



Perth and Kinross Council

**Strategic Housing
Investment Plan**

2020/21 – 2024/25

October 2019

1. Introduction

- 1.1 Good quality homes and place-making can make a significant contribution to the Council's wider aims of creating safe and sustainable communities where people aspire to live.
- 1.2 The Strategic Housing Investment Plan (SHIP) 2020/21 – 2024/25 sets out investment priorities for affordable housing, consistent with aims & objectives set out in the Perth and Kinross Local Housing Strategy (LHS).
- 1.3 Demand for housing across all tenures in Perth and Kinross is high. The supply of affordable housing proposed in the SHIP, is required to help to address housing need generated through projected population increases in Perth and Kinross. It also takes account of predicted demographic changes in relation to significant increases in the proportion of older people.
- 1.4 The SHIP details proposals to deliver over 1000 additional affordable homes over the five year period and includes an additional 25% above the targets set. This approach is in accordance with Scottish Government guidance which recommends that over-programming will allow for unforeseen slippage in projects progressing. This overprovision within the programme should help ensure that the target of building 750 new affordable houses in Perth and Kinross over five years (as set out in the Local Housing Strategy) is achieved. This supply of new affordable houses will be for social rent and shared ownership through the Council and partner Housing Associations.

2. Local Housing Strategy (LHS) Vision

- 2.1 The LHS provides the strategic framework and sets out Perth and Kinross Council's vision:

'We want to make Perth and Kinross a place where everyone will have access to good quality, energy efficient housing which they can afford, that is in a safe and pleasant environment. People will have access to services that will enable them to live independently and participate in their communities'

- 2.2 The SHIP is aligned with key aims & objectives outlined in the LHS that reflect national and local policy objectives, the four principle themes being:

1 Supply of housing and sustainable communities

2 Housing and homelessness

3 Independent living

4 House condition, fuel poverty and climate change

3. SHIP Prioritisation Framework

- 3.1 Perth and Kinross Council's SHIP prioritisation framework is a tool for prioritising investment that assesses potential development projects across the Council's strategic aims & objectives; deliverability and community benefits. Potential projects are assessed against the framework and recommendations are made to the Council's New Build Programme Board for inclusion in the SHIP.
- 3.2 The Council balances its investment decisions to be delivered by Perth and Kinross Council (as developer), Registered Social Landlords (RSL's) and Private Developers via a range of affordable housing tenures across all Housing Market Areas (HMA's).

4. Review Mechanism – Response & Resolution of Constraints

- 4.1 The Council regularly reviews the SHIP development projects, both internally and with RSL partners, to ascertain progress on a programme and project basis.
- 4.2 A frequent, usually quarterly, formal review process assists identification of constraints and potential slippage in the programme. Early contact and liaison with internal stakeholders such as Planning and external stakeholders such as Scottish Water, has assisted the Council in resolving constraints and achieving effective programme management outcomes.

5 Affordable Housing Supply Programme – Progress towards Completions target

- 5.1 In the Local Housing Strategy 2016-2021 (approved by Housing and Health Committee on 25 May 2016 (Report 16/234) the target of providing at least 150 new affordable houses (including social rented and shared equity) was set.
- 5.2 The supply of affordable housing against the target over the first three years of the Local Housing Strategy is:-

Year	Number of social rent or shared equity houses delivered	LHS Target
2016/17	97	150
2017/18	190	150
2018/19	221	150
	508	Target for 3 year period 450

6. Rapid Rehousing Transition Plan Priorities (RRTP)

- 6.1 Addressing the key Homelessness and Rough Sleeping Action Group (HARSAG) recommendations, Perth and Kinross Council aims to align strategic housing priorities with the ambitions of its Rapid Rehousing

Transition Plan, and ensure new supply assists the delivery of the Perth and Kinross Home First model.

The successful delivery of Home First has been supported by our new build programme and the delivery of the SHIP. Many homeless households have been housed directly into new properties or into vacancies freed up by existing tenants moving into new build properties. This has contributed to a substantial reduction in the number of homeless households waiting for an offer of accommodation and the length of time they have to wait.

7. Child Poverty Action Report

- 7.1 The provision and delivery of affordable housing options is key in addressing child poverty in the area and ensuring that low income households can access good quality affordable homes. Through the delivery of the LHS and our new build programme we are supporting the priorities outlined in the Local Child Poverty Action report by increasing the supply of new affordable homes built to Silver Standard (Aspects 1 and 2). These new homes help to address fuel poverty, reduce the impact of homelessness on families and provide affordable rent levels.

8. Independent Living

- 8.1 The SHIP plays a significant role in promoting and enabling households with particular housing and support needs to live independently in their own home in the community.
- 8.2 The aim is for all housing to be built to 'housing for varying needs' standard – this ensures that our mainstream housing is barrier free with the flexibility to meet the existing and changing needs of most households. Ground floor accommodation is built with wet floor showers and other specifications to meet the specific needs of households. Working with partners, we ensure residents and tenants have access to services to adapt their housing to suit their needs whenever possible.
- 8.3 At present there are 68 clients with physical disabilities with a housing need. A target of 15 houses for ambulant disabled in 2019/20 has been set in the LHS, and fully wheelchair standard housing will be incorporated into the programme where possible. Due to the dispersed nature of housing throughout Perth and Kinross, it is very difficult to match the supply of specialist wheelchair housing to the timing and location it is required. For this reason, it is likely that there will be a heavy reliance on building to flexible housing design. This approach enables adaptations to be made to meet specific needs of households as and when required, to ensure that housing is suitable for an individual's needs.
- 8.4 The details of many of the developments in the programme have not yet been finalised and the potential of many developments to meet specialist provision still needs to be fully assessed. It is anticipated that the proportion of housing for people with specialist needs including housing suitable for wheelchair users will increase once specific development details are finalised.

- **Local Plans to Support Wheelchair Accessible Housing**

- 8.5 Perth and Kinross Council is committed to increasing the supply of wheelchair accessible homes, in accordance with requirements set out in recent guidance issued by the Scottish Government which requires targets to be in place by the end of 2019. The Council is currently consulting with Health and Social Care and RSL partners, with a view to agreeing a robust and flexible approach to delivering more wheelchair accessible homes across urban and rural Perth & Kinross.

9. Affordable Homes Projects for Gypsy/Travellers

- 9.1 Consultation with the Gypsy Traveller community is ongoing and a survey of Council accommodation for Gypsy Travellers will take place as part of the Local House Condition Survey. Information from this survey will be used to plan future investment and maintenance of the existing sites.
- 9.2 A pilot scheme that enables Gypsy/Traveller communities to stop for short periods at negotiated sites in Perth and Kinross was put in place in May 2019. Negotiated stopping sites offers potential benefits to both the travelling and settled communities by reducing the number of 'unauthorised' encampments at unsuitable locations, while still supporting the preservation of the Gypsy/Traveller culture. The approach involves dialogue and negotiation between the Council and Gypsy/Travellers who pass through the area.

10. Funding

- **Affordable Housing Supply Programme (AHSP)**

- 10.1 The focus of the SHIP is the use of the Affordable Housing Supply Programme funding (AHSP), which is made available by the Scottish Government for investment in Perth and Kinross. While this funding is held by the Scottish Government the Strategic Housing Investment Plan developed by the Council directs where this funding will be invested to meet the priorities identified in the Local Housing Strategy. The projects detailed in the appendices will invest Affordable Housing Supply Programme (AHSP) funding in Perth and Kinross over the next five years.
- 10.2 In April 2019 the Scottish Government advised all local authorities of the Resource Planning Assumptions for the next two years over the lifetime of the current parliament:-

Financial Year	Resource Planning Assumption
2019/20	£17.423M
2020/21	£18.483M

- 10.2 At this stage the Scottish Government has recommended that we continue to plan in terms of the level of funding available in 2020/21, although there is likely to be a change in the level of funding available to local authorities after 2021.

Other Resources to support delivery of housing projects in the Strategic Housing Investment Plan

- **Housing Revenue Account (HRA)**

- 10.3 Using its own resources to fund additional borrowing, the Council has plans to develop 400 houses for rent over the five year SHIP period. This will be funded through council tax funding, prudential borrowing and grant assistance from the Scottish Government.

- **Developer Contributions**

- 10.4 Applications that meet published criteria can be made to Perth and Kinross Council to support delivery of affordable homes from Developer Contributions collected from Commuted Sums. Information on applications received over the past year in respect of SHIP projects and amounts awarded to support development of affordable homes are detailed below:

Applicant	Project	Units	Year	Amount
Caledonia HA	Crieff Road, Perth	6	2019/20	£70,000.00
Caledonia HA	Atholl Road, Pitlochry	12	2019/20	£63,916.00
Hillcrest HA (pending)	N William Street, Perth	12	2019/20	£180,000.00 (est.)

- 11.3 At present there is £2.2M available from contributions received from developers where affordable housing was not provided on the sites they were developing. The policy requires funds to be invested in the same market area from where they were collected to assist in bringing forward affordable housing developments. At present close to 50% of the funding collected is for the Perth area.

- **Council Tax Reserve Income from the Reduction of Discount for Empty and Second Homes**

- 11.4 In 2012, the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Act gave Councils new powers aimed at reducing the number of empty dwellings. In June 2013, Perth and Kinross Council agreed to adopt a new policy with effect from April 2014 which awarded the minimum discount of 10% for dwellings empty for between 6-12 months. The Council Tax Charge for unoccupied dwellings is now 200% of the rate of charge for an occupied property.
- 11.5 Perth and Kinross Council uses £20K/unit of this funding to support delivery of new affordable homes for the Council. Over the past seven years this has assisted the Council in building a total of 268 houses.
- 11.6 In addition to this, Housing Associations have received grant assistance from this fund in situations where exceptionally high development costs. This has assisted with exceptional costs for 55 houses since 2013. Without

the assistance of this additional funding these projects it would have been unlikely that these houses could have been developed.

- 11.7 Since 2014 these funds have been used to support posts including the Empty Homes officer. As at March 2019 the balance of funds was £5.2 M.

12. Empty Homes

- 12.1 The Vacant Property Development Team assist owners in instructing property professionals to undertake feasibility studies into repairing or re-purposing their empty properties through Vacant Property Feasibility Grants. In addition Empty Homes Initiative grants enable owners to upgrade or repair their properties in return for the properties being let through our Rent Bond Guarantee Scheme for a period of 5 years at Local Housing Allowance Rental Levels. During 2018/19 this work and grant funding resulted in a total of 25 houses being brought back into use as affordable housing.

13 Housing Infrastructure Fund (HIF) Projects

- 13.1 The Scottish Government have established a flexible grant and loan fund to help tackle infrastructure blockages and to accelerate the delivery of primarily affordable housing across Scotland. Support consists of three main elements:

- infrastructure grant available to local authorities and RSLs (to cover costs which are not currently funded from the AHSP)
- infrastructure loans to non-public organisations
- resources to accelerate site development.

Local Authorities are requested to identify priority sites which could be unlocked or taken forward earlier through this fund. Consideration has been given to how HIF can support SHIP projects and a few projects have been identified as potentially meeting the criteria.

- 13.2 However, while there was been initial interest from developers, it has not been possible to obtain the information required to form more detailed project proposals. In part this has been due to the terms of the HIF not being markedly different to finance available in the market or developers not being able to commit to the scale of development favoured for this funding within the timescale required.
- 13.3 Perth and Kinross Council will continue to consider where the Infrastructure Fund could be useful in assisting with delivery of affordable housing

14 Consultation and Collaboration

- **Registered Social Landlords (RSLs)**

14.1 Meetings are held regularly with RSLs to review progress with the Strategic Housing Investment plan and RSLs are invited to submit potential development proposals which are prioritised according to the agreed prioritisation framework. On larger projects such as Blackthorn Place at Blairgowrie, the Council and RSL's have taken a collaborative approach with the RSL acting as the project manager for both the Council and RSL elements of the project. This approach has proved successful in developing a range of affordable housing options on single sites.

- **Developers**

14.2 Regular meetings take place with developers to discuss development of their sites and the affordable housing requirement, through the implementation of the Affordable Housing Policy. On many sites this results in inclusion of the affordable housing in their developments being included in the Strategic Housing Investment Plan for either the Council or Housing Associations.

- **All Stakeholders and Partner Agencies and Communities**

14.3 There is a strong history of a partnership working between Perth and Kinross Council and RSLs to deliver the housing programme. This ranges from identification and sale of sites, securing planning permission, a joint housing waiting list and liaison on nominations when the houses are ready for let. The Council will continue to work closely with the Scottish Government to support them in reviewing procurement arrangements to deliver increased efficiency in the delivery of the AHSP in Perth and Kinross.

14.4 In taking forward the Local Housing Strategy and the Strategic Housing Investment Plan workshop events are organised, to consult on the objectives of the strategy, and consider how objectives can best be met. These workshops are attended by a range of partners and community representatives.

14.5 The Draft SHIP document is widely circulated and comments are invited ahead of finalisation of the final Strategic Housing Investment Plan.

15. Equalities

15.1 Perth and Kinross Council is fully committed to equalities and diversity. The General Equality Duty has three main aspects:-

- eliminate discrimination
- advance equality of opportunity
- foster good relations between communities

- 15.2 The Council will respond to the different needs and service requirements of people regardless of sex, race, colour, disability, age, nationality, marital status, ethnic origin, religion or belief, sexual orientation or gender re-assignment. The planning and delivery of good quality housing and appropriate information, advice and support services in Perth and Kinross embraces the principle of equal opportunities and the equality outcomes.

16. Strategic Environmental Assessment

- 16.1 The Strategic Environmental Assessment (Scotland) Act 2005 requires that all qualifying plans, programmes and strategies, including policies, are screened to assess the potential environmental impact of the plan. A Strategic Environmental Assessment (SEA) ensures that environmental issues are considered by decision makers alongside social and economic issues.
- 16.2 The SHIP, as part of the LHS, was considered under the Environmental Assessment (Scotland) Act 2005 and pre-screening identified that the plan will have no, or minimal, environmental effects. It is, therefore, exempt and the SEA Gateway has been notified.

17 Monitoring

- 17.1 The SHIP is closely monitored and funding is claimed as promptly as possible to promote and maximize the funding invested in Perth and Kinross. Annual reviews of progress in increasing the supply of housing is reported to the Council's Housing and Communities Committee, as part of the review of progress in implementing the Local Housing Strategy.

18. Conclusion

- 18.1 There continues to be strong need and demand for additional housing across all tenures in Perth and Kinross. It is anticipated that through continued successful joint working with partner agencies the investment of funds in the projects identified for inclusion in this programme we will make an invaluable contribution to meeting the need for affordable housing throughout the area.

Appendix 1 - 2020-21 Site Starts

Project Address	Area	Developer	General Needs	Specialist	Wheelchair	Total Units	Site Start 2020/21	Completions 2020/21	Completions 2021/22	Completions 2022/23
Buybacks	Various	PKC	24	0	0	24	24	24	0	0
Craigie Road,	Perth	PKC	8	0	0	8	8	0	8	0
Former Fairfield Community Centre,	Perth	PKC	12	0	4	16	16	0	16	0
North William Street,	Perth	HH	12	0	0	12	12	0	12	0
Bertha Park (Ph3)	Perth	PKC	64	0	0	64	64	0	0	64
Moncur Road	Inchture	PKC	18	0	0	18	18	0	18	0
Newburgh Road	Abernethy	PKC	10	0	0	10	10	0	10	0
Guildtown SR	Guildtown	CHA	20	0	0	20	20	0	20	0
Stanley (H30)	Stanley	PKC	22	0	0	22	22	0	0	22
Stanley (H30)	Stanley	KHA	15	10	0	25	25	0	0	25
Pace Hill,	Milnathort	CHA	10	0	0	10	10	0	10	0
Milnathort	Milnathort	KHA	16	0	0	16	16	0	16	0
Central Crieff	Crieff	HH	24	0	2	26	26	0	26	0
Broich Road Ph1	Crieff	KHA	30	0	0	30	30	0	30	0
Goodlyburn	Perth	HH	39	0	0	39	39	0	39	0
			324	10	6	340	340	24	205	111

Appendix 1 – 2021/22 - 2024/25 Site Starts															
Project Address	Area	Developer	General Needs	Specialist	Wheelchair	Total Units	Site Start 21/22	Site Start 22/23	Site Start 23/24	Site Start 24/25	Completion 2021/22	Completion 2022/23	Completion 2023/24	Completion 2024/25	Completion 2025/26
Buybacks	Various	PKC	96	0	TBC	96	24	24	24	24	24	24	24	24	0
Luncarty	Luncarty	CHA	20	TBC	TBC	20	20	0	0	0	20	0	0	0	0
Rossie Place, (Ph1)	Auchterarder	PKC	20	TBC	TBC	20	20	0	0	0	0	20	0	0	0
Bolrick, (Ph1)	Aberfeldy	PKC	20	TBC	TBC	20	20	0	0	0	0	20	0	0	0
Beechgrove	Perth	PKC	32	TBC	TBC	32	32	0	0	0	0	32	0	0	0
Charles Street,	Perth	PKC	16	TBC	TBC	16	16	0	0	0	0	16	0	0	0
Former Crieff PS	Crieff	PKC	30	TBC	TBC	30	30	0	0	0	0	30	0	0	0
Thimble Row	Perth	HH	8	TBC	TBC	8	8	0	0	0	0	0	8	0	0
Gilsay Place	Perth	PKC	40	TBC	TBC	40	40	0	0	0	0	40	0	0	0
Iona Court (RSL to be identified)	Perth	PKC	22	TBC	TBC	22	22	0	0	0	0	22	0	0	0
Bertha Park,(Ph4)	Perth	KHA	60	TBC	TBC	60	0	60	0	0	0	0	60	0	0
Rossie Place, (Ph2)	Auchterarder	PKC	20	TBC	TBC	20	0	20	0	0	0	20	0	0	0
Borlick, (Ph3)	Aberfeldy	PKC	20	TBC	TBC	20	0	20	0	0	0	0	20	0	0
Oudenarde	Bridge of Earn	HH	30	TBC	TBC	30	0	30	0	0	0	0	0	30	0
Balhousie	Perth	PKC	35	TC	TBC	35	0	35	0	0	0	0	0	35	0
Bowerswell,	Perth	CHA	3	TBC	TBC	3	0	3	0	0	0	3	0	0	0
Glenisla Golf Club	Alyth	CHA	12	TBC	TBC	12	0	0	12	0	0	0	0	12	0
Borlick Ph3	Aberfeldy	PKC	23	TBC	TBC	23	0	0	23	0	0	0	0	23	0
Rossie Place, (Ph3)	Auchterarder	PKC	20	TBC	TBC	20	0	0	20	0	0	0	20	0	0
Bertha Park, (Ph5)	Perth	KHA	60	TBC	TBC	60	0	0	60	0	0	0	0	60	0
Scone North (SE)	Scone	CHA	10	0	TBC	10	0	0	10	0	0	0	10	0	0
Rossie Place Ph 4	Auchterarder	PKC	20	TBC	TBC	20	0	0	0	20	0	0	0	20	0
Bertha Park, Ph6	Perth	KHA	60	TBC	TBC	60	0	0	0	60	0	0	0	0	60
			677	TBC	TBC	677	232	192	149	104	44	227	142	204	60