

PERTH AND KINROSS COUNCIL

Housing & Communities Committee

30 October 2019

Strategic Housing Investment Plan

Report by Executive Director (Housing & Environment) (Report No. 19/301)

This report seeks Committee approval of the revised Perth and Kinross Council Strategic Housing Investment Plan (SHIP) for the period 2020 to 2024/25.

1. BACKGROUND

- 1.1 The Strategic Housing Investment Plan (SHIP) sets out how Scottish Government funding, for the development of affordable housing, will be invested to support the delivery of the Local Housing Strategy outcomes.
- 1.2 The Local Housing Strategy (2016-21), approved by Housing and Health Committee in May 2016 (Report No.16/234 refers), identified a number of key priorities, including:-
 - more affordable homes and well managed stock, to ensure homes are the right size, type and location, with access to suitable services and facilities
 - safe and secure communities for residents of Perth and Kinross with access to good quality, affordable accommodation with the necessary support in place to sustain them in their homes and prevent them from becoming homeless
 - people living independently at home for as long as possible with help from the community and local support networks
 - warm, energy efficient and low carbon homes for Perth and Kinross residents which they can afford to heat.
- 1.3 An up-date on the strategy was reported to Housing and Communities Committee on 15 May 2019 (Report No 19/143 refers).
- 1.4 Demand for housing in Perth and Kinross is high, this is set to continue given the projected increase in population over the next 15-20 years, including a significant increase in the older population. It is, therefore, essential that more new homes are built to meet these needs.
- 1.5 The target for social housing completions in the Local Housing Strategy is 150 houses per year. During 2018/19, a total of 191 additional social rented homes were completed between the Council and Registered Social Landlords (RSL) partners. This figure excludes 26 buybacks (ex Council stock) purchased by Perth and Kinross Council.

2. PROPOSALS

- 2.1 The Scottish Government requires Strategic Housing Investment Plans to be submitted annually.
- 2.2 The SHIP sets out how Perth and Kinross Council will use the funding available to invest in the programme of council build, as well as direct investment into housing developments to be progressed by Housing Associations and other partner agencies. Investing in housing developments which meet the needs of the most vulnerable people within our community is a central aim of the SHIP. The SHIP, therefore, reinforces the position of the Council as the strategic housing authority, along with the importance of the outcomes and targets set in its Local Housing Strategy.
- 2.3 The Council and partners identify and prioritise new build and development projects in the SHIP, using the following criteria:-
- contribution to meeting housing need
 - inclusion, equality and meeting particular needs
 - impact on communities and regeneration
 - contribution to meeting wider strategic priorities
 - project deliverability
- 2.4 Due to a number of factors and influences, such as land acquisition and planning processes, it is necessary to review and re-prioritise the SHIP on an ongoing basis. As part of the SHIP approval process, the Scottish Government advises that local authority officials should, where possible, seek delegated authority to assign other projects into the programme, replacing those which fail to progress within the anticipated timescale. Any potential replacement projects are prioritised under the system set out in the SHIP and agreed through the New Build Project Board.
- 2.5 The Strategic Housing Investment Plan 2020/21 - 2024/25 is attached as Appendix 1.
- 2.6 The Scottish Government wrote to all Local Authorities on 30 April 2019 advising of the full Resource Planning Assumptions (RPAs) for the next two years (councils had previously been given provisional information for planning purposes). Funding available for investment in Perth and Kinross is detailed in the table below:

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

- 2.7 At this stage, the Scottish Government has recommended that we continue to plan in terms of the level of funding to be available in 2020/21, although there is likely to be a change in the level of funding available to local authority areas for affordable housing after 2021. This means that projects in the programme are prioritised to enable the scale of the programme to be adjusted when the level of funding available is known.
- 2.8 While some projects in earlier years will undoubtedly experience slippage, work is ongoing to identify additional developments to be included into later years in the programme.
- 2.9 A list of projects to be brought into the programme in the event that slippage occurs has been prepared. In situations where projects encounter issues leading to uncertainty about their delivery, they are placed on a separate 'suspended projects' list. For a range of reasons, specific to the sites on this list, it is currently not possible to anticipate the timescale for the development of these projects. When project deliverability becomes more certain projects will be slotted into the programme. Any projects brought into the programme will be prioritised using the methodology outlined above in paragraph 2.3.
- 2.10 As set out in the Local Housing Strategy, the Council aims to build 400 houses in total over the five year period from April 2017 until March 2021. Sites for many of these houses have been identified. However, the search for additional sites will continue to ensure that the target is met.
- 2.11 In addition, the Council intends to continue its programme of buying back former Council properties to increase its stock. It is anticipated that grant assistance from the Scottish Government will support at least 24 properties to be bought back each year.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 This report outlines the Perth and Kinross Strategic Housing Investment Plan 2020/21-2024/25 (Appendix 1).
- 3.2 It is recommended that the Committee:-
- (i) approves the Strategic Housing Investment Plan 2020/21 – 2024/25
 - (ii) gives delegated authority to the Executive Director (Housing & Environment) to ensure that where projects fall out of the plan, alternative projects, prioritised in the same way, are substituted for them.

Author

Name	Designation	Contact details
Clare Mailer	Head of Housing	HECommitteeReports@pkc.gov.uk 01738 475000

Approved

Name	Designation	Date
Barbara Renton	Executive Director (Housing & Environment)	30 September 2019

If you or someone you know would like a copy of this document in another language or format, (on occasion, only a summary of the document will be provided in translation), this can be arranged by contacting the Customer Service Centre on 01738 475000.

You can also send us a text message on 07824 498145.

All Council Services can offer a telephone translation facility.

1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	None

1. Strategic Implications

Community Plan

- 1.1 The Perth and Kinross Community Plan and Perth and Kinross Council Corporate Plan have five concurrent outcomes which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. The following are relevant to this report:
- (i) Promoting a prosperous, inclusive and sustainable economy
 - (ii) Supporting people to lead independent, healthy and active lives
 - (iii) Creating a safe and sustainable place for future generations

2. Resource Implications

Financial

- 2.1 Resource implications arising directly from this report emanate from the proposed local authority new build housing programme (as detailed in the SHIP appended). In addition to the Scottish Government Grant, the second home Council Tax fund and developer's contributions for affordable housing will be used to support the delivery of the programme. Detailed resource assumptions on the use of these funds will be reported to respective Council Committees when final details are known.

- 2.2 The Head of Finance was consulted on these proposals as part of the Capital Budget and HRA Capital Plan budget setting process.

Workforce

- 2.3 There are no direct workforce implications regarding this report.

Asset Management (land, property, IT)

- 2.4 There are no asset management implications arising from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- (i) Assessed as **not relevant** for the purposes of EqIA

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. However, no action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 These proposals meet the following sustainability criteria:-
- (i) Where possible, using materials from sustainable sources
 - (ii) Energy conservation through improved insulation measures
 - (iii) More efficient heating systems
 - (iv) More efficient lighting systems

Legal and Governance

- 3.5 The Head of Legal and Governance has been consulted and there are no direct legal implications of this report.

Risk

- 3.5 The Housing and Community Care Senior Management Team regularly review capital monitoring reports that highlight individual project progress and risks.

4. Consultation

Internal

- 4.1 The Head of Finance and the Head of Legal and Governance were consulted on this report.

External

- 4.3 The SHIP has been developed through joint work with individual Registered Social Landlords and the Scottish Government. They have been consulted on this report.
- 4.4 The Tenant Committee Report Panel are pleased to support this paper, stating that it is encouraging to see future sites being developed.

5. Communication

- 5.1 There are no direct communication issues with regard to this report.

2. BACKGROUND PAPERS

- 2.1 None.

3. APPENDICES

- 3.1 The appendix to this report is the Strategic Housing Investment Plan (SHIP) which sets out affordable housing investment priorities to achieve the outcomes set out in the Local Housing Strategy.