

PERTH AND KINROSS COUNCIL

Housing & Social Wellbeing Committee

29 November 2023

AFFORDABLE HOUSING MEMBER/OFFICER WORKING GROUP - OUTCOME REPORT

Report by Executive Director (Communities)
(Report No. 23/341)

1. PURPOSE

- 1.1 This report provides an overview and update to members on the work progressed by the Affordable Housing Member Officers Working Group.

2. RECOMMENDATIONS

- 2.1 It is recommended that Committee:

(i) notes the work progressed by the Affordable Housing Member/Officer Working Group.

(ii) approves that the purpose of the Affordable Housing Member/Officer Working Group has been met.

3. STRUCTURE OF REPORT

- 3.1 This report is structured over the following sections:

- Section 4: Overview
- Section 5: Update on Progress
- Section 6: Conclusion
- Appendices

4. OVERVIEW

- 4.1 At the Perth & Kinross Council Committee meeting on 21 December 2022, approval was given for the re-establishment of the Affordable Housing a Member/Officer Working Group. It was agreed the Group would meet for a maximum period of 6 months.

- 4.2 Terms of Reference (appendix 1) was also agreed and covered the following areas to:

- provide strategic leadership and direction on the priorities and delivery of the Strategic Housing Investment Plan and all aspects of the provision of affordable housing in Perth & Kinross.

- monitor the delivery of affordable housing targets (Council, RSL and private developers) and their effectiveness in meeting the key strategic priorities as agreed within the Local Housing Strategy.
- consider the financial issues arising from the provision of affordable housing in relation to delivery, value for money and affordability to tenants.
- respond to proposals, guidance and consultation papers on Housing and Planning regarding the provision of affordable housing.
- consider best practice in the provision of affordable housing, focusing on experience in other parts of the UK and in the European community.

4.3 The Group was chaired by the Convener of the Housing and Social Wellbeing Committee and had representation from five Elected Members, including the Provost, covering all political parties, the Executive Director (Communities), the Senior Service Manager – Housing and the Housing and Strategy and Policy Manager (Communities) with administrative support from Committee Services.

4.4 To support the Terms of Reference, a meetings topic and work plan was developed that covered nine areas of activity (Appendix 2).

5. OVERVIEW OF PROGRESS

5.1 The Group first met on 27 March 2023, signing off the Terms of Reference and agreeing areas of topics to include within a work plan. Following this meeting, monthly hybrid meetings were held, and the following areas were discussed and progressed:

I. Developer Contributions and Affordable Housing Supplementary Guidance Updates

A presentation providing a summary of the proposed updates to the Developer Contributions and Affordable Housing Supplementary Guidance 2020 was delivered to the Group. Agreement was reached on:

- removing the following bullet point within the Appendix: Part 2 – Affordable Housing - Where there is an existing high concentration of affordable housing in the area and the provision of a commuted sum would help achieve more balanced communities elsewhere in the housing market area.
- including reference in the report that it had been discussed and supported by the Member / Officer Working Group.
- submitting the revised report to the Environment, Infrastructure & Economic Development Committee on 31 May 2023 for approval. This was subsequently agreed by the Committee.

II. Modular Housing Feasibility Assessment Overview

An overview presentation, which covered all aspects of Modular and Off-site Construction options available, was delivered to the Group. Several points were discussed after the presentation regarding:

- difficulties arising as a result of high construction costs.
- levels of engagement and input with builders on the types of houses to be built.
- construction methods and exploration of different techniques of house building.

III. Financial Viability of Council New Build

Following on from the presentation regarding modular housing, and high construction costs, an overview paper outlining how the financial viability of Council New Build projects is determined was circulated to Group members.

IV. Rent Setting Strategy for HRA Gypsy Traveller Sites (Double Dykes / Bobbin Mill)

A presentation providing a summary of an options appraisal for revised rent setting options for the Gypsy/Traveller sites held on the Housing Revenue Account (HRA) was delivered to the Group. The Group agreed with the preferred option and proposal and requested, with the appropriate governance checks, that the option – reduce the rent for both sites – to be implemented as soon as possible. This was implemented from the beginning of October 2023.

V. HRA Rent Setting Strategy – Rent Setting Process and Options Appraisal

A presentation providing a detailed overview on the background and processes regarding the management of the Housing Revenue Account, including three potential rent level options was provided. Members were asked to:

- consider the proposed rent increased options.
- provided feedback on the options and areas of increased spend.
- provide feedback on the proposed increase in service charges.

Based on the feedback from Members, the three rent level options presented were amended to reflect the feedback. This was to ensure that the priorities of tenants' regarding improvements to repairs response timescales and quality of home were met.

Consultation and engagement opportunities are now being held with all tenants on the proposed rent level options and service charge increases, and tenants will be asked to vote on their preferred option.

Details of tenant feedback will be included in a committee paper presented to Housing & Social Wellbeing in January 2024 for implementation in April 2024.

VI. Overview on Housing Needs for those with particular support requirements

A presentation was delivered providing an overview of the housing projects and the streamlined process for people with particular housing and support needs. Members were provided with an overview of the progress made to date and the various projects and activities in the pipeline.

VII. Perth Prison Employability Project

A verbal overview on the above project was provided and Members were given a detailed information on the support and assistance available to prisoners and following their release.

5.2 Alongside the above meetings, a visit was also arranged for Members to view the new custody suite for women, Bella Centre, in Dundee.

6. CONCLUSION

6.1 The above information provides an overview and update to Members on the work progressed by the Affordable Housing Member Officers Working Group. The Working Group has provided officers with the opportunity to discuss and debate various key priorities and the challenges faced with the delivery of affordable housing. Members have provided supportive, challenging and constructive feedback on the development and delivery of key Housing services to ensure the best outcomes are achieved for tenants and communities within Perth & Kinross.

Author

Name	Designation	Contact Details
Elaine Ritchie	Senior Service Manager	(01738) 475000 ComCommitteeReports@pkc.gov.uk

Approved

Name	Designation	Date
Barbara Renton	Executive Director (Communities)	21 November 2023

APPENDICES

- Appendix 1 – Affordable Housing – Member/Officer Working Group – Terms of Reference
- Appendix 2 - Meeting Topics and Work Plan

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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	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	Yes
Risk	None
Consultation	
Internal	No
External	No
Communication	
Communications Plan	No

1. Strategic Implications

Community Plan/Single Outcome Agreement

1.1 This report supports all of the priorities within the Community Plan 2022-27.

- (i) *Reducing Poverty (including child poverty, fuel poverty and food poverty)*
- (ii) *Mental and physical wellbeing*
- (iii) *Digital participation*
- (iv) *Skills, learning and development*
- (v) *Employability*

Corporate Plan

1.2 This report supports the objectives within the draft new Corporate Plan:-

- (i) *Children and young people grow up safe, respected, well-educated, and confident in their ability to realise their full potential;*
- (ii) *People and businesses are increasingly able to prosper in a local economy which support low carbon ambitions and offers opportunities for all;*
- (iii) *People can achieve their best physical and mental health and have access to quality care and support when they need it;*
- (iv) *Communities are resilient and physically, digital and socially connected;*
- (v) *Perth and Kinross is a safe and vibrant place, mitigating the impact of climate and environmental change for this and future generations.*

2. Resource Implications

Financial

2.1 There are no financial implications arising from this report.

Workforce

2.2 There are no workforce implications arising from this report.

Asset Management (land, property, IT)

2.3 There are no asset management implications arising from this report.

3. Assessments

Equality Impact Assessment

3.1 This report has 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

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

Sustainability

3.3 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change and, in exercising its functions must act:

- in the way best calculated to delivery of the Act's emissions reduction targets;
- in the way best calculated to deliver any statutory adaptation programmes; and
- in a way that it considers most sustainable.

3.4 The information contained within this report has been considered under the Act. However, no action is required as the act does not apply to the matters presented in this report.

Legal and Governance

3.5 Not applicable.

Risk

3.6 Not applicable.

4. Consultation

Internal

4.1 Heads of Service and senior managers from Communities have been consulted on the content of this report.

External

4.2 The Tenant Committee Report Panel was consulted on this report. They commented that it was good to see Members taking more time to discuss and debate issues and factors that impact on housing and tenants.

5. Communication

5.1 No communication plan is required.

2. BACKGROUND PAPERS

2.1 The minute of the Perth & Kinross Council Committee meeting held on 21 December 2022 were relied upon during the preparation of this report.