

APPENDIX 4

Proposal Title	Strategic Housing Fund
Proposal Text	Council gives consistent financial support to Registered Social Landlords across Argyll irrespective of where they are. There is limited challenge in terms of funding being linked to need. Scrutiny would be useful to look to open up that discussion – i.e. is our investment giving best VFM, is it tied to need – how does it link into economic development?

TOPIC TITLE:	Strategic Housing Fund
DATE OF SUBMISSION:	03/04/2019

PRELIMINARY ASSESSMENT			
QUESTION		RESPONSE	RESPONSE JUSTIFICATION
1	Does the issue affect a number of people living in Argyll and Bute across multiple wards or, if restricted to a single or small number of wards, would its scrutiny have a wider impact across the council?	Yes	Social Housing is available throughout Argyll and Bute therefore the Strategic Housing Fund impacts across the entire Council.
2	Does the issue concern an area of poor performance or an emerging issue (meaning there is no comprehensive performance data available)?	Yes	A review of SHF was carried out and approved by Community Services Committee in December 2018. It was agreed to continue existing funding for RSL's but extend it to community organisations in certain areas, thus reducing risk of not providing affordable homes in areas that RSL's do not wish to develop. There has also been questions raised around the appropriateness of the current blanket allocation of the SHF, and whether there is a more effective way to distribute funds. Currently a set amount of £12k is provided for every unit built, regardless of location or needs assessment.
3	Can scrutiny add value - i.e. is performance likely to improve as a result of scrutiny?	Yes	Provision of funding to community organisations is a new process therefore the Committee may wish to consider the criteria being applied to allocate funding and determine where the SHF is being allocated the differential levels of funding are aligned to need and cost.
4	Does the issue relate to a service area with a revenue and/or capital budget in excess of £100k or, in the case of an emerging issue, is there a realistic expectation that the revenue and/or capital budget will exceed £100k?	Yes	The Scottish Government have allocated £51,608,000 in Resource Planning Assumption (RPA) to Argyll and Bute to deliver affordable housing until 2021. This will enable delivery of over 800 affordable housing units. The SHF will be required to contribute £9,800,000 over the period to 2021 across Argyll and Bute.
5	Is the issue being addressed by another committee (area or strategic) or been subject to review in past 18 months?	No	There was a review of SHF presented to Committee in December 2018. As a result of this, it was agreed to extend the allocation of SHF to Community groups in certain areas. The new process has not been reviewed to date.
Does the issue pass to stage 2 assessment?		Pass	
QUESTION		RESPONSE	RESPONSE JUSTIFICATION

6	Is the scrutiny activity timely - i.e. will it be possible to implement changes at the current time?	Yes	There has been a new process agreed in December to also extend SHF funding to community organisation. This presents an opportunity to scrutinise whether the new process will assist in achieving value for money and maximise the benefits from the SHF.
7	Is there adequate resources in place to scrutinise the issue effectively?	Yes	The scrutiny work programme for 2019/20 is to be submitted to the June 2019 Audit and Scrutiny Committee. There are currently no reviews planned until such time as this programme is approved.
8	Is it an issue which has attracted public attention and/or highlighted by residents?	Yes	Service management have advised that the SHF is not generally a topic that attracts public attention, as it is a process that the public is generally unaware of. There has been some public interest from the Council's more rural communities, which is demonstrated by Community Organisations from these areas approaching the Council to receive funding in addition to RSLs.
9	Does it address an area highlighted by the Council's risk management process or other audit/scrutiny reports?	Yes	Risk 12 in the EDI operational risk register relates to the failure to meet expectations in new housing targets. This also aligns to red risk SRR01 - The impact on the Council of population and economic decline.
Stage 2 Assessment Outcome		High Priority	

TOPIC TITLE: Strategic Housing Fund
DATE OF SUBMISSION: 03 April 2019
STAGE 2 ASSESSMENT OUTCOME: High Priority

	QUESTION	OPTIONS	SELECTION	SCORE	WEIGHTING	TOTAL SCORE	JUSTIFICATION FOR SELECTION
1	What is the current performance based on the council's performance scorecard?	> 10% under target < 10% under target < 10% over target > 10% over target Not applicable	< 10% over target	2	3	6	There is an action included in the housing service team scorecard relating to the 'number of new affordable homes completed per annum'. As per this scorecard, the target for 2018/19 was for 100 new units to be built. Actual performance was slightly over target with 107 units being built during 2018/19.
2	To what extent does the issue contribute to a business outcome aligned to the Council's corporate plan?	Major contribution Significant contribution Medium contribution Slight contribution No contribution	Major contribution	4	3	12	This aligns to business outcome "We Enable A Choice Of Suitable Housing Options". This is a major contribution towards the Council's mission statements of "Making Argyll and Bute a place people choose to Live, Learn, Work and do Business" and the Council priority "to ensure we have homes for all".
3	To what extent is this issue being highlighted as a public concern?	Widespread Significant Medium Slight Not applicable	Slight	1	2	2	Service management have advised that the SHF is not generally a topic that attracts public attention, as it is a process that the public is generally unaware of. There has been some public interest from the Council's more rural communities, which is demonstrated by Community Organisations from these areas approaching the Council to receive funding in addition to RSLs.
4	What is the revenue and/or capital budget commitment to this area of service?	>1m 500k-1m 250k-500k 100k-250k	>1m	4	3	12	The Scottish Government have allocated £51,608,000 in Resource Planning Assumption (RPA) to Argyll and Bute to deliver affordable housing until 2021. This will enable delivery of over 800 affordable housing units. The SHF will be required to contribute £9,800,000 over the period to 2021 across Argyll and Bute.
5	In the past three years what is the pattern of budget performance for this area?	Major under/over spend Significant over/under spend Medium over/under spend Slight over/under spend Largely on budget	Largely on budget	0	2	0	Service management have advised that the SHF is generally largely on budget.
6	What is the status of national legislation on the issue?	Failure to implement = penalties Current legislation Definite future legislation Possible future legislation Not applicable	Current legislation	3	2	6	The Council no longer has its own housing since transferring stock to ACHA in 2006. However, as the Strategic Housing Authority, the council has a number of statutory duties and responsibilities in terms of delivery and investment of affordable housing, and improving house condition across all housing sectors. All Scottish local authorities are required to prepare a Local Housing Strategy (LHS) every five years, setting out how the Council and its partners will address local need and demand, and contribute to national housing priorities. The strategy covers all types and tenures of housing including social rented, private rented and owner occupied accommodation.
7	How widespread is the impact of the issue?	Council wide Multiple wards Single ward Small no of residents No impact	Council wide	4	1	4	Social Housing is available throughout Argyll and Bute therefore the Strategic Housing Fund impacts across the entire Council.
8	Does the issue feature in the Council's risk management registers?	Yes - red risk Yes - amber risk Yes - green risk No	Yes - red risk	4	3	12	Risk 12 in the EDI operational risk register relates to the failure to meet expectations in new housing targets. This also aligns to red risk SRR01 - The impact on the Council of population and economic decline.

WEIGHTED TOTAL	54
HIGH / MEDIUM FACTOR	1.5
TOTAL SCORE	81