
STRATEGIC HOUSING INVESTMENT PLAN (SHIP) 2023/24 - 2027/28

1.0 EXECUTIVE SUMMARY

- 1.1 This report details the proposed annual Strategic Housing Investment Plan which will cover the period 2023/24 - 2027/28. The document is required to be submitted to the Scottish Government by October 2022. This paper summarises the proposals for the revised SHIP, in line with statutory requirements and the latest guidance.

In July 2021 The Scottish Government allocated Resource Planning Assumptions (RPAs) to local authorities for the five years to the end of March 2026. The Scottish Government have confirmed that the figures for 2027 and 2028 can be based on the allocations from previous years although they are not formal definitive allocations:

Year	2023/24	2024/25	2025/26	2026/27	2027/28	Total
RPA	£18.264m	£18.328m	£18.632m	£18.632m	£18.632m	£92.488m

- 1.2 In 2021/22, the SHIP delivered 143 new affordable homes. This SHIP identifies potential for around 247 units to be completed in 2022/23 and over 750 additional homes to be completed or approved in subsequent years.
- 1.3 As well as addressing unmet local need and contributing to national targets, the proposed programme will generate additional investment in the local economy, supporting additional jobs including new apprenticeships in the construction sector and associated labour market; it will stimulate community regeneration and sustainability; it will help to attract and retain residents and employees for local businesses; it will encourage movement within, and more effective operation of, the local housing system; it will also contribute to improving general health and well-being; and more pragmatically the new homes will also generate additional Council tax revenue.

RECOMMENDATIONS

It is recommended that the Council:

- a) Approve the SHIP proposals summarised in this report, which will then be submitted to the Scottish Government in October 2022.

STRATEGIC HOUSING INVESTMENT PLAN (SHIP) 2023/24 - 2027/28

2.0 INTRODUCTION

- 2.1 This paper seeks council approval of the revised Strategic Housing Investment Plan (SHIP) 2023/24 – 2027/28 which will then be submitted to the Scottish Government in October 2022. The core purpose of the SHIP is to set out strategic investment priorities for affordable housing over a five year period to achieve the outcomes set out in the Local Housing Strategy.
- 2.2 The SHIP remains a continuous, iterative process: individual projects are subject to a variety of factors which can lead to slippage or revision; and the overall programme requires constant monitoring. Formal updates are now required on an annual basis.
- 2.3 The revised SHIP has potential for delivery of around 247 units this year, and over 750 new affordable homes in subsequent years.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Council:
- a) Approve the SHIP proposals summarised in this report which will then be submitted to the Scottish Government in October 2022.

4.0 DETAIL

- 4.1 From 2017, the Scottish Government and COSLA/Association of Local Authority Chief Housing Officers (ALACHO) agreed that SHIPs would revert to being submitted on an annual basis. In June 2022 revised guidance was issued to assist local authorities prepare their SHIPs, which require to be submitted to the Scottish Government by October 2022, and will cover the period 2023/24–2027/28.
- 4.2 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 in nature and not considered as a policy document.

4.3 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.

4.4 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; and
- Enable the involvement of key partners.

The SHIP should contain a succinct narrative in PDF form, submitted as a supporting document to the SHIP in the Housing and Regeneration Programme (HARP) system, which explains the context to the SHIP including:

- A statement on alignment with the LHS demonstrating that priorities identified in the SHIP are consistent with what the local authority outlined in its LHS (and any subsequent updates) and how the SHIP priorities will contribute to delivery of LHS Outcomes;
- A summary of the methodology used to prioritise projects;
- Details of how the local authority has responded to and resolved development constraints on projects prior to the site start date;
- Details on how the local authority's own resources and other funding are supporting the delivery of affordable housing in its area;
- Details of progress towards the delivery of its Affordable Housing Supply Programme across all tenures by completions;
- Details of affordable housing projects for Gypsy/Travellers;
- Details of Housing Infrastructure Fund projects where these are linked to affordable housing delivery;
- Details of local plans to support the delivery of wheelchair accessible housing within its area;
- A statement that strategic housing priorities are aligned and are consistent with Rapid Rehousing Transition Plan priorities;
- Details of affordable housing projects that are aligned with the local authority's Child Poverty Action Report;
- Details that duties under the Islands (Scotland) Act have been followed by the local authority if appropriate;
- Details of any empty homes services and actions to bring homes back into use;
- Details of how Council Tax on Second and Empty Homes has been used to assist affordable housing;
- Details of how Developer Contributions have been used to assist affordable housing; and
- The type and level of consultation undertaken with RSLs, communities, developers and other stakeholders in developing the SHIP and how this has helped with the development of strategic investment priorities.

4.5 Key Aspects of the SHIP Guidance Issued in June 2022

Building on previous guidance, the Scottish Government's most recent guidance includes an enhanced emphasis on ensuring that the SHIP is aligned with the local Child Poverty Action report. The delivery of affordable housing is key to efforts to alleviate poverty in general.

The guidance also requires details on how the SHIP supports and enables the local authority to deliver duties required under the Islands Act.

The guidance continues to include an enhanced emphasis on the delivery of wheelchair accessible housing in support of action 62 of the Fairer Scotland for Disabled People Action Plan.

The latest guidance also emphasises and includes specific linkages between the SHIP process and the duty on local authorities to produce Rapid Rehousing Transition Plans, essentially ensuring that the delivery of the SHIP will have direct impact on homelessness in the local authority area.

4.6 Resource Planning Assumptions (RPAs).

In July 2021 The Scottish Government allocated Resource Planning Assumptions (RPAs) to local authorities for the five years to the end of March 2026. The Scottish Government have confirmed that the figures for 2027 and 2028 can be based on the allocations from previous years although they are not formal definitive allocations:

Year	2023/24	2024/25	2025/26	2026/27	2027/28	Total
RPA	£18.264m	£18.328m	£18.632m	£18.632m	£18.632m	£92.488m

It should be noted that this is potential investment for Argyll and Bute, dependent on actual need and deliverability of suitable projects. While obviously very welcome, this level of funding will also present real challenges for the Council and its partners. This would be subject to sufficient complementary funding being available from the Council and RSLs themselves to support the programme; and the capacity of the constrained local construction industry to gear up to such an enhanced level of productivity.

- 4.7 Additional funding is required to complement the Scottish Government investment, and in Argyll and Bute this includes a significant contribution from the Council's Strategic Housing Fund (SHF) as well as Housing Association investment drawn from private sector borrowing. The council's SHF is primarily based on the revenue raised from reduced tax discounts on holiday and second homes. The SHIP sets out plans to fully utilise the SHF over 5 years to support the affordable housing development programme, including empty homes grants and loans. The projected income to the SHF over the next 3 years is approximately £2m per annum. An indicative estimate of around £2.29m would be required to support in full the Scottish Government investment outlined in the

2023/24 RPA above based on the Scottish Government's updated baseline benchmark of £95 500 per unit.

4.8 Consultation and Collaboration

The preparation of the SHIP is intended to be viewed as a corporate activity with close working relationships fostered across housing, planning, economic development and other internal services. It is also crucial that the SHIP process is based on collaboration between the Council, RSLs, communities, developers, the Scottish Government and other stakeholders such as the Health and Social Care Partnership; and that the SHIP document should provide a detailed narrative about how consultation and collaboration has been undertaken with all stakeholders. In Argyll and Bute, while the Council remains the strategic authority with overall responsibility for the plan, local RSLs and developers are engaged formally and informally throughout the process, and do lead on delivering most of the individual projects. Regular review meetings are held with SHIP officers from the Council, RSLs, and the Scottish Government, and all proposals and decisions are considered by the overarching, multi-agency Strategic Housing Forum. 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 individual residents are routinely engaged and consulted. In recent years, a number of local community councils and development trusts have pro-actively engaged in the SHIP process, undertaking localised Housing Need and Demand Assessments (HNDAs), with Council support, to feed into the process and contributing to discussions on the project proposals. Additional engagement has been promoted across the local business sector and a network of employers and other interested parties has been established for future consultation.

- 4.9 A primary focus for the new SHIP has been engagement with the Health and Social Care Partnership (HSCP) to ensure adequate specialist provision is included in the new build programme. The HSCP's new 3 year strategic plan was launched in 2022 and incorporates a Housing Contribution Statement (HCS) outlining the essential role housing plays in supporting and maintaining independence, health and well-being of residents. The new LHS consolidates the partnership working with the HSCP and sets out a high level outcome which is:

“To enable people with particular needs to live independently in their own homes and to remain in their communities”

The post of dedicated Housing Occupational Therapist which was established in October 2018 to co-ordinate and promote these needs through the SHIP group, was made permanent in 2021.

4.10 Housing Infrastructure Fund (HIF)

The Scottish Government introduced a Housing Infrastructure Fund in 2016 to support housing development through dedicated loans and grants. The HIF will

prioritise sites which are of strategic importance and cannot proceed or have stalled due to exceptional infrastructure works. The Council secured a £2.1 million HIF grant to address the costs of upgrade works at Kirk Road/Lorn Road. This work is now complete and has enabled delivery of the ongoing 300 unit affordable housing development at Dunbeg, which remains a high strategic priority for the council and its partners. The SHIP annual update contains proposals for 3 further HIF projects in Argyll.

4.11 Other Affordable Housing Provided Without AHSP Assistance

SHIPs should contain details of all proposed affordable housing projects within the local authority area including those which will be provided without AHSP support. This could include off the shelf purchases, buybacks of ex-council/RSL stock, projects where councils have exclusively used their own resources, pension funds or other sources of funding, including Scottish Government non-AHSP funds to develop housing.

The Council will continue to explore these and all other appropriate options to increase the supply of affordable housing. The Council agreed an Open Market Purchase Statement with the Scottish Government in January 2022.

SHF has contributed to 1 Rural and Islands Housing Fund projects in Argyll during 2022 – the refurbishment of 6 properties for affordable rent on Ulva through the North West Mull Community Woodland Company (NWMWCW). In addition a Community Housing Network Group has been established by the Council to support community groups to take forward housing projects which meet identified need.

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.

4.12 Current Progress: Outputs 2021/2022

Table 1 details the affordable housing delivered by the SHIP in 2021/22.

TABLE 1: SHIP New Build Homes by HMA & Project, 2021/22

Housing Market Area	Projects	Completions	% of total
Cowal	Cairndow (FYNE HOMES)	6	4%
Lorn	Kirk Road (Dunbeg) (WHHA)	4	3%
	Dunbeg Phase 3 (LINK)	115	80%
Helensburgh and Lomond	Garelochhead (ACHA)	10	7%
Islay, Jura and Colonsay	Imeraval Phase 3 (WHHA)	8	6%
TOTAL		143	100%

4.13 The Revised SHIP Programme

The current year, 2022/23, is covered by a Strategic Local Programme Agreement while the new SHIP is intended to commence from 2023/24. The following tables summarise all proposals at the time of writing, including those projects which were completed in the first quarters of this year 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 within the timescale. However there is also scope for additional proposals to be brought forward or included in earlier years.

TABLE 2: SHIP Projects Completions/Anticipated Completions in 2022/23

Project address	Developer	Units	Anticipated Completion Date
Inveraray Phase 2	ACHA	10	Completed June 2022
Tarbert	ACHA	4	Nov 2022
Millknowe Campbeltown	ACHA	2	Nov 2022
Tom-A-Mhoid Road Dunoon	FYNE HOMES	1	March 2023
Dunbeg Phase 3 (remaining units)	LINK	185	March 2023
Sawmillfield Helensburgh	WHEATLEY GROUP	36	March 2023
Jura	WHHA	10	Completed July 2022
Argyll & Bute 2022/23 Total Completions (est.)		248	March 2023

TABLE 3: SHIP Core Programme - Potential Completions by March 2028

Project address	Developer	Units	Anticipated Completion ¹
Bowmore Phase 4	ACHA	18	Year 1 (23/24)
Eton Avenue Dunoon	ACHA	4	Year 1 (23/24)
North Connel - Phase 2	ACHA	2	Year 2 (24/25)
Tighcargaman Port Ellen	ACHA	20	Year 2 (24/25)
Dalintober	ACHA	25	Year 2 (24/25)
Coll	ACHA	10	Year 2 (24/25)
Tarbert	ACHA	15	Year 2 (24/25)
Tarbert	ACHA	15	Year 3 (25/26)
Keills	ACHA	4	Year 4 (26/27)
Jeanie Deans Helensburgh	DUNBRITTON HA	12	Year 1 (23/24)
Helensburgh Golf Club	DUNBRITTON HA	62	Year 1 (23/24)
18th Tee, Helensburgh	DUNBRITTON HA	16	Year 1 (23/24)
Cardross	DUNBRITTON HA	37	Year 3 (25/26)
Succoth Phase 2, Arrochar	DUNBRITTON HA	12	Year 4 (26/27)
Lochgilphead Riverside Drive Baddens	FYNE HOMES	6	Year 1 (23/24)
Inveraray Phase 1	FYNE HOMES	16	Year 1 (23/24)
Ballochgoy Rothesay	FYNE HOMES	10	Year 1 (23/24)

Rothsay Academy Phase 1	FYNE HOMES	30	Year 2 (24/25)
Inveraray Phase 2	FYNE HOMES	10	Year 2 (24/25)
Rothsay Academy Phase 2	FYNE HOMES	20	Year 4 (24/25)
Cairndow Phase 2	FYNE HOMES	4	Year 5 (27/28)
Tighnabruaich Phase 2	FYNE HOMES	10	Year 5 (27/28)
Dunbeg Phase 4	LINK	90	Year 2 (24/25)
Rosneath	LINK	49	Year 3 (25/26)
Hospital Field site Oban	LINK	50	Year 3 (25/26)
Lonan Drive Oban	LINK	44	Year 3 (25/26)
Glencruitten	LINK	100	Year 4 (26/27)
Dunbeg Phase 5	LINK	75	Year 4 (26/27)
Dunbeg Phase 6	LINK	75	Year 5 (27/28)
Port Charlotte Phase 1	WHHA	14	Year 1 (23/24)
Imeraval Phase 4 Islay	WHHA	20	Year 1 (23/24)
Tobermory Phase 3	WHHA	12	Year 2 (24/25)
Port Appin Phase 1	WHHA	6	Year 2 (24/25)
Craignure	WHHA	22	Year 2 (24/25)
Colonsay	WHHA	5	Year 2 (24/25)
Salen	WHHA	8	Year 3 (25/26)
Port Appin Phase 2	WHHA	24	Year 5 (27/28)
Bunessan Phase 2	WHHA	4	Year 5 (27/28)
Argyll and Bute Total		956	2023-2028

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

4.14 Alternative sites are also being considered either to replace or enhance some of the sites listed in above tables. The Council also continues to provide support for communities considering the use of the Government's Rural and Island Housing Funds and other resources to deliver affordable housing out with the core AHSP development programme. The table below provides details of these projects.

TABLE 4 : Community Housing Projects

HMA	PROJECT/COMMUNITY	UNITS
Mull & Iona	Ulva (Refurb)	6
Mull & Iona	Glengorm (Refurb)	5
Islay, Jura & Colonsay	Port Askaig, Islay	2
Islay, Jura & Colonsay	Scalasaig, Colonsay Phase 1	12 units in total made up of 3 Self build plots, 3 Private Rented units (Mowi) 6 affordable housing units of which 4 are social rent and 2 are shared equity
Argyll and Bute Total		25

4.15 Impact Assessments

In preparing the SHIP, as in all aspects of housing policy and planning, the Council has taken account of the housing needs of all the communities we serve, and continues to address equalities issues and adhere to principles of diversity and inclusion. In addition to the robust baseline evidence of specialist accommodation and support needs across the range of equalities client groups contained in the HNDA, the Council is proactively pursuing engagement with the Health and Social Care Partnership to inform the SHIP programme. An overarching equality impact assessment will be completed for the LHS and this will inform our assessment of the impact of the SHIP, and how the strategic aims are embodied in the housing priorities of the programme. Housing Services will also consider requirements for Health Inequalities Impact Assessments, Child Rights and Wellbeing Impact Assessments or other potential policy implications. However, as the responsible authority for the purposes of the relevant 2005 Act, the Council has determined that a Strategic Environmental Assessment (SEA) is not required for the LHS or SHIP.

5.0 CONCLUSION

- 5.1 The Scottish Government will review the SHIP in line with the process agreed jointly with COSLA. Their appraisal will therefore take account of the following: the extent to which the SHIP delivers LHS Outcomes; the extent to which it is feasible to deliver; the local authority's contribution to the delivery of the programme, both in terms of its facilitation role and in terms of maximisation of resources; evidence that the Council is supporting the efficient delivery of the SHIP; evidence of stakeholders' involvement in developing the SHIP and in the implementation of proposals; and the extent to which it takes account of equality issues. In March 2021, the Scottish Government provided positive feedback on the previous SHIP, submitted last year, and their comments have also continued to inform this latest version of the SHIP moving forward.
- 5.2 It is recognised that an adequate supply of suitable housing is becoming an increasing pressure within Argyll and Bute. The Council is fully committed to, and actively exploring, all opportunities to enable housing delivery which meets the identified need and demand across the local authority area.

6.0 IMPLICATIONS

- 6.1 Policy - Proposals are 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 Outcome Improvement Plan, in particular Outcome 2 – we have infrastructure that supports sustainable growth.

- 6.2 Financial - The proposals are 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 submission of the SHIP will meet our statutory duties, and following its approval, Strategic Local Programme Agreements will be concluded between the Council and Scottish Government.
- 6.4 HR – None.
- 6.5 Fairer Scotland Duty - The proposals are consistent with aims and objectives set out in the local housing strategy, which is subject to an EQIA.
- 6.5.1 Equalities Protected characteristics - There are targets set within the SHIP to deliver housing which meet the needs of specialist groups.
- 6.5.2 Socio-economic Duty – The delivery of affordable housing across Argyll and Bute facilitates socio-economic opportunities for all. The SHIP links with the Child Poverty Strategy.
- 6.5.3 Islands – The Housing Needs and Demand Assessment process takes full account of housing need on the islands. New build developments on the islands are included in each of the SHIP tables.
- 6.6 Climate Change – All new build properties delivered through the SHIP are built to a Greener Standard.
- 6.7 Risks – Risk assessment is an integral part of each development and will be considered as the programme moves forward. The SHIP is required to show how risk will be managed. Failure to deliver a robust SHIP could result in loss of substantial government investment for the local authority area. Alternatively, however, 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 RSLs and the management of their existing stock, with consequent adverse effects on local neighbourhoods and communities.
- 6.8 Customer Service - The proposals will deliver increased access to a range of suitable, affordable housing options.

Kirsty Flanagan, Executive Director with responsibility for Development and Economic Growth

Councillor Robin Currie, Policy Lead for Economy and Rural Growth

September 2022

For further information contact:

Fergus Murray, Head of Development and Economic Growth

Fergus.Murray@argyll-bute.gov.uk

Douglas Whyte, Team Lead – Housing Strategy
Douglas.Whyte@argyll-bute.gov.uk

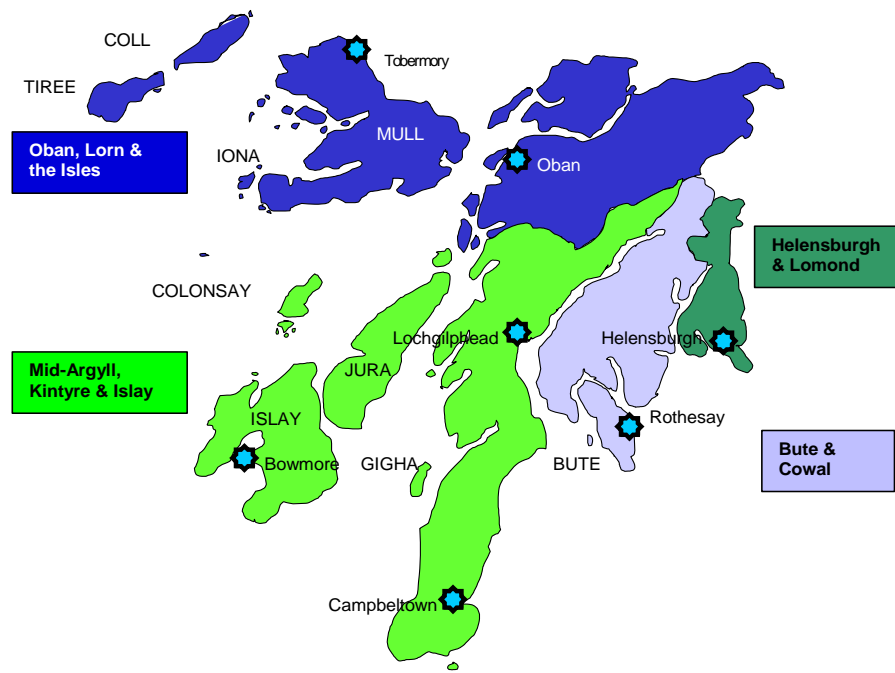
Appendix 1 – Argyll and Bute Strategic Housing Investment Plan 2023/24 – 2027/28
**APPENDIX 1 – ARGYLL AND BUTE STRATEGIC HOUSING INVESTMENT PLAN
2023/24 – 2027/28**



ARGYLL and BUTE
STRATEGIC HOUSING INVESTMENT PLAN
2023/24 - 2027/28

CONTENTS

SECTION	PAGE
INTRODUCTION	
1) The Strategic Framework	
2) Stakeholder Consultation	
3) Prioritising the Programme	
4) Delivering the Programme: Mitigating Risks and Resolving Development Constraints	
5) Resourcing the Programme and the Council's Contribution	
6) Empty Homes	
7) Child Poverty and Fuel Poverty	
8) Specialist Provision including Wheelchair Habitable Housing	
9) Gypsy/Traveller Sites	
10) Homelessness/ Rapid Rehousing Transition Plans	
11) Buybacks, Second-Hand Acquisitions and Off-Shelf	
12) Update from the Previous Ship	
13) The Revised Programme	
14) Monitoring and Review and Impact Assessments	
CONCLUSION	
Appendices	



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); and
- Mid-market rental housing provided by social landlords.”

*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 3.5 times the annual income of the household; and in terms of renting a property, the affordable benchmark is often considered to be around 25% of the household’s income.

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 affordable home 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 local and national strategic housing targets, as well as helping to increase 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 deliver high-quality services across all tenures and meet identified needs in the area. The strategy and its associated policies directly inform the SHIP.

This plan is an operational document, setting out how it will deliver the LHS priorities and outcomes through a five-year strategic investment programme. 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).

Specifically, the SHIP is the key document for identifying:

- proposed strategic housing projects which require funding from the Scottish Government's Affordable Housing Supply Programme;
- proposed affordable housing projects which can be provided without Scottish Government funding support; and
- projects across all tenures requiring grant and loan funding from the Scottish Government's Housing Infrastructure Fund.

This SHIP builds on the previous SHIP published in 2021 and has been developed in consultation with key stakeholders. The outline draft plan was also approved by the SHIP Officers' Group and the Strategic Housing Forum in 2022, and the finalised SHIP was approved on **** 2022 by the full council for submission to the Scottish Government.

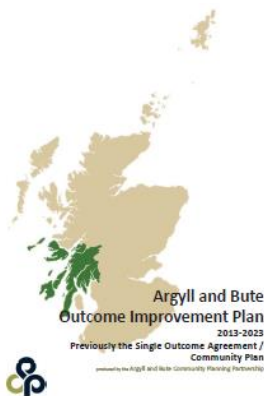
This SHIP covers the five years from 2023/24 to 2027/28.

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

- A statement outlining the role the SHIP investment priorities plays in delivering LHS outcomes.
- Details of stakeholder consultation undertaken in developing the SHIP.
- A summary of the project prioritisation framework, including:
 - Prioritisation by unit size;
 - Prioritisation by how the project addresses duties placed on the council by the Islands (Scotland) Act; and
- The council's investment priorities for housing in town centres
- A list of the risks and key issues constraining the delivery of the programme and identifying the actions that are required to mitigate against these constraints. For example, using different construction methods to deliver SHIP projects.
- Resourcing the programme, including :
 - Details of how the council's own resources, such as Council Tax on Second and Empty Homes, support affordable housing delivery;
 - Details of other funds that are supporting the delivery of affordable housing;
 - Details of Developer Contributions that have been used to assist affordable housing delivery; and
 - The role of the Housing Infrastructure Fund in delivering new affordable housing.
- A summary of the empty homes services and actions being taken by the council to bring homes back into use.
- Aligning the SHIP programme with the requirement specified in the Argyll and Bute's Child Poverty Action Report.
- Details of specialist housing provision delivered over the SHIP period, including wheelchair-accessible housing.
- An outline of capital works undertaken on Gypsy/Traveller sites and if the Gypsy/Traveller Accommodation Fund may fund future works.
- Outlining how the strategic housing priorities are aligned with Rapid Rehousing Transition Plan priorities.
- A statement on the council's approach to buybacks, second-hand acquisitions and off-the-shelf purchases.
- A review of the previous SHIP (published in 2021)
- A summary of the projects in this SHIP. Full details of these projects can be seen in the Scottish Government's electronic system HARP (Housing And Regeneration Programme)
- Details of how the SHIP will be monitored and reviewed including how the SHIP programme impacts upon:
 - Equalities and Socio-Economic Impact Assessment
 - Child Rights and Wellbeing Impact Assessment
 - Health Impact Assessment
 - Islands and Communities Impact Assessment
 - Strategic Environmental Assessment

1) THE STRATEGIC FRAMEWORK

▪ Argyll & Bute Outcome Improvement Plan (ABOIP)



The Argyll and Bute Outcome Improvement Plan 2013-2023 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 council and its partners are soon to commence their review of the current Outcome Improvement Plan and aim to publish the refreshed document in 2023. Future SHIPs will align with the new Local Outcome Improvement Plan.

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.

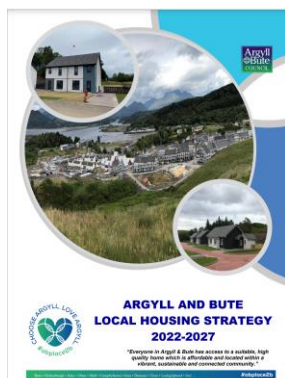
Six long-term outcomes underpin this objective: -

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, primarily focuses on Outcome 2 (infrastructure supporting sustainable growth).

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



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

“Everyone in Argyll & Bute has access to a suitable, high-quality home which is affordable and located within a vibrant, sustainable and connected community.”

Underpinning this vision are four high-level outcomes:

- 1) Housing Supply and Place Making**
- 2) House Condition, Energy Efficiency and Poverty**
- 3) Specialist Provision and Independent Living**
- 4) Housing Options, Information and Support**

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

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

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

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

Scottish Government Priorities and COHI.

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

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

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

The Convention of the Highlands and Islands (CoHI) aims to address the Scottish Government's priorities outlined above by establishing a population working group which recommended that pilot projects were established to tackle depopulation. The council is a member of CoHI and is participating in the pilot projects. The council has identified the following areas as repopulation zones:

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

A settlement officer has been employed on a one-year contract to examine the availability and quality of housing across Argyll and Bute and factors such as cost, land supply, and infrastructure barriers. The findings from this project will inform housing investment decisions and future SHIPs.

2) STAKEHOLDER CONSULTATION

As outlined in previous SHIPs, the preparation of this plan, as well as the planning and delivery of individual projects, remains a continuous, iterative corporate activity. Since 2019, close working relationships have been further enhanced and streamlined as the council's service restructuring brought Housing and Planning Services together with Economic Development and Regeneration in a single department of Development and Infrastructure under one Head of Service. In addition, the internal joint working will include ad hoc involvement of other departments such as Roads, Property Development/ Estates when appropriate. The SHIP process 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
- Wheatley Group
- Loretto Housing Association
- Bield Housing Association
- Trust Housing Association
- HMNB Clyde/ MOD
- Loch Lomond & Trossachs National Park
- Rural Housing Scotland
- Communities Housing Scotland.
- Highlands & Islands Enterprise
- Veterans Housing Scotland
- Scottish Water
- Home Energy Scotland
- Allenergy

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

The Argyll & Bute Strategic Housing Forum, comprising a wide range of key partners from the Community Planning Partnership, constitutes the overarching Housing Market Partnership with ultimate responsibility for overseeing the implementation and monitoring of the LHS and the SHIP; and is chaired by the Council Leader. The Strategic Housing Forum is also responsible for making appropriate recommendations to Council Members and lobbying the Scottish Government regarding housing issues in Argyll and Bute. The Terms of Reference for the Forum, as the formally constituted local housing market partnership within Argyll and Bute, were reviewed and agreed upon in September 2020 and are available on request to the council.

The SHIP Officers Development Group - In addition to regular programming meetings between the council, the Scottish Government and individual RSLs, a dedicated SHIP Officers Group continues to bring practitioners from 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. In 2018/19, a secondary SHIP Partners Group was convened involving other partners

such as infrastructure services (Roads and Amenities) and agencies such as Scottish Water to consider specific project-based issues. This proved successful in addressing specific constraints and has now been incorporated, as appropriate, within the SHIP Officers Group and the Strategic Housing Forum.

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

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

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

Rural Growth Deal (RGD) Housing Sub-group- The Rural Growth Deal housing sub-group aims to provide affordable housing for workers to enable businesses to be sustainable or grow. The proposal is to

- construct housing for sale at an affordable price;
- place rural burdens and planning conditions on homes financed by the Rural Growth Deal to ensure they are used as principal housing for residents and workers; and
- develop proposals relating to portable worker accommodation and support employers to furnish properties for staff.

Argyll and Bute Child Poverty Action Group- The Argyll and Bute Child Poverty Action Group recognises that it is vital that the council, Health Board, the third sector and communities work together to tackle child poverty. Housing is an essential component in tackling child poverty; hence, the service has been represented in the group since its inception. However, in 2021/22, the Housing Policy and Strategy Team joined the group to ensure that housing investment and key policies prioritised tackling child poverty. The SHIP will deliver housing investment, enabling some families to be allocated affordable, energy-efficient homes.

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). The HSCP's current three-year Strategic Plan was launched in 2022, incorporating a revised and updated Housing Contribution Statement (HCS) which outlines the essential role that housing plays in supporting and maintaining independent living and the health and wellbeing of residents. The SHIP has a direct and significant contribution to make to this outcome.

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

To realise this vision, people need access to appropriate housing models and care staff to enable them to live at home or in a homely setting. The balance between care in residential and community settings has already shifted considerably towards looking after people at home. This is evidenced by 53% of those aged 65+ who require 10+ hours of home care per week being looked after at home¹. However, expanding care at home is restricted by staff numbers and the Health Board claims that a lack of affordable housing is a barrier to enabling it to attract health and social care staff. The SHIP and Rural Growth Deal will provide affordable homes which could attract health and social care staff to the area. In addition, the delivery of suitable specialist provision via the SHIP programme will be critical to enabling people with needs to live independently in their own home.

A dedicated Housing Occupational Therapist (OT) post was created to take this agenda forward and cement the close partnership between the council, RSLs and the HSCP. This includes reviewing the circumstances and requirements of families with particular needs, developing a better understanding of the accommodation and support needs of wheelchair users, and facilitating early interventions, particularly concerning adaptations and property layouts and design. One innovative outcome of this joint work was delivering a cross-sectoral training programme for partners. This will also help inform the SHIP process and promote greater engagement across the board.

The Housing OT and relevant HSCP officers will continue participating in the SHIP Operational Group and the Strategic Housing Forum. In 2021, the council approved the recommendation that this post should become permanent, funded by Housing Services. The Housing OT and the LHS strategy team worked together to conduct research and consultation with wheelchair users across Argyll and Bute. This research helped identify specific new build targets for wheelchair accommodation, which have been incorporated into this plan and take immediate effect in respect of the SHIP

¹ Health and Social Care Joint Strategic Plan 2022-25

programme. In 2021, Council Housing Services appointed a dedicated Mental Health/Addictions Housing Practitioner focused on supporting the delivery of the Rapid Re-housing Transition Plan, further enhancing the strategic and operational links between housing, health and social care.

Wider Stakeholders, Local Business, and Economic Development - Other stakeholders and strategic partners 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 dedicated events in August 2018 and September 2019, 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 events 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 events, and the intention is to retain this network as one thematic interest group for future consultation and engagement when developing the next Local Housing Strategy. This consultation exercise informed the Rural Growth Deal. The council commissioned research in Mull, and this further engaged the business sector.

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 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^[1]. The council has engaged with local representatives on Mull, and community councils in North Lorn, for instance, to implement the new toolkit; and this is now available.

HMNB Clyde / MOD engagement-As reported in previous SHIPs, the Strategic Delivery and Development Framework (SDDF) was established between the Council and HMNB Clyde to achieve maximum benefit for the base the wider community as a consequence of the proposals for increasing the naval presence at Faslane. 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 Specialisation 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. To this end, a comprehensive housing market study of the area was completed in 2018, which involved further extensive consultation and stakeholder engagement. Additionally, the council is conducting a wider economic study in partnership with the MOD.

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

A key issue in relation to housing and potential requirements for the SHIP is the implementation of the Future Accommodation Model (FAM), which the MOD is piloting. The 2015 Strategic Defence and Security Review (SDSR) committed the Ministry of Defence to make a new accommodation offer to help more service personnel live in private accommodation and meet their aspirations for home ownership. The way people live, and work is changing, and the FAM reflects this, giving more choice to more Service personnel and their families over where, how and with whom they live. The pilot is a chance for the MOD to test the policy and how it is delivered before deciding whether to roll it out across the UK. If this is confirmed, the majority of bases will gradually transition to the FAM over the next decade or two. The FAM pilot was launched in September 2019 for the Faslane site, and this will have a direct impact on the Helensburgh & Lomond housing market area and beyond. Ensuring sufficient and suitable capacity within the local housing system to address the anticipated increased demand will be a priority for the SHIP over the next 5 – 10 years.

In addition, the council has carried out a dedicated in-house study of the particular needs of veterans and serving military personnel more widely, i.e., beyond those based at or leaving Faslane; the results informed the new HNDA in 2021 and LHS in 2022. This has involved engagement with local and national organisations such as Veterans Housing Scotland and Poppy Scotland, among others. [hnda_technical_paper_09 - veterans and armed services.pdf \(argyll-bute.gov.uk\)](https://argyll-bute.gov.uk/hnda_technical_paper_09_-_veterans_and_armed_services.pdf)

3) PRIORITISING THE PROGRAMME

The SHIP has a clear and transparent framework for prioritising projects to be delivered. Investment is targeted at Housing Market Area's (HMA), communities and settlements where communities experience the greatest affordable housing pressures. These priorities recognise the importance of investing in smaller, fragile 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 the need in the wider housing market area;
- recent investment patterns;
- deliverability (site ownership, infrastructure or planning constraints, etc.);
- the potential contribution to population and economic growth.

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

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

Prioritisation by Housing Need –

Dunbeg remains the immediate development priority for the council, although the SHIP has several other projects in and around Oban.

Strategically, Helensburgh & Lomond is also a high priority in terms of need and potential growth opportunities. Critically, the impact of the increased MOD presence at the Faslane naval base and the consequential impact from families and dependents, as well as enhanced supply-chain requirements servicing the base, will inevitably result in additional accommodation pressures within this catchment area.

The LHS concluded that Mid Argyll could benefit from further developments, albeit this continues to be closely monitored to avoid creating imbalances in the existing system. Cowal is currently most at risk of severe depopulation. However, it could be regenerated with judicious development, operating in tandem with improvements in employment opportunities and transport infrastructure. There are particular needs in this HMA for a few larger families who require specialist provision.

Small-scale developments could also significantly and positively impact the Atlantic Islands, which is also the case throughout the rural mainland. Bute and Kintyre appear to be relatively well balanced in terms of current supply and demand (with annual RSL lets sufficient to address waiting list demand and ongoing evidence of

long-term voids in these areas, despite recent strategic stock rationalisation programmes). Nevertheless, emerging analysis suggests these local housing markets have also been experiencing significant shifts in demand, and potential needs may be evolving and growing, particularly as a consequence of the Covid pandemic.

The recently published Mid-year population estimates by the National Records for Scotland identified Argyll and Bute as the 6th fastest growing local authority, with the population growing by 0.9% from 2020-21, exceeding the ambitious LHS growth target of 0.5%. This increase in population will further fuel housing demand in the HMAs which have seen the greatest population growth. However, future housing demand may be damped by the predicted recession in 2023; in such turbulent times, the council will continue to monitor need and demand in HMAs and modify investment priorities accordingly.

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

Prioritisation by Size – The HNDA and the HOME Argyll common housing register identify that the most significant demand is for one and two-bedroom properties; hence, the SHIP will continue to promote the delivery of smaller properties. The number of applicants waiting for a one or two-bedroom property rose by 10% from 2021. As of July 2022, 83% of the active waiting list applicants required 1- or 2-bedroom accommodation, while 12% required three beds and 5% required four or more bedded properties. The number of applicants wanting a four-plus bedroom property fell from 15% in 2021 to only 5% in 2022.

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

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

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

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

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

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

The finer detail of the programme will be 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.

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

The Argyll and Bute Rural Growth deal aims to facilitate the delivery of a range of housing tenures to accommodate local workers and support business growth in the initial pilot areas of Tobermory and Bowmore. The Islay and Mull SHIP projects will complement the RGD housing proposals.

Prioritising projects which improve town centres

In addition, to supporting remote rural and island communities, the SHIP programme also supports projects which improve town centres. Historically RSLs in previous SHIPs have delivered new build affordable housing in:

- Albany Street- Oban (6 units completed in 2019),
- St Cuthberts, Dunoon (17 units completed in 2017),
- The Rothesay CourtHouse- Rothesay (25 units for Shared Equity – last property sold in 2022).

This SHIP has the following town centre projects

- Jeanie Deans Helensburgh
- Eton Avenue Dunoon

SHIP projects should provide Rural and Island Proofing² – the Council’s Housing Service will continue to apply a policy of rural-proofing housing plans and strategies to ensure the more remote and isolated areas, or those designated as “fragile”, are not disadvantaged or adversely affected by investment and

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

development decisions. Critical to this aim is joint working with local planners to support the development and sustainability of designated key rural settlements across Argyll and Bute, as well as supporting the aims of the Loch Lomond & Trossachs National Park.

Key factors influencing the prioritisation of rural developments include:

- the ratio of waiting list applicants to lets;
- the ratio of social housing to second homes;
- proportionate historic losses through Right to Buy;
- the percentage of social housing to total dwelling stock; 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.

The rural/urban housing differential is acknowledged nationally in the structure of the Scottish Government's benchmark framework for grant funding, whereby Argyll and Bute receives a rural uplift to address the additional costs involved in remote rural and island development. The council previously commissioned dedicated studies of island housing markets, specifically for Mull and Islay³, which provided evidence of the disproportionate uplift development costs for these areas and highlighted specific issues and barriers to development in these contexts.

This SHIP has also been developed within the context of the Islands (Scotland) Act 2018, which introduced measures to support and help the unique needs of Scotland's islands now and in the future. The Act also seeks to help create the right environment for sustainable growth and empowering communities. With around 23 inhabited islands in this local authority area (more than any other Scottish authority), Argyll and Bute is committed to supporting and sustaining population and economic growth in these communities and will always ensure to engage directly with the islands when new policies and strategies are being developed that may impact on them. The SHIP aims to support the priorities of the island communities, and our consultation reflects this commitment. In addition to the aforesaid island studies, we ensure that our overarching HNDA process allows for a significant, representative sample of local households on individual islands to participate and register their housing needs and voice their general views on local housing. A formal Islands Impact Assessment has been developed as part of the LHS process, and this document also covers the SHIP. See Section 14 for details.

Consultation with Argyll and Bute's island communities found that only 20% of Argyll islanders believe there is sufficient affordable housing available locally, and only 22% agree that there is a variety of housing types, sizes and tenure to meet local people's needs. 92% of Argyll islanders believe there is insufficient housing to meet local demand. In addition, high levels of fuel poverty are recorded on the islands, and very high rates of ineffective stock (mainly second/holiday homes). The rapid expansion of short-term-lets in recent years has also contributed to the high rates

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

of ineffective stock. This is demonstrated by the council identifying 4000 properties in 2022 in the entire council area that fall into the short-term lets definition⁴. The number of ineffective properties may reduce with the introductions of the Scottish Governments short-term-let regulations which requires properties being used in this way to have a short term let license. The council is also contemplating if it will establish short-term-let zones in areas with particular pressures. Properties used for short term lets in identified zones will require Planning Permission in addition to the short-term-let license. The council will continue to monitor the levels of ineffective stock in tourist hotspots such as islands.

To tackle the lack of sufficient affordable housing in island communities the SHIP in the last 5 years (2017- 2022) has delivered 70 units on the islands, equating to 15% of all units provided within Argyll and Bute. The islands received SHIP investment of over £16.25 million to deliver these new homes. Of the 12 SHIP projects on-site or completed during 2021/22, three (25%) were located on the islands, and four (33%) were in rural locations out with larger towns. A further three projects (25%) were located in the main towns of Helensburgh, Dunoon and Campbeltown, while two projects (17%) were in Dunbeg. This reflects a suitably spread of new developments across the local authority area.

Future prioritisation process

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

⁴ 2820 of the identified Short-Term Lets are known through Council Tax and NDR 1180 additional properties are estimates.

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

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

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

Mitigating Constraints

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

a) Increased construction costs and a tight labour market

The Helensburgh area benefits from wider competition from out with the local authority boundaries however, this is not the case for the remainder of Argyll and Bute which is more reliant on the local construction sector. The constrained capacity of the local construction sector has a huge impact on delivering new homes. Local contractors rely on tradespeople the central belt to fill in gaps in provisions. Brexit and Covid 19 have reduced the number of people in the labour market. Therefore, employees are able to be more selective in the jobs they undertake. A shortage of labour combined with the exorbitant fuel costs have placed additional hurdles in the way of recruiting construction workers who are prepared to travel to Argyll and Bute to undertake construction work.

The Scottish Government issued revised benchmark costs in October 2021 to reflect the increased construction costs. However, the cost of labour and materials appear to have increased more sharply in remote rural and island communities. In addition, RSLs and contractors continue to highlight concerns in balancing cost and quality considerations, especially given the ongoing cost of securing private finance in a high-interest financial environment. These factors will make delivering new homes within the revised benchmark extremely challenging.

To mitigate against higher construction costs and shortages of labour the council and its partner have explored innovative construction solutions. For example, in Dunbeg, the main contractor MacLeod's had the experience of developing floor and roof panels and larger prefabricated wall panels in off-site factories. For Dunbeg, MacLeod's installed temporary factories to effectively allow off-site

manufacturing to take place close to the development site. This allowed for 'just-in-time' production of floors, roofs and other key components speeding up the project and ensuring greater quality control and consistency. Other benefits were having buildings made wind and watertight extremely quickly, reducing waste, and reducing costs by going to and from sites.



In addition, the council part funded four modular homes built by the Wee House Company in Ulva Ferry. Each house is made of between four and six modules, depending on the size of the finished home, and 90% of construction was completed under factory conditions, meaning site preparations could be completed in tandem. It only took a matter of weeks from the modules being delivered to residents moving into the properties.

The council and its partners will continue exploring and utilising technological solutions and modular construction methods if appropriate for the development.

b) **Rapidly changing economic landscape**

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

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

While the years following lockdown have resulted in increased population and higher house prices in Argyll and Bute the economic landscape is extremely volatile and uncertain. High energy costs, high inflation and higher interest rates could result in economic decline, and financial constraints leading to widespread unemployment and hardship with resultant loss of homes or tenancies. In this scenario, there would be a requirement for the safety net of affordable social rented properties to increase. However, on the other hand, if the behavioural shift in terms of more home-working and in-migration to remoter, rural and island havens continues, then that would also entail a requirement for increased affordable housing supply.

What certain is the prioritisation framework underpinning the SHIP will need to respond to these changes.

c) **Development Constraints** (such as infrastructure issues: roads, utilities, ground condition problems/ abnormal costs) - The core SHIP programme has always

aimed to focus on sites that are not subject to significant development constraints, such as contaminated brownfield sites, designated greenbelt areas, or sites with restricted infrastructure capacity in terms of access roads or water supply. However, in certain instances within some highly pressured areas where a substantial shortfall in affordable housing is evidenced or in areas of wider strategic importance, it may be necessary to consider such sites in the absence of more practicable or easily progressed sites. Apart from the site constraint, there may be costs associated with carrying out remedial works, preliminary feasibility studies, or mitigating the potential impact on areas of archaeological significance or historic buildings, which further constrain on-site development. Mitigation may be aided by ensuring site investigation is carried out at early stages and seeking to ensure land values reflect any remediation costs. Regarding infrastructure constraints, such as Scottish Water connections/ capacity/ access, early discussions with the Utility companies 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 from alternative sources such as the council's Strategic Housing Fund, developer contributions, or other funding sources.

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

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

TABLE 1: Land Supply within the Local Authority by Housing Administrative Area 2021-2026

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

Source: Housing Land Audit 2022.

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

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

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

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

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

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

5) RESOURCING THE PROGRAMME & THE COUNCIL'S CONTRIBUTION

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

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

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

a) Scottish Government Resource Planning Assumptions (RPAs)

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

TABLE 2: RESOURCE PLANNING ASSUMPTIONS (RPA) 2023- 2028 (£m)

Argyll & Bute	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Minimum RPA	£18.264	£18.328	£18.632	£18.632* ⁵	18.632* ⁵	£92.488

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

The actual AHSP spend in 2021/22 was lower than the original RPA for that year, due in part to the impact of Covid 19 on the delivery of the programme and the difficulties of obtaining labour and materials, however spend for the previous year exceeded the nominal RPA, and over a five year planning period we would expect spend to balance out. The council will continue encouraging RSLs/developers to maximise funding opportunities and utilise the available RPA as much as possible. This might include increasing off-the-shelf / buy-back acquisitions, land banking in areas of identified need or designated future economic growth spots.

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

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

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;
- Payments to registered social landlords (RSLs) to partially fund proposed projects to deliver homes in accordance with the local housing strategy. Since April 2016, the council has provided grant funding of £12k per unit to supplement the Scottish Government grant;
- Following the council's annual policy review of the Strategic Housing Fund in 2018, a potential grant payment of £12k per unit and in some cases more than this is able to be awarded to community bodies, which have been awarded Scottish Government support from the Rural or Island Housing funds, to deliver affordable homes. Awards greater than £12K may be awarded in certain instances to ensure the deliverability of projects with particular challenges however this will be decided on a case by case basis

⁵ * These figures are based on previous years' allocation, and they are not formal definitive allocations.

In 2021/22 the income generated for the Strategic Housing Fund amounted to £2.143m and total expenditure that year was £2.672m on the following projects:

£48,000	– Kirk Rd, Dunbeg
£1,827,197	– Dunbeg Phase 3
£120,000	– Craighouse, Isle of Jura
£72,000	– North West Mull Community Woodland Co

The balance of this fund as of 31st March 2022 was £9.470m, of which £1.173m was already committed, and £8.297m was available to fund the SHIP programme.

It is anticipated that the SHF will continue to accrue annual revenue in the order of £2m over the SHIP planning period.

TABLE 3: Argyll & Bute Council Strategic Housing Fund, balance as of March 2022

Income 2021/22	Expenditure 2021/22	Balance March 2022	Committed Spend	Available to support SHIP
£2.142m	£2.672m	£9.470m	£1.173m	£8.297m

An indicative minimum estimate of circa £12.4 m would be required to support the core projects outlined in this SHIP (£12k x 1036 units),

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

The council reviewed the Strategic Housing Fund policy in 2018/19. A further comprehensive audit was carried out in 2019/20 to ensure that this resource continues to complement Scottish Government priorities for Housing Beyond 2021.

The findings from the internal audit reported in 2021 and are as follows:

- the SHF is being spent appropriately in compliance with legislation and national guidance and is having a positive impact on the delivery of housing across Argyll and Bute.
- the council is achieving value for money from the SHF with a strong partnership working in a place with RSLs and the Scottish Government.
- there is benefit in extending the SHF to community groups; however, this requires proper due diligence to safeguard against the enhanced risk of projects not being delivered.

The above demonstrates that the appraisal of the process and policies underpinning the SHF was positive.

c) RSL's Private Finance Borrowing

Banks and other lenders in the private sector also remain vitally important partners in the delivery of affordable housing. RSLs are required to demonstrate that sufficient borrowing capacity or reserves exist to ensure the delivery of the proposed development programme. 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; last year RSLs were reporting positive improvements in their potential to access private finance, and at a national

level the sector continues to explore innovative funding models. The impact of rising interest rates on RSLs' ability to borrow will have to be kept under review.

Figure 1 depicts SHIP investment for completed projects. It is important to note that Dunbeg is not included in the figures as the project is not completed; however, 115 units were completed as of 31st March 2022. Proportionately this would equate to £24 million of investment.

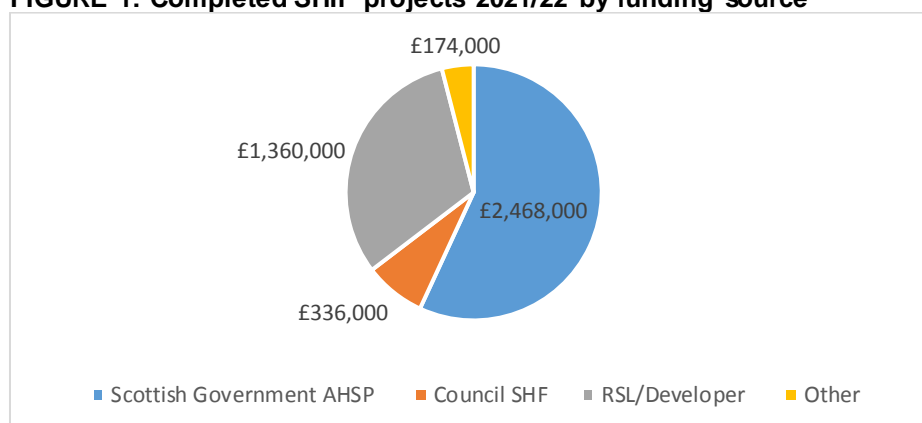
Private finance was used to support the following completed SHIP projects in 2021/22:

- Kirk Road Dunbeg £80,681
- Cairndow £364,500
- Garelochhead £649,714
- Imereval Phase 3 £270,000

Private finance equated to £1.36 million or 31% of the total investment for these projects.

The revenue from the New Supply Shared Equity (NSSE) schemes provided additional investment to support the SHIP programme. Total investment from all sources for all SHIP projects completed in 2021/22 amounted to **£4.338m**. An additional £24 million of investment was allocated to Dunbeg equating to £28.338 million of investment in 2021/22

FIGURE 1: Completed SHIP projects 2021/22 by funding source



Source: Council/RSL Records 2021/22

Housing Infrastructure Fund (HIF)

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

The council's main priority for HIF funding is the Dunbeg development in the Lorn HMA. As reported in previous SHIPs, the Scottish Government awarded a Housing Infrastructure Fund grant amounting to £2,129,247 for upgrade works to Kirk Road to enable the development of 300 new affordable homes to commence. This remains a significant priority for the council, Link and West Highland Housing Association are working in partnership to deliver the project. While the infrastructure issues have been addressed, the impact of Covid-19 in 2020/21 and 2021/22 meant that the

completion of all 300 units has been delayed and consequently, the final units may not be fully delivered until 2023.

While the Scottish Government has confirmed that the HIF will be extended post-2021, there is no guarantee that Argyll and Bute will receive further awards from this source; nevertheless, the council and RSL partners will continue to propose potential projects within the SHIP that could benefit from HIF investment. In August 2022, we will have 3 HIF projects in Argyll at an estimated cost of £ 5 million. These could include the following: -

TABLE 4: SHIP Projects with potential HIF requirements, as of August 2022

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

Rural and Islands Housing Funds (R&IHf)

The Scottish Government established a £25 million Rural Housing Fund and a £5 million Islands Housing Fund, which ran to 2021. Both funds aimed to increase the supply of affordable housing of all tenures in rural Scotland and contribute to the national affordable homes targets.

In 2020, Mull & Iona Community Trust was awarded £777,855 from the Rural Housing Fund. The project was completed in 2021 and provided four new homes in Ulva Ferry on Mull.

In 2021 three communities in Argyll and Bute received funding from the Rural/ Islands Housing Fund.

- North West Mull Community Woodland gained approval for six homes on the Isle of Ulva
- The Glengorm Farming Partnership obtained approval for five homes in Tobermory
- The Colonsay Community Development Company secured funding to provide six homes in Scalasaig on the Isle of Colonsay.

The Scottish Land Fund

The Scottish Land Fund (SLF) provided support to housing projects in:

- Colonsay Community Development Company, with a grant award of £390k to meet site acquisition costs for a mixed-tenure affordable housing project on the island. Additional funding contributions have been secured from the Council's Strategic Housing Fund and Highlands & Islands Enterprise.
- Ulva community-acquired ownership of the island with an award of £2m, and the community obtained approval in 2021 from the Islands Housing Fund to finance six homes on Ulva.
- Pennyghael, which entailed carrying out extensive renovations to an existing property. The council also contributed financially to this project which was completed in 2021.

Rural Growth Deal

The RGD equates to £50m of investment. Two projects are being taken forward, one in Bowmore on Islay and one in Tobermory on the Isle of Mull. These projects will provide housing for key workers.

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. It required that out with specified housing allocations and Potential Development Areas (PDAs), new private developments proposing eight or more homes should deliver a minimum of 25% affordable housing units. Given the revised and reinforced strategic vision of growth and repopulation for the whole of Argyll and Bute, it is likely that the affordable housing policy will be applied presumptively across all HMAs.

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

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

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

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

The National Park policy follows a similar approach, with a requirement for 25%, 33% or 50% affordable provision on sites of 4 or more units depending on the location. Sites of up to 3 units in accessible rural areas may also have a policy requirement under certain circumstances. A formal policy for calculating commuted sums has been established but again, little or no payments have been received.

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

Other Initiatives

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

6) Empty Homes

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

During 2021/22 the Empty Homes Officers assisted in bringing **38** empty homes back into use which was 27% above target. Over the last 5 years, the council's approach has enabled owners to bring a total of 217 vacant properties back into use against a baseline target of 125.

The length of time that properties had remained empty prior to being brought back into use varies, the average is between 2-5 years, with the longest empty from 2003.

TABLE 5: Length of time a property had been empty before being brought back into use in 2021/22

Duration as Empty	No of Empty Homes
less than a year	7
between 1-2 years	8
between 2-5 years	14
between 5-10 years	8
longer than 10 years	1
Total	38

Over the last five years, according to the Council Tax Register, the number of long-term empty properties has increased by 5% while the number of second/holiday homes declined by almost 10%, and the total dwelling stock increased overall by 2.6%.

TABLE 6: Estimated Ineffective Stock Argyll and Bute 2017-2022

Council Tax Register	2018	2019	2020	2021	2022	% change 2018-2022
All properties	48,014	48,906	48,285	48,166	48,570	1%
2 nd /holiday homes	2,998	2,939	2,881	2,689	2,821	-6%
Long-term empty	1,218	1,479	1,363	1,230	1,135	-7%
No of long term empty subject to double charge (200% levy)	762	586	644	644	640	-16%
Long-term empty homes as % of total	2.54%	3.02%	2.82%	2.55%	2.33%	
Empty + 2 nd /holiday homes as % of total	8.78%	9.03%	8.79%	8.14%	8.14%	

Source: Council Tax Register

Compulsory Purchase Orders (CPOs)

The use of Compulsory Purchase Orders legislative powers allow councils to acquire empty homes under certain circumstances and subject to specific conditions. The Scottish Government refreshed the guidance in 2018, which has refined the legal process and made it less complex and time-consuming for local authorities to submit an application to Ministers for consideration. Whilst the CPO has historically been considered a last resort and has not been standard practice, it is the council's view that these powers do have a strategic role to play and could be used more effectively where there are no other practical solutions to address the issues of the most problematic buildings in the area. This has been reinforced by feedback to the LHS early engagement consultation: when local residents and community groups were asked to rank the top housing challenges currently facing Argyll & Bute, 38% of respondents highlighted the impact of empty properties and second/holiday homes, making it the third highest issue among the local population. CPO powers were successfully utilised in 2019, to acquire an empty property that had no legal owner. The council then facilitated back-to-back sale to enable the property to be brought back into use. Without legal intervention the property would have remained empty indefinitely having a detrimental and financial impact on the other owners in the tenement. A CPO policy and process will be incorporated into our empty homes policy as an action for this LHS, targeting resources to the most difficult cases where there are no alternative options to bring them back into use.

7) CHILD POVERTY AND FUEL POVERTY

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

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

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

Research suggests that living in temporary or insecure housing negatively impacts children's development and education, locking them into a cycle of poverty. Therefore it is vitally important to provide homeless families with children permanent accommodation. The council and its partners have substantially reduced the number of homeless families with children in temporary housing. Table 7 shows that both the number of households and the numbers of children in temporary accommodation fell last year, and both measures are substantially lower last year than in 2018.

TABLE 7: Number of homeless households and the number of children in temporary accommodation

HOMELESS STATISTICS 21/22	2018	2019	2020	2021	2022	Change 2021 to 2022 Number	Change 2021 to 2022 %
Households with children or a pregnant woman in temporary accommodation	35	30	25	30	25	-5	-17%
Number of children in temporary accommodation	85	65	55	60	45	-15	-25%

Source: "Homelessness in Scotland: 2021-22" August 2022

Although the numbers of homeless children or children threatened with homelessness within Argyll and Bute increased slightly between 2020/21 to 2021/22, the general trend has reduced from 267 children in 2017/18 to 166 in 2021/22. However, the Cost of Living Crisis could reverse this trend as wages are not keeping track with inflation resulting in families paying exorbitant amounts for food and energy. This, coupled with higher interest rates, will mean, for some, higher mortgage payments or private landlords passing on increased mortgage costs to their tenants. The consequences of energy, food, accommodation as well as many other products all costing substantially more will mean many families will be unable to finance the necessities and for some this may result in them becoming homeless. Therefore, having an adequate supply of affordable housing is more important than ever.

TABLE 8: Number of children associated with applications assessed as homeless or threatened with homelessness

Local Authority	2017-18	2018-19	2019-20	2020-21	2021-22	Change	Change
						20-21 to 21-22	20-21 to 21-22
						Number	%
Argyll & Bute	267	164	153	161	166	5	3%

Source: "Homelessness in Scotland: 2021-22" August 2022

In 2021/22, the HOMEArgyll RSLs rehoused 289 households who had at least one household member under 16 years of age. This equated to 467 children housed in 2021/22 which was 39% of the total lets that year. Although housing 467 children last year was a considerable achievement, as of August 2022, there were 945 applicants around a third (30%) of the waiting list, with a household members under 16 waiting to be housed. This equates to 1,807 children currently on the housing waiting list. Some of these households (121) have been awarded the maximum 200 points and are deemed to be in extreme housing need and hence will be a priority for rehousing. However, not all families with children will receive priority assistance for rehousing, with 201 applicants with children not being awarded any housing points under the allocations policy.

The Child Rights and Wellbeing Impact Assessment (see section 14) undertaken as part of the LHS process highlighted the negative impact on educational attainment of

children living in overcrowded accommodation. As of August 2022, 459 households with children under 16 years of age are overcrowded. Bright Starts Bright Futures identified families with more than three children are one of the six family types at greatest risk of poverty. There were 139 applicants with children equating to 14.7% of HomeArgyll waiting list who required a larger family home (4 or more bedrooms). The SHIP housing planning process will place additional focus on housing those with a need for a particular size of property in a specific location. This approach will ensure that larger family homes are delivered where they are required. This may include RSLs purchasing appropriate 'off the shelf' properties' (see section 11).

TABLE 9: Minimum number of bedrooms required by families on the HomeArgyll waiting list 2022

HOMEARGYLL WAITING LIST AUG. 2022	1 bed*⁶	2 beds	3beds	4 beds	5 + beds	TOTAL
Number of Applicants (with members under 16)	2	477	327	99	40	945
as % of total	0.2%	50.5%	34.6%	10.5%	4.2%	100.0%

Source: HomeArgyll waiting list August 2022.

There is a need for the SHIP programme to prioritise delivering family housing as the average time for families with children to be housed is 92 weeks (compared to 100 weeks for households without children).

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

Promoting energy efficiency and tackling fuel poverty remain strategic priorities for the LHS and key commitments for the council; and maximising opportunities for sustainability in development remains a key principle underpinning the SHIP. As with all public bodies, this council is also required to meet its statutory duties arising from the Climate Change (Scotland) Act 2009, and the LHS and SHIP have been developed to ensure that the provision of new affordable housing complies with the Act; and that all housing activities and outputs should contribute to the overarching net zero targets and principles. One example of a project which embraced the net zero ambitions was the Passivhaus scheme completed in 2021/22 in Garelochhead.

⁶ * These figures are based on minimum bedroom sizes required.

8) SPECIALIST PROVISION INCLUDING WHEELCHAIR HABITABLE HOUSING

The SHIP aims to address the housing needs of all the communities we serve and continues to reflect a positive approach to equalities issues in line with the policies of the council and its partners, and the principles of diversity and inclusion in accordance with the Equality Act 2010. The HNDA (2021) provides robust evidence of accommodation and support needs across the range of protected equalities characteristics, and these have been translated into the SHIP priorities. The joint Argyll and Bute Health, Care & Housing Needs Assessment, completed in 2018, provided supporting evidence of the requirements for wheelchair accommodation, supported housing, and other forms of specialist provision. In 2019/20, the council undertook further specific studies on the need and demand for specialist provision for wheelchair users, gypsy/travellers, military personnel and veterans, and persons who are autistic or have learning disabilities. The findings have informed the 2021 HNDA and the revised LHS which was published in 2022.

An equalities impact assessment (eqseia) was undertaken during the development of the LHS, and this will inform the SHIP.

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

In particular, the post of dedicated Housing OT which was established in October 2018 to co-ordinate and promote these needs through the SHIP group, was made permanent in 2021, funded in full by the council Housing Services but working very closely with RSLs and the HSCP. In practice, this commitment to equalities principles will ensure:

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

Housing for Varying Needs (HfVNs) is a Design Guide published in two volumes (Parts 1 and 2). While not mandatory, the standards outlined in the guide have been used as the basis for standards for housing developments seeking grant funding support. The standards are intended to ensure that the housing is accessible, adaptable for different

needs and over its lifetime represents good value for money. They are based on the principle that the design of a property should not hinder a person's ability to live as independently as possible and should recognise the needs of people as they age, become less able or whose mobility, dexterity, cognitive function, hearing or sight is impaired.

The idea of designing all housing to accommodate the needs of less able people is known as "barrier free" design and this is reflected in the core guidance of the design guide; but the guide also recognises that barrier free design in itself is not a substitute for homes designed specifically for people with particular needs so it identifies additional features that should be included to address these needs.

Analysis of the HOMEArgyll Common Housing Register in 2022 suggests that around 4% of applicants could benefit from some form of specialist provision. Three percent (93) applicants requested wheelchair accessible accommodation; although 55 of these applicants also select some other form of accommodation, including general needs/ mainstream housing. Only 38 applicants only selected wheelchair housing. Applicants requesting wheelchair provision required homes with the following number of bedrooms:

- 48 (52%) of wheelchair applicants required a 1 bedrooms
- 26 (28%) of wheelchair applicants required 2 bedrooms
- 11 (12%) of wheelchair applicants required 3 bedrooms
- 8 (9%) of wheelchair applicants required 4+ bedrooms

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 1,300 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 was identified as a key area for further research and analysis, and in 2019/20 an in-house study completed jointly by the council's strategy team and the Housing OT. A key finding of this study, collated with national research, is that wheelchair users and those who might benefit from wheelchair accommodation are not a homogenous group. Hence, a variety of housing solutions are required.

Solutions such as aids and adaptations or support services will have a crucial role to play, nevertheless, the SHIP will continue to require a target of 10% of the new build programme to provide some form of specialist provision (to include retirement

housing, amenity housing, and other specially adapted properties); and within that, half (i.e. 5% of the total new builds) should be built to the fully wheelchair habitable standard as defined in the relevant Section of the current HfVN standards guidance. In 2021/22 there were a total of 22 affordable homes designed for particular needs delivered within the SHIP programme, amounting to 15% of the year's total, which exceeds the annual target of 10% overall (5% wheelchair and 5% other models of specialist provision, excluding adaptations to existing stock). The new build units included 13 wheelchair accessible homes (9% of total) and 9 amenity/older person units (6%). This is an enormous achievement and a vast improvement on provision in the previous two years where 8 units were delivered (7 in one year and 1 in the following year).

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

9) GYPSY/TRAVELLER SITES

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

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

TABLE 10: ACHA Gypsy/Traveller Sites – Annual Council Funding

Year	2017/18	2018/19	2019/20	2020/21	2021/2022	5 year Total
Grant	£41,228	£31,001	£28,939	£29,338	£31,639	£162,145

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

Gypsy/Travellers and their representatives; and this work has informed the development of the latest LHS for Argyll and Bute.

ACHA secured £108k from the Scottish Government's Capital Fund for Improving Gypsy/Traveller Sites. This was invested during 2021/22 to make interim improvements to both official sites at Bayview (near Oban) and Duncholgan (near Lochgilphead). ACHA are hoping to secure further funding to improve Gypsy/Traveller sites.

10) 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. A key proposal was that each local authority should develop a Rapid Rehousing Transition Plan (RRTP) by December 2018, covering a 5-year period, or longer if required, to enable the implementation of this new approach. The RRTP maximises prevention and sets out the council's approach to minimise the time a household remains homeless and to ensure that they can access appropriate suitable accommodation as soon as possible.

Local Rapid Rehousing Transition Plans should be reflected in the LHS and also be fully integrated into Health & Social Care Partnership strategic plans. The Argyll and Bute RRTP has consequently been included in the current Housing Contribution Statement to ensure it forms part of the planning framework. This SHIP's strategic housing priorities are aligned and consistent with the proposed RRTP priorities and outcomes. A crucial objective is to facilitate and deliver more affordable housing via the SHIP.

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 continues to liaise with RSL partners and other key stakeholders to develop and implement the RRTP; and will aim to ensure that homelessness remains a critical factor in the SHIP process. This includes homelessness as one criterion for assessing need, prioritising projects, and awarding grants from the Strategic Housing Fund. SHIP projects are expected to contribute directly or indirectly to alleviating homelessness across Argyll and Bute (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 continue to be

material considerations in SHIP programming decisions and resource allocation moving forward.

During 2021/22 Rapid Rehousing Funding of £241,496 was utilised to progress the transition of Rapid Rehousing and Housing First in Argyll and Bute. The RRTP budget allocation for 2022/23 is £111,570, which is significantly less than the previous year.

11) BUYBACKS, SECOND-HAND ACQUISITIONS AND OFF SHELF

In 2022 Argyll and Bute Council agreed a statement (Annex 1) with the Scottish Government which would provide a streamlined approach for any acquisition for secondhand stock where the work costs do not exceed £75,000 of ASHP grant.

This approach could increase the supply of affordable housing especially for priority property types and sizes in areas of high demand (particularly where stock has historically been depleted through Right to Buy). The Millknowe project in the previous SHIP is an example of a buy-back property converted into a dementia friendly home. This SHIP could use AHSP funding to purchase existing properties for people with particular needs or for large families. Whether this approach should be used will be assessed on a case-by-case basis.

RSLs are currently considering the viability of private acquisitions in areas of the local authority where there is identified need and demand.

Off-the-shelf purchases-

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

12) UPDATE FROM THE PREVIOUS SHIP

SHIP 2017/18 to 2022/23:

Building on the 305 units completed between 2017/18 and 2019/20, there were a further 143 units completed in 2021/22; bringing the five-year cumulative total to 448 affordable home. The equates to 81% of the Housing Supply Target outlined in the previous LHS considerably higher numbers would have been completed by Covid lockdowns shut down sites even when site were allowed to reopen there were considerable restrictions on workforce numbers allowed on site resulting in slippage. However, given the extremely challenging conditions of 2020/21 and 2022/23, resulting from the pandemic and the resultant supply chain issues this is very positive outcome.

Over the last five years 448 affordable homes have been created in Argyll and Bute.

TABLE 11: SHIP New Build Homes by HMA & Project, 2021/22

Housing Market Area	Projects	Completions	% of total
Cowal	Cairndow (Fyne Homes)	6	4%
Lorn	Kirk Road (Dunbeg) (WHHA)	4	3%
	Dunbeg phase 3 (Link)	115	80%
Helensburgh and Lomond	Garelochhead (ACHA)	10	7%
Islay, Jura and Colonsay	Imereval Phase 3 (WHHA)	8	6%
TOTAL		143	100%

Four of the local RSLs contributed to the total programme. ACHA delivered 10 of the new builds; Fyne Homes provided 6; West Highland completed 4; and Link completed 115 (This is partial completion of 300 units for Dunbeg Phase 3, with the remaining units to be completed by 2023). In terms of tenure, 2 units (1.4%) were for shared equity.

13) THE REVISED PROGRAMME

The current year, 2022/23, is covered by the Strategic Local Programme Agreement (SLPA) between the council, the Scottish Government, and the developing RSLs, and the previous SHIP (approved in 2021); while this new SHIP will commence from 2023/24. 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 (August 2022), including those projects which were expected to complete in 2022/23 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 12: SHIP Projects Completions/Anticipated Completions in 2022/23

Project address	Developer	Units	Anticipated Completion Date
Inveraray Phase 2	ACHA	10	Completed June 2022
Tarbert Phase 2	ACHA	4	Nov 2022
Millknowe Campbeltown	ACHA	2	September 2022
Tom-A-Mhoid Road Dunoon	FYNE HOMES	1	March 2023
Dunbeg Phase 3 (remaining units)	LINK	185	March 2023
Sawmillfields Helensburgh	Wheatley Group	36	March 2023
Jura (Craighouse)	WHHA	10	Completed July 2022
Argyll & Bute 2022/23 Total Completions (est.)		248	March 2023

If this programme is successfully delivered in full within the planning period (plus completions in 2022/23), it could provide over 1,204 new affordable homes across Argyll and Bute by March 2028. Projects islands account for 17% of houses to be developed by the SHIP the rural mainland accounts for 18% of the programme; while 51% of units are in the key strategic settlements of Oban and Dunbeg; 10% in Helensburgh; with 3% in the other main towns of Dunoon, Campbeltown and Lochgilphead.

There is an expectation that the majority of these units will be built to allow for future adaptation to meet changing needs over time; and in addition approximately 10% (i.e. 120 units, if the above programme is delivered in full) should be purpose-designed to medium or high dependency standards with potentially 60 of those units (5% of the total) being fully wheelchair accessible.

However, the council is currently in ongoing discussions with the HSCP to review and explore potential housing models to meet the HSCP objective for enabling independent living.

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

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

TABLE 13: SHIP Core Programme - Potential Completions by March 2028

Project address	Developer	Units	Anticipated Completion ¹
Bowmore Phase 4	ACHA	18	Year 1 (23/24)
Eton Avenue Dunoon	ACHA	4	Year 1 (23/24)
North Connel - Phase 2	ACHA	2	Year 2 (24/25)
Tighcargaman Port Ellen	ACHA	20	Year 2 (24/25)
Dalintober	ACHA	25	Year 2 (24/25)
Tarbert	ACHA	15	Year 2 (24/25)
Tarbert	ACHA	15	Year 3 (25/26)
Coll	ACHA	10	Year 2 (24/25)
Keils	ACHA	4	Year 4 (25/26)
Jeanie Deans Helensburgh	DUNBRITTON HA	12	Year 1(23/24)
Helensburgh Golf Club	DUNBRITTON HA	62	Year 1 (23/24)
18th Tee, Helensburgh	DUNBRITTON HA	16	Year 1 (23/24)
Cardross	DUNBRITTON HA	37	Year 3 (25/26)
Succoth Phase 2, Arrochar	DUNBRITTON HA	12	Year 4 (26/27)
Lochgilphead Riverside Drive Baddens	FYNE HOMES	6	Year 1 (23/24)
Inveraray Phase 1	FYNE HOMES	16	Year 1 (23/24)
Ballochgoy Rothesay	FYNE HOMES	10	Year 1 (23/24)
Rothesay Academy Phase 1	FYNE HOMES	30	Year 2 (24/25)
Inveraray Phase 2	FYNE HOMES	10	Year 2 (24/25)
Rothesay Academy Phase 2	FYNE HOMES	20	Year 4 (26/27)
Cairndow Phase 2	FYNE HOMES	4	Year 5 (27/28)
Tighnabruaich Phase 2	FYNE HOMES	10	Year 5 (27/28)
Dunbeg Phase 4	LINK	90	Year 2 (24/25)
Rosneath	LINK	49	Year 3 (25/26)
Hospital Field site Oban	LINK	50	Year 3 (25/26)
Lonan Drive Oban	LINK	44	Year 3 (25/26)
Glencruitten Oban	LINK	100	Year 4 (26/27)
Dunbeg Phase 5	LINK	75	Year 4 (26/27)
Dunbeg Phase 6	LINK	75	Year 5 (27/28)
Port Charlotte Phase 1	WHHA	14	Year 1 (23/24)
Imeraval Phase 4 Islay	WHHA	20	Year 1 (23/24)
Tobermory Phase 3	WHHA	12	Year 2 (24/25)
Port Appin Phase 1	WHHA	6	Year 2 (24/25)
Craignure	WHHA	22	Year 2 (24/25)
Colonsay	WHHA	5	Year 2 (24/25)
Salen	WHHA	8	Year 3 (25/26)
Port Appin Phase 2	WHHA	24	Year 5 (27/28)
Buernessan Phase 2	WHHA	4	Year 5 (27/28)
Argyll and Bute Total		956	2023-2028

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

RSLs have also identified future opportunities, which they will flesh over the next year or so. These projects could be included in the later years of the SHIP. For example, ACHA is exploring options on Mull such as Dervaig; and 4 units on Ulva. WHHA is keen to develop another stage of development in Imeraval in Islay and a project in Oban town centre. WHHA are also keen to develop in, Lochawe and/or Dalmally if demand is generated from the Cruchan Power Station expansion programme. Fyne Homes would like to develop 20 units in both Dunoon and Lochgilphead.

Finally, a number of community-led projects or private developments with associated affordable requirements but no RSL attached, may be delivered out with the core SHIP programme but will be significant adjuncts to this process and should deliver major synergies with the SHIP. Several projects are already progressing, and two have been completed. While small in scale these community-based projects deliver substantial impacts at the local level, and help to ensure the viability and sustainability of fragile communities. The following table summarises the current programme for rural and island projects out with the core SHIP programme.

TABLE 14: FUNDED COMMUNITY-LED HOUSING PROJECTS NOT COMPLETED

HMA	PROJECT/COMMUNITY	UNITS
Mull & Iona	Ulva (Refurb)	6
Mull & Iona	Glengorm (Refurb)	5
Islay, Jura & Colonsay	Port Askaig, Islay	2
Islay, Jura & Colonsay	Scalasaig, Colonsay Phase 1	12 units in total made up of 3 Self build plots, 3 Private Rented units (Mowi) 6 affordable housing units of which 4 are social rent and 2 are shared equity

14) MONITORING& REVIEW AND IMPACT ASSESSMENTS

The SHIP will continue to be appraised on an annual basis by the Scottish Government and affordable housing outcomes are monitored regularly by the Council's Housing Management Team; local authority Members via the corporate Pyramid performance management system; the overarching Community Planning Partnership via the ABOIP framework; and partners on the Strategic Housing Forum; as well as the boards and committees of the individual SHIP partners. In addition, as appropriate, wider stakeholder involvement will be sought via consultation with local communities, private developers and relevant particular interest groups. All pertinent feedback will help to inform the ongoing development and regular revisions of the SHIP.

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

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

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

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

Strategic Environmental Assessment (SEA)

As the "Responsible Authority" under the terms of the Environmental (Scotland) Act 2005, the council has previously determined that the LHS (and by association it's ancillary component, the SHIP) does not require a full SEA.

[sea_pre_screening_report_october_2021.pdf \(argyll-bute.gov.uk\)](#)

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

CONCLUSION

The Argyll and Bute Strategic Housing Investment Plan for 2023/24 to 2027/28 sets out an ambitious but realistic programme for the delivery of 956 new affordable homes; of which the majority would be built to lifetime standards, allowing for future adaptation to meet changing needs over time; and around 10% will be purpose-designed for specialist needs, with half of those i.e., 5% of the total being fully wheelchair accessible. The programme reflects a strong commitment to Argyll and Bute's economic growth agenda and will directly support the sustainability of fragile rural and island communities.

The earlier years of the SHIP align with the LHS housing supply targets, published in 2022, of 215 new affordable homes per year; the later years are slightly below the target. Several additional potential projects have also been suggested but are not as yet fleshed out. These projects are likely to be considerations in later years, although if needs are identified during the annual review of the programme, then these projects could be brought forward. In addition, new opportunities will emerge in time these combined with the projects to be fleshed will raise the number of units in the later years of the SHIP to align with the 5 year LHS target of 1075 affordable units. The council and its partners are committed to maximising available resources where possible and will continue actively to explore opportunities for growth in the programme.

The LHS targets take account of the council's ambitious strategic objectives as well as the potential increased demand for social housing arising from the consequences of the coronavirus pandemic and the current economic crisis; the increased presence at the MOD base in Helensburgh & Lomond; the anticipated impacts of the Rural Growth Deal and other local and national resources and strategic imperatives for repopulation, recovery and growth; and therefore the scale of the proposed programme is likely to be more in line with actual requirements as well as our aspirational goals for Argyll and Bute. This SHIP clearly and directly aligns with the LHS and Argyll and Bute Outcome Improvement Plan (ABOIP) outcomes; sets out a core programme which is feasible to deliver; highlights the contribution of the council, developers and other partners; evidences the support and facilitation role of the local authority; outlines the extensive stakeholder engagement underpinning the planning and delivery of the programme; and explicitly reflects the central importance of equality issues for all partners.

Appendix 1 Individual Open Market Purchases Statement January 2022

Scottish Government affordable housing supply guidance states:-

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

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

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

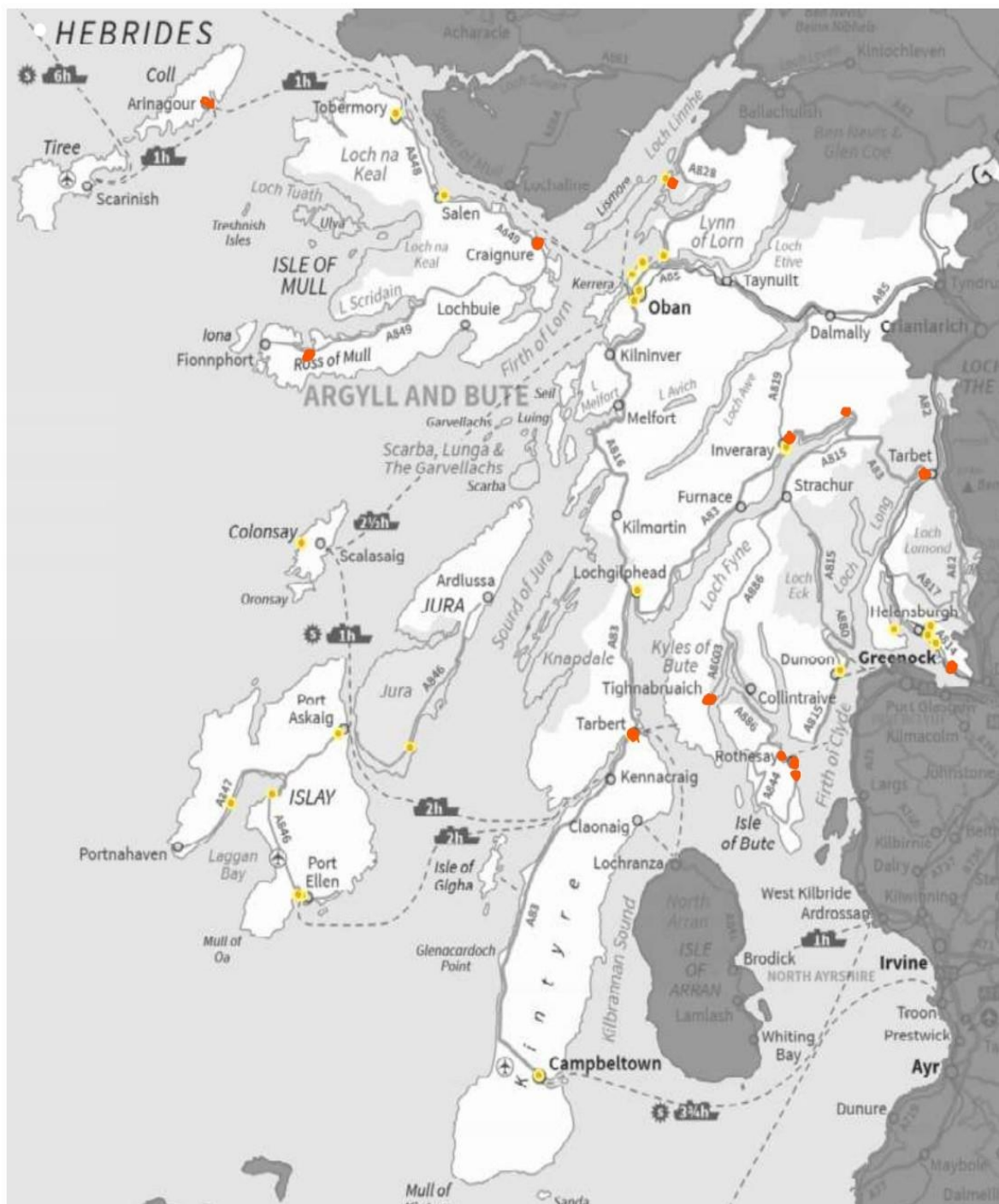
Second hand open market purchases will be prioritised as follows:

1. Where the purchase will assist the RSL to meet general housing need as identified in the HNDA and agreed with Argyll and Bute Council.
 2. Where the purchase will assist the RSL to meet particular housing need as agreed with Argyll and Bute Council.
 3. Where the purchase will bring an empty property back into occupation
 4. Priority will be given to acquiring properties that are in good/reasonable condition.
- Each property will require a valuation and condition survey completed by the District Valuer or other RICS Chartered Surveyor. Vendors must pay their own costs.

Applicants should note the following:-

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

APPENDIX 2: SHIP DEVELOPMENTS ACROSS ARGYLL & BUTE: Projects in the Core Programme 2023-2028



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Projects approved in the 2022-2027 SHIP. These are due to be completed in years 2-5 of that SHIP i.e. 2023-2027

New projects

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

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

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

Contact:
LHS Team
Argyll & Bute Council
Dolphin Hall
Manse Avenue
Dunoon
Argyll & Bute Council PA23 8DQ

Telephone:
01369 708 679
01631 700 058

Email: Hristina.tarpanova@argyll-bute.gov.uk

