

ARGYLL ISLANDS 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 estimated requirement for new build housing.

1.2 The HNDA must be agreed with the Scottish Government as 'robust and credible' and is then used as a baseline to establish Housing Supply Targets (HST's) for the Local Housing Strategy (LHS) and Local Development Plan (LDP). A number of factors will inform the HST's in addition to the HNDA such as available or anticipated resources, land supply, capacity of the local construction sector and wider strategic objectives. This process will ultimately enable the Council, Scottish Government and the local RSLs to target affordable housing investment in the local authority for the prioritised projects which is set out in the Strategic Housing Investment Plan (SHIP).

1.3 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.

1.4 RECOMMENDATION

It is recommended that the Argyll Islands Strategic Group

- I. Consider the content of this report.

ARGYLL ISLANDS HOUSING NEEDS

2.0 INTRODUCTION

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

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Argyll Islands Strategic Group:
- I. Consider the content of the report

4.0 DETAIL

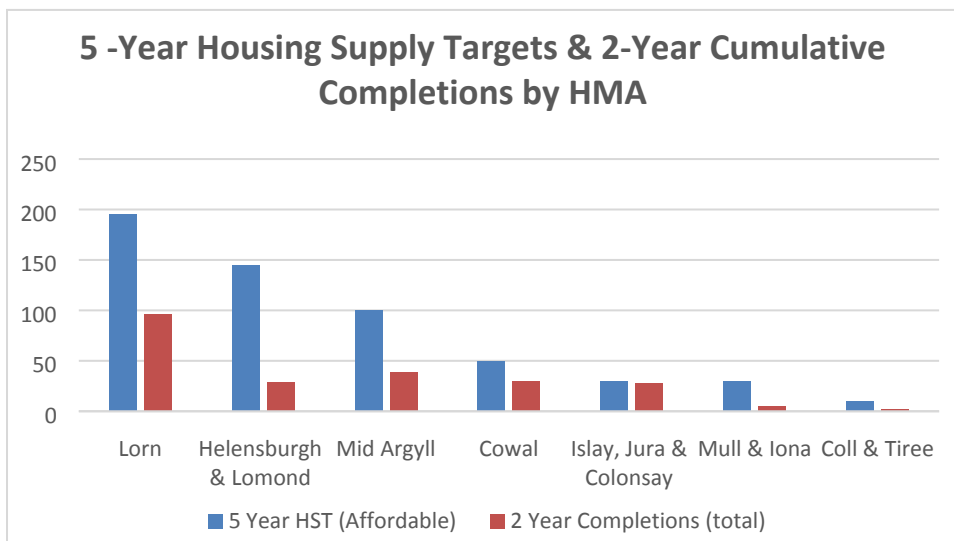
- 4.1 The Local Housing Strategy (LHS) sets out the strategic policy approach of the council and its partners to delivering high quality housing and related services across all tenures to meet identified need in the area. SHIPs are directly informed by the LHS and its policies and are developed in consultation 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

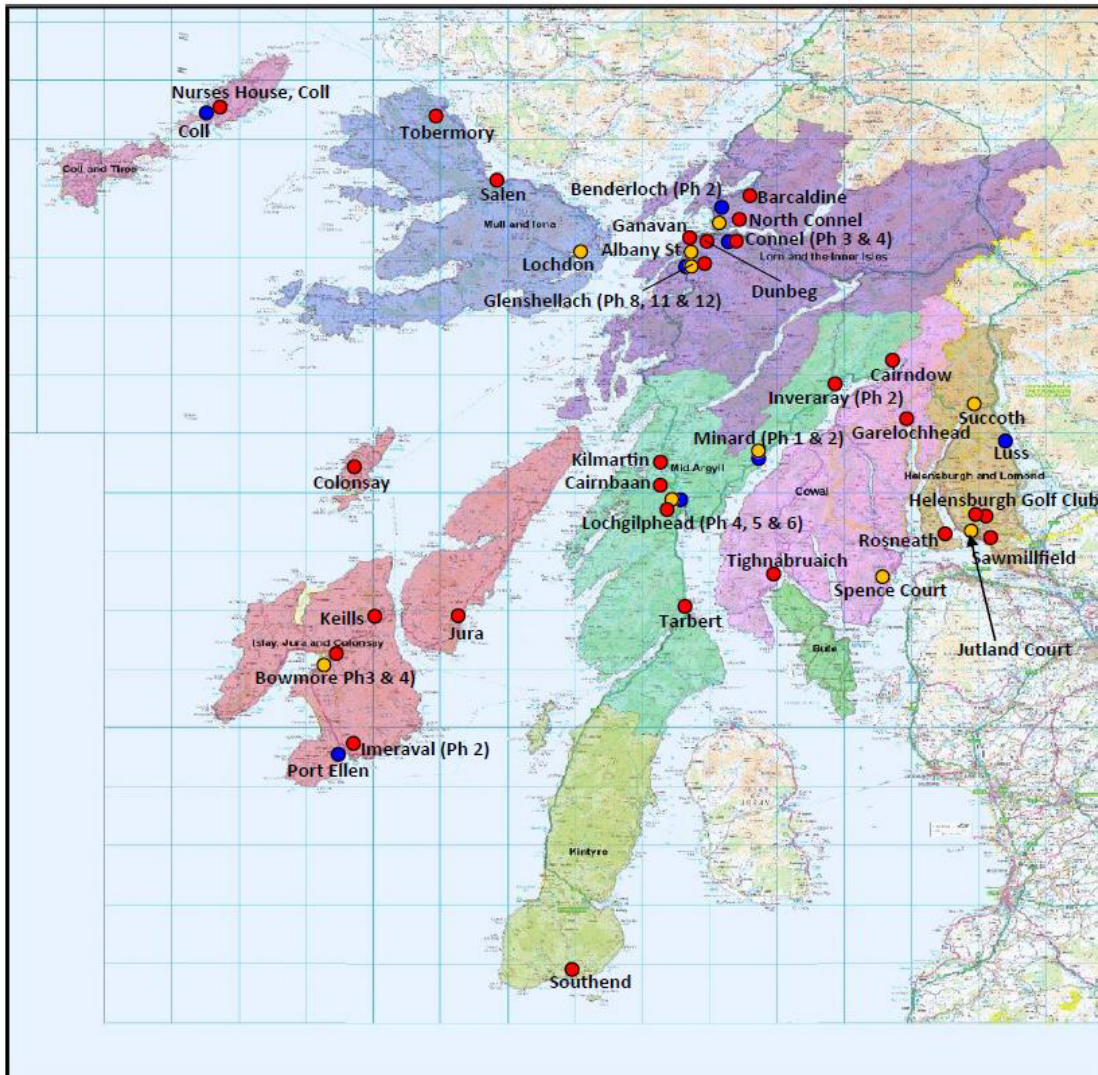
The content of the SHIP also includes the following;

- 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 graphic below shows the progress made towards the Housing Need and Demands identified broken down by Housing Market Area. The graphic only refers to new build affordable housing. In general this relates to housing provided by RSLs for social rent below market rent level or some form of low cost home ownership. Open market private developments (for owner occupation or private rent) have a crucial part to play in the local housing system but are not directly influenced by the SHIP.



4.5 The map below shows the locations of completed, onsite and potential projects within the SHIP.



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

Islay

4.6 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 |

4.7 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 | 22 |
| Keills | Argyll Community Housing Association | 4 |

Jura

4.8 The table below shows the proposed affordable housing development on Jura in the SHIP which is due to be completed by March 2021.

| Location | Registered Social Landlord | Number of Units |
|-------------------|-----------------------------------|------------------------|
| Jura - Craighouse | West Highland Housing Association | 10 |

Colonsay

4.9 The table below shows the proposed affordable housing development on Colonsay in the SHIP which is due to be completed by March 2021.

| Location | Registered Social Landlord | Number of Units |
|-----------------------|-----------------------------------|------------------------|
| Colonsay - Kilchattan | West Highland Housing Association | 5 |

4.10 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, Jura and Colonsay.

Coll

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

| Location | Registered Social Landlord | Number of Units |
|-----------------|-----------------------------------|------------------------|
| Coll | ACHA | 2 |

4.12 The table below shows the proposed affordable housing development on Coll in the SHIP which is due to be completed by March 2021.

| Location | Registered Social Landlord | Number of Units |
|-----------------|-----------------------------------|------------------------|
| Coll | ACHA | 1 |

Mull and Iona

4.13 The Affordable Housing Supply target for Mull and Iona in the graphic at 4.4 equates to 30 affordable units being delivered by March 2021. 5 affordable housing units were delivered by Iona Housing Partnership in partnership with West Highland Housing Association in May 2016. An additional 2 affordable housing units were delivered at Ulva Ferry in 2017 by the Mull and Iona Community Trust (MICT).

4.14 The table below shows the proposed affordable housing development on Mull in the SHIP which is due to be completed by March 2021. The successful delivery of these projects would result in the 5 year affordable housing supply target being met in the Mull and Iona HMA.

| Location | Registered Social Landlord | Number of Units |
|-----------------|-----------------------------------|------------------------|
| Lochdon | West Highland Housing Association | 14 |
| Salen | West Highland Housing Association | 8 |
| Tobermory | West Highland Housing Association | 12 |

Rural Housing Fund (RHF)

4.15 In addition to the 50 island homes delivered since 2016 and the 88 affordable units within the SHIP due for completion by March 2021 detailed in the tables above Argyll and Bute Council are working with various community groups to enable them to attract Rural Housing Funding to deliver affordable housing on the islands.

Ulva Ferry – Mull

4.16 The Mull and Iona Community Trust (MICT) have been successful in obtaining RHF feasibility funding to explore the possibility of delivering more affordable housing at Ulva Ferry to add to the 2 affordable houses which were officially opened in November 2017.

Dervaig – Mull

- 4.17 The North West Mull Community Woodland Company (NWMWC) have been successful in obtaining RHF feasibility funding to explore the possibility of delivering up to 5 affordable housing in the village of Dervaig in the North West of Mull.

Ulva

- 4.18 The island of Ulva was the subject of a successful community buyout in June 2018 with the assistance of a £4.4 million award from the Scottish Land Fund. The Council has supported a RHF feasibility study to investigate the possibility of refurbishing 6 properties on the island.

Engagement with Gigha

- 4.19 Housing staff met with representatives of the Isle of Gigha Heritage Trust in November 2018. We discussed the newly developed Community Housing Assessment Toolkit (CHAT) which will enable work to be carried out below the HMA level in partnership with housing services to establish housing need and demand in remote rural settlements.

5.0 CONCLUSION

- 5.1 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.
- 5.2 The Council has made explicit and robust commitments in both the SHIP and the LHS to island and rural proofing affordable housing delivery in Argyll and Bute. Our overarching strategic housing vision remains 'to deliver a housing system that makes a contribution to thriving and sustainable communities and economic growth'. This continues to underpin our approach to all communities across Argyll and Bute, including all the Atlantic Isles.
- 5.3 While the legal/Scottish Government HNDA framework applies primarily to local authority and higher level housing market areas, the council recognises the unique geographic circumstances of our rural and island geography and therefore carries out more refined, localised assessments, in conjunction with local communities, using a local community toolkit for this purpose. The Council would welcome and strongly encourage engagement with island representatives on the next update of the HNDA in the new year.
- 5.4 The Council is committed to working with all partners including communities in order that the 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 ABOIP, in particular 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.

Executive Director of Development and Infrastructure Services – Pippa Milne
Policy Lead – Cllr Robin Currie

November 2018

For further information contact:

Douglas Whyte
Team Lead – Housing Strategy
E-mail: douglas.whyte@argyll-bute.gov.uk
Tel: 01546 604 785

Allan Brandie
Research and Development Officer
E-mail: allan.brandie@argyll-bute.gov.uk
01369 708 679