10	2020/21
Keills, Islay	ACHA	SR	4	2020/21
Garelochhead (Passivhaus model)	ACHA	SR	10	2019/20
Tarbert	ACHA	SR	4	2019/20
Glenshellach (Phase 11 &12)	ACHA	SR	42	2019/20
Bowmore (Phase 4)	ACHA	SR	22	2020/21
Coll	ACHA	SR	1	2019/20
Cairnbaan	ACHA	SR	5	2020/21
North Connel	ACHA	SR	12	2020/21
Kilmartin	ACHA	SR	4	2020/21
Southend	ACHA	SR	1	2019/20
18 th Tee, Helensburgh	DHA	SR	16	2019/20
Golf Club site, Helensburgh	DHA	SR	60	2021/22
Tighnabruaich (Portavadie project)	FH	SR	20	2019/20
Cairndow	FH	SR	6	2020/21
Lochgilphead Phase 6	FH	SR	12	2020/21
Helensburgh (Sawmill Site)	LINK	Mixed	25	2020/21
Lonan Drive, Oban	LINK	Mixed	46	2020/21
Dunbeg (Phase 3)	LINK	Mixed	300	2020/21
Rosneath	LINK	Mixed	40	2020/21
Ganavan	Link	Mixed	50	2020/21
Lochdon, Mull	WHHA	Mixed	14	2019/20
Jura	WHHA	SR	10	2020/21
Tobermory (Phase 3)	WHHA	Mixed	12	2019/20
Colonsay	WHHA	SR	5	2020/21
Barcaldine	WHHA	SR	10	2019/20
Salen, Mull	WHHA	Mixed	8	2020/21
Imereval, Port Ellen (Phase 2)	WHHA	Mixed	8	2019/20
Argyll & Bute Total			791	

¹NB. Timescales are indicative and subject to change; and will be monitored on a regular basis. Partial phases of Jutland Court (eg 16 units) and Glenshellach (eg 6 units) may be completed in 2018/19. Some other projects could also revise their final number of units.

If this programme is successfully delivered within the planning period, it could provide over 790 new affordable homes across Argyll and Bute. Around 26% of these would be in rural mainland, island and/or fragile communities; 38% in the key strategic settlement of Dunbeg; and 36% would be delivered within or around the main towns (Oban, Helensburgh, Dunoon 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% (at least 78 units, if above programme is delivered in full)

should be purpose-designed to medium or high dependency standards. However, the council is currently also in discussions with the HSCP to review and explore potential models for the re-provisioning or replacement of existing care homes no longer fit for purpose. This could include “close” cluster specialist accommodation and/or more dispersed cluster units to address the needs of facilities such as Eadar Glinn in Lorn, Ardfenaig in Mid Argyll, and Struan Lodge in Cowal. In principle, the council would be supportive of the inclusion of these projects in the SHIP, in full or in part depending on detailed and realistic proposals coming forward, with a view to delivery by 2021 if feasible.

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 are noted in the following table (developers and projected units are therefore purely indicative at this stage).

TABLE 4: Additional Potential Projects for consideration in later years

Project address	Developer	Units
Glencruitten, Oban Phase1	ACHA	25
Glencruitten, Oban Phase 2	ACHA	25
Castle Wood (Jutland) Court, Helensburgh	ACHA	18
Succoth (Phase 2-subject to need)	DHA	tbc
Cardross	DHA	25
Tighnabruaich (Portavadie, Phase 2 – if need)	Fyne Homes	10
Port Charlotte	WHHA	8
Port Appin	WHHA	6

Alternative sites are also being considered either to replace or enhance some of the RSL projects listed in above tables, such as the council-owned sites at Blairvadach, Rhu and Jeanie Deans Unit, Helensburgh; landbanked sites in areas such as Bunessan, Mull; and/or sites at Strachur, Inveraray, Lochgair, Achnamara, and Tayvallich. The Council has also been supporting community developments outwith the core AHSP funding programme: communities for instance have secured funding to carry out a feasibility study for additional potential units at Ulva Ferry and Dervaig on Mull, amongst others. An ongoing review of corporate assets and the available landbank will also inform Council policy on the potential for providing serviced plots for sale for affordable housing development; and the outcome of the self-build/custom-build pilot in Highland Council has also been closely monitored and any useful learning points will be considered for future action. The Council is also actively piloting a project to designate simplified planning zones (SPZs) in Mid Argyll and on Mull for the provision of self-build sites or alternative affordable provision. In addition, where appropriate the council provides support for communities considering the use of the Scottish Government’s Rural or Island Housing Funds, and other resources to deliver affordable housing outwith the core AHSP development programme.

12) MONITORING AND REVIEW

The SHIP will 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 LOIP 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.

13) IMPACT ASSESSMENTS

Health Impact Assessment

In addition to the formal LHS Equality Impact Assessment referred to in Section 7 above, which encompasses this SHIP, the council also carried out a Health Impact Assessment in 2017 for Housing Services, this plan and the LHS in accordance with national good practice, and as a further step towards fostering closer linkages between Housing, Health and Social Care. We will continue to monitor and assess the impact of the SHIP and the LHS in terms of equalities and human rights, health inequalities, child rights and wellbeing, 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 it's ancillary component, the SHIP) does not require a full SEA. 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. The SHIP is an investment plan which sits underneath the LHS and sets out how the LHS objectives can be delivered. As such it is primarily an operational, working document and it will therefore not change the policy directions set out in the LHS and Development Plans.

13) CONCLUSION

The Argyll and Bute Strategic Housing Investment Plan for 2019/20 to 2023/24 sets out an ambitious but realistic programme for the delivery of over 790 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 to higher standards for specialist needs. The programme reflects a strong commitment to the economic growth agenda for Argyll and Bute; and around 26% of the proposed developments will also directly support the sustainability of fragile rural and island communities.

A number of additional or potential projects have also been identified for consideration in later years and some of these may be brought forward as the programme is reviewed on an annual basis. This level of programming in the early years substantially exceeds the LHS targets of 550-650 new affordable homes over the five year period; nevertheless there is still further scope for development particularly in later years, subject to identification of robust need and demand; and the council and its partners are committed to maximizing available resources where possible, and will continue actively to explore opportunities for growth in the programme.

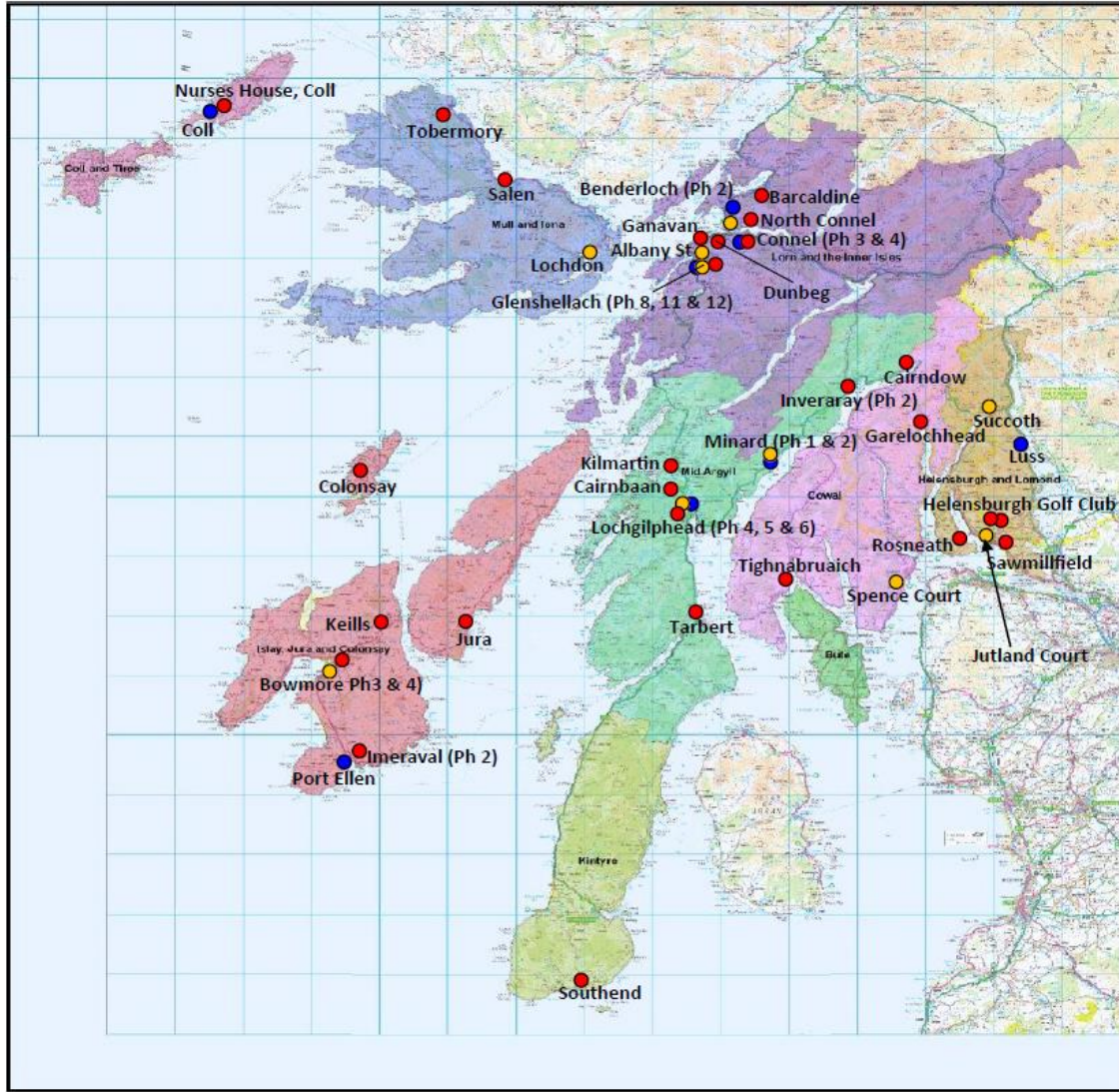
Total investment of **£51.608m** has already been allocated by the Scottish Government, for the first three years of the programme; while the Council is contributing around **£9m** from its Strategic Housing Fund (comprising outstanding commitments of £2.008m and a balance of £6.755m) plus anticipated additional SHF revenue of around £1.9m per annum over the life of this SHIP. This will help to secure the necessary additional funding from RSLs and private finance and will ensure that the SHIP has a wider economic impact within Argyll and Bute over the next five years.

This SHIP clearly and directly aligns with the LHS and LOIP 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.

The development of the SHIP is necessarily an ongoing, iterative process and this Plan must be viewed as an interim work in progress. In the current climate it is also important that strategic planning retains a degree of flexibility to allow for adjustments and revision as circumstances continue to evolve. Nevertheless, the Council believes this plan provides clear direction for future priority developments and sets out a robust framework for the delivery of affordable housing across Argyll and Bute.

ANNEX ONE

SHIP DEVELOPMENTS ACROSS ARGYLL & BUTE: Completed Projects, Onsite Projects, & Projects in the Core Programme.



- 2017/18 Completed Projects
- 2018/19 Projects Under Construction
- Proposed SHIP Projects 2019/24

ARGYLL & BUTE STRATEGIC HOUSING INVESTMENT PLAN
2019/20 – 2023/24

THIS DOCUMENT AND SUPPORTING TABLES
ARE AVAILABLE ON THE COUNCIL WEBSITE AT:

<https://www.argyll-bute.gov.uk/housing/housing-strategies-consultations-and-research-0>

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

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