

Angus Council  
Strategic Housing Investment Plan 2020/21 – 2024/25

**1. Introduction**

- 1.1 The core purpose of the Strategic Housing Investment Plan (SHIP) 2020/21 – 2024/25 is to set out the investment priorities for affordable housing over a five year period which are consistent with and achieve the outcomes set out in the Angus Local Housing Strategy (LHS) 2017-22. It has been developed in partnership with Registered Social Landlords (RSLs), the Angus Health and Social Care Partnership, planning and property services.
- 1.2 The SHIP is designed to be a working tool which:
- Improves longer-term strategic planning
  - Provides a practical plan detailing how investment in affordable housing will be directed
  - Provides an opportunity for local authorities to set out key investment priorities for affordable housing and demonstrate how these will be delivered and the resources which will help deliver these priorities
  - Forms the basis for more detailed programme planning
  - Provides a focus for partnership working
  - Informs, and is informed by, the preparation of Registered Social Landlord (RSL) development funding plans
  - Informs the allocation of resources from a national to a local authority level
- 1.3 The Council is committed to overseeing a long term programme of new affordable housing development in Angus, contributing to the Scottish Government's target to deliver 50,000 new affordable homes in the lifetime of this Parliament. Following on from previous announcements, in April 2019, the Scottish Government confirmed allocation of the full Resource Planning Assumption (RPA) for Angus at £9.125 million for 2019/20. It also confirmed a revised RPA of £9.681 million for 2020/21. This allows the Council to continue to increase the scale and pace of delivery of affordable housing in Angus over the three years.
- 1.4 All projects identified as priorities for funding over the 5 year period are in the table for the respective year or years and will be in the HARP system. The SHIP includes affordable housing supply through new build, replacement, renovation and re-modelling. This information will be used by the Scottish Government to draft Strategic Local Programme Agreements (SLP). Once agreed, SLPs will form the basis of individual RSL and Local Authority programme Agreements.

**2. The Strategic Context**

- 2.1 The LHS 2017-22 sets out how the Council and partners will continue to deliver our vision '*to create places that people are proud to call home*'. This vision will be achieved through a set of outcomes which reflect local priorities, national policy objectives and provide a clear strategic direction for the LHS 2017-22. The three outcomes are:
1. Increase the supply of good quality, affordable housing across all tenures
  2. People can access a range of housing options and related services to meet their needs
  3. Improve stock condition across all tenures, ensuring we tackle fuel poverty and energy efficiency and contribute towards climate change targets
- 2.2 A range of key strategic and planning documents including the Strategic Development Plan (SDP), the Local Development Plan (LDP), the Housing Land Audit and the Angus Health and Social Care Partnership Strategic Plan have also informed the SHIP.
- 2.3 The Angus joint Child Poverty Local Action Plan plays a pivotal role in investment priorities for affordable housing, putting poverty at the heart of housing to reduce the cost of living and invest in areas where levels of child poverty are highest, ensuring that those most in need have

a stable good quality affordable home as a prerequisite of improving their life chances. The SHIP 2019/20 to 2023/24 reflects those commitments with 40% of the program to be built in areas that fall into the SIMD lowest quintile (lowest 20%).

- 2.4 The strategic decision making also considers the wider impact of new development planning on poverty and how the Council can reduce inequalities caused by socio-economic disadvantage. The Council aspires to improve social cohesion and reduce child poverty via careful design layouts that considers transport, access to services, and aiding economic growth and opportunities for the future. As such, our investment priorities are reflected by significant regeneration investment in areas where levels of child poverty are highest.

### **3. Housing Need and Demand**

- 3.1 For development planning purposes the Angus housing market is considered in terms of four Housing Market Areas (HMAs). These are broadly comparable to the four localities used to inform community planning:

- South – Carnoustie and Monifieth
- East – Arbroath
- North – Montrose and Brechin
- West – Forfar and Kirriemuir

- 3.2 In Angus the Housing Need and Demand Assessment (HNDA) was carried out across the TayPlan area which includes Angus, Dundee, Perth and Kinross and Northern Fife. TayPlan HNDA 2013 provides a key evidence base to inform the LHS 2017-22 and estimates a need for an additional 314 market and affordable homes per annum in Angus from 2012 to 2032.

- 3.3 The LHS sets a Housing Supply Target (HST) for the period 2017-22 which determines the type of market and affordable housing required to meet housing need and demand throughout the life of LHS. This includes the level of affordable housing required to meet need and a target for delivery of homes for households with particular needs. In order to increase housing supply and contribute towards the HST, the Council and RSLs will aim to deliver 120 new affordable homes per annum, significantly increasing development over the lifetime of the LHS and beyond. This target was exceeded in 2018/19 with 128 units delivered across Angus.

- 3.4 The LHS considers the requirements for social and other affordable tenures (such as mid-market rent and low cost home ownership initiatives). Using information from the HNDA it is estimated around a quarter of households in housing need could meet that need through some form of intermediate tenure, consistent across the four HMA's. The LHS therefore sets the split of social rented housing and alternative affordable housing tenures at approximately 75:25. The LHS 2017-22 committed to researching the role for intermediate tenures. A survey was produced to gauge demand and customer appetite for these types of product. From the 111 responses, the initial findings appears to confirm demand for this product type. These results are being used to test the market through planned delivery. We currently have a few low cost home ownership options available and will review the findings from these and other planned delivery of intermediate tenures and will respond accordingly throughout the life of this SHIP.

- 3.5 While the overall number new build units exceed the target in 2018/19, this was not reflected in the number of intermediate tenure completions. Delays in sites negotiated as part of Section 75 agreements resulted in no new intermediate tenure units being delivered last year. We anticipate being able to report progress towards improving intermediate tenure completions next year.

- 3.6 The Council has a dedicated webpage for empty home services and has recently reviewed and updated the content. Empty homes services are provided by four officers who each have a responsibility for a HMA and cover all aspects of affordable housing provision in their HMA. Having empty homes as an integral part of affordable housing provision in each of the HMAs ensures a co-ordinated approach to delivery in each area.

- 3.7 In line with the LHS 2017-22, the housing needs and accommodation activity of Gypsy/Traveller communities continues to be closely monitored. The decision making

considers opportunities to improve and extend existing provision, and the requirement for new permanent affordable accommodation. At present, levels of activity have reduced and there is no recurring pattern of activity that would merit or justify provision of additional permanent accommodation. Recognising that local needs may change, the Council will continue to monitor the position and be ready to embrace new LHS guidance.

#### **4. Particular Needs & Wheelchair Housing**

- 4.1 The population of older people in Angus is set to grow by 25% by 2037 and at least 16% of households currently in housing need require an adaptation or specialist housing. It is also known that around 50 new supported tenancies will be required over the next 10 years. To address the growing need for specialist housing the LHS sets a target that at least 20% of new affordable housing will be delivered to meet particular needs and at least 10% to full wheelchair standard. Angus were one of the first authorities to set such a target for the provision of particular needs and wheelchair housing.
- 4.2 Progress towards delivering the target has however been slower than hoped. This is primarily as a result of some large developments which funding was committed to prior to the target being set, not delivering any or very little specialist housing. In 2017/18 only 6% (5 units) of the programme was delivered for particular needs and in 2018/19 this increased to 14% (18 units). Since 2017 considerable partnership working has happened to increase the understanding and need for these types of specialist housing provision and as a result delivery from 2020/21 onwards has improved provision of specialist housing.
- 4.3 The SHIP plans to deliver around 117 units for particular needs housing over the 5 year period, this represents 23% of planned delivery. There may be scope to increase this number further on a site by site basis and individual needs are regularly reviewed through a well-established joint working process.
- 4.4 A target for specialist housing in the private sector has not been set and we have no current plans to do so. There is a lack of robust information on which to set any target with an equal lack of ability to control or monitor any target set. This will be reviewed again for the next iteration of the LHS.

#### **5. Rapid Rehousing Transition Plan**

- 5.1 Drawing on baseline information and projected five year projections, Angus Council's Rapid Rehousing Transition Plan (RRTP) 2019/20-2023/24 details how we will achieve our goal that people who experience homelessness reach a settled housing option as quickly as possible by:
  - Increasing the focus on prevention to stop homelessness happening in the first place
  - Ensuring households get through the homeless system faster
  - Ensuring homeless households can access existing housing
  - Ensuring homeless households can access the right type of support at the right time
  - Increasing affordable housing supply to meet needs of homeless households
- 5.2 Following submission of the RRTP to the Scottish Government, we received confirmation in July 2019 that we have been awarded £172,000 to support the beginning of the implementation of our 5 year RRTP.
- 5.3 Governance for Angus' RRTP sits with the Housing, Health and Social Care Planning Group who have responsibility for the development and delivery of the plan. This ensures participation and accountability of all partners and stakeholders in the transition to rapid rehousing in Angus. Work is underway to implement the priorities identified in Year 1, namely:
  - Increase % allocations to homeless households
  - Ongoing implementation of the revised housing allocations policy and choice-based lettings

- Ongoing review of the roles and processes in the community housing teams in order to ensure early intervention and streamline services (from application through to re-housing)
- Implementation of a revised protocol for Angus prisoners in line with the SHORE standards
- Ongoing review of hospital discharge protocols and practice in line with findings from case reviews
- Ongoing options appraisal to support the delivery of Housing First in Angus
- Development of a rent deposit scheme pilot
- Development of a grant funding initiative for empty home owners to increase PRS lets to homeless households

5.4 Actions identified to “increase affordable housing supply to meet the needs of homeless households” include completing an analysis of current and projected homeless need in each of the housing market areas and setting supply targets to meet identified homeless need. This will ensure strategic housing priorities are aligned and are consistent with RRTP priorities.

## **6. Partnership Working**

6.1 The SHIP is developed and implemented through close partnership working with the Scottish Government, RSLs and the Angus Health and Social Care Partnership. A number of mechanisms are in place to ensure a range of partners are involved in the ongoing delivery of the SHIP.

6.2 There is a strong history of partnership working in Angus with RSLs working closely with the Council to deliver the housing programme. There are three housing associations with active projects within the SHIP and an interest in continuing to develop in Angus. A number of other RSLs are represented on the Council’s Affordable Housing Delivery Groups and continue to engage with the Council about possible future development opportunities.

6.3 The Affordable Housing Delivery Group brings together all partners to discuss the wider programme and strategic issues including updates from Scottish Government, the SHIP and site prioritisation. The Strategic Group meets bi-annually with the Project Group meeting more regularly, timetabled to better reflect the key requirements throughout the programme year. Its focus is specific project issues including those related to planning, public utilities and slippage impacting on funding. This structure provides a proactive approach to monitoring project progress to compliment discussions on strategic issues affecting the delivery of affordable housing in Angus.

6.4 In developing the SHIP 2020/21 – 2024/25 RSLs were asked to submit project proposals. These were assessed alongside Council projects by a housing and planning group. The group assessed the projects against the SHIP prioritisation framework (Section 11) and agreed which projects to take forward.

6.5 The Housing, Health and Social Care Strategic Planning Group meets on a quarterly basis and includes representatives from the Council’s housing service, RSLs and the Health and Social Care Partnership. A core function of the group is to ensure the LHS and the Strategic Plan for Health and Social Care are aligned and put in place arrangements whereby the need for specialist provision can be identified, prioritised and reflected within organisational delivery plans. This Group also oversees delivering of the RRTP.

6.6 The Housing Supply and Placemaking Group, set up as one of three LHS Implementation Groups, also meets bi-annually. It involves a range of partners and stakeholders and monitors progress against the actions within Strategic Outcome 1 ‘The supply and availability of good quality, affordable housing is improved’ to ensure they are delivered within the required timescales. It includes monitoring of the target to deliver 120 new affordable homes per annum.

## 7. Affordable Housing Supply Programme (AHSP)

- 7.1 The AHSP RPA is £9.125m for 2019/20 and £9.681m for 2020/21 and this SHIP projects that funding can be delivered in full. The scale of delivery also means that additional projects could be brought forward if additional funding is made available.
- 7.2 Guidance suggests using the 2020/21 RPA as the basis for funding post March 2021. The previous SHIP planned for a rolling programme of housing investment based on a RPAs of around £2m. Whilst the Council has revised assumptions to between 80% RPA in 2021/22, 60% RPA in 2022/23 and 40% RPA for the 2 years to 2025, it is felt prudent to take a conservative approach until further information on RPA levels post 2021 is known in order to avoid abortive work or other cost risks. The Council will continue to work to identify additional projects which could be brought into the programme once actual funding levels are known.
- 7.2 The SHIP projects that in the region of 510 units could be delivered in the period to 2024/25. Subsidy of £31.6m would be required to deliver the programme from 2020/21. The SHIP currently has projects programmed around the RPA. However we are aware of and are working on projects which, if approved by Planning and agreed with the Scottish Government, would result in a prudently overcommitted programme and would enable the Council to manage any programme slippage effectively.
- 7.3 The funding requirements are as follows:

SHIP Year	Total completions	Funding requirement £m
1 - 3	480	29.541
4 - 5	30	2.070
Total	510	31,611

- 7.4 The Council, together with its RSLs partners, has sought to be as realistic as possible in detailing the likely forward programme. Projects which have been assessed as having completions by March 2021 have been programmed in the first year of the SHIP. Years two and three see the conclusion of large projects with a fewer number of projects detailed in later years.
- 7.5 The Council, in consultation with the Scottish Government, will continue to manage the AHSP (including the SLPs) in conjunction with its Housing Capital Expenditure Plan and Affordable Housing Account investment to support and maximise delivery of affordable housing in priority sites during the life of the SHIP.

## 8. Funding and Organisational Capacity

### Angus Council

- 8.1 In February 2017 the Council's Communities Committee approved the Housing Revenue Account 30 year Business Plan which included an expansion of its new build development programme over five years from 2018-23. In February 2019, the Council's Communities Committee approved its Housing Revenue Account Rent Setting and Budget Strategy which will deliver on that commitment. We will deliver 272 new homes over the lifetime of the SHIP.
- 8.2 The Affordable Housing Revenue Account (AHRA) is used to support projects which contribute to increasing the supply of affordable housing. As outlined in the Housing Revenue Account Business Plan, funding of £1.5m from the AHRA will be used to support the HRA Business Plan 2018 – 23. AHRA reserves are directed towards the delivery of new affordable housing and in the pursuit of projects aiming to increase the supply of affordable housing.
- 8.3 The Council currently operates a New Affordable Small Developments Framework Arrangement. This framework runs until 2021 and is for the construction of small developments of less than £4m. To encourage Small and Medium Enterprises to apply the Framework arrangement has been set up in two lots, one for contracts under £2m and one for contracts up to £4m.

- 8.4 The Council, together with 12 other local authorities, has invested in the development of a Framework through Scotland Excel for the procurement of new build housing. This Framework is available to 32 local authorities and housing associations. The Framework, has recently been launched and will form part of the Council's future procurement strategy. The arrangement with Scotland Excel includes a direct payback to Angus Council depending on the extent of work procured through the overall take-up of the Frameworks from other bodies. In addition, the Council has engaged with a new build Framework currently in place which can be used for larger value contracts from the Scottish Procurement Alliance (SPA) and is progressing a key project through this framework.

#### **Abertay Housing Association**

- 8.5 Abertay Housing Association, in addition to owning and managing 1,750 houses in Dundee, has a development of 16 units in Forfar which was finished in 2018/19. The Association's Committee has approved delivery of around 50 units per annum across Dundee and Angus. The Association is willing to look at sites with varied capacity and would consider developments across Angus with a particular focus on the South, West and East HMAs.

#### **Angus Housing Association**

- 8.6 Angus Housing Association has delivered 206 units since 2013. It is due to complete 89 units across East, South and West HMAs before March 2021. Funding for a further 22 units in later years is allocated within the SHIP.
- 8.7 The Association requires to take a view on the number of projects live at any one time to enable it to ensure sufficient resource capacity. The Association develops across all HMAs and has progressed projects with a range of unit numbers.

#### **Caledonia Housing Association**

- 8.8 Caledonia Housing Association is to deliver 20 units in Forfar, 12 units are due to be completed in 2020/21 and 8 units due to be completed in 2021/22. This development will replace an existing care home through the provision of independent living flats and a shared house with a second phase to provide mainstream housing. Twelve of the units will be for particular needs. Funding for 5 shared equity units in the South HMA is allocated within the SHIP. Caledonia is continuing to explore sites with varied capacity and would consider developments across Angus to be brought into the plan in future years.

#### **Hillcrest Housing Association**

- 8.9 Hillcrest Housing Association has delivered 63 units since 2013 in the East and South HMAs. It is currently developing 24 units in Arbroath which are due to be completed in 19/20. Funding for a further 117 units is allocated within the SHIP all of which are in the North HMA. The Association's Committee of Management had previously approved delivery of around 1,750 units over three years, of which this is year two, across Aberdeen, Aberdeenshire, Dundee, Angus, Perth & Kinross and Edinburgh with no local targets set.
- 8.10 The Association is willing to look at sites with varied capacity but is particularly interested in taking forward larger Section 75 sites with developers. The Association would consider developments across Angus.

#### **Other Affordable Housing Delivery Group Partners**

- 8.11 The Affordable Housing Delivery Group (AHDG) has a number of other housing association partners. We continue to engage with these partners individually, through the AHDG meetings as well as through our Yammer Group to highlight and discuss site opportunities.

## **9. Housing Infrastructure Fund (HIF)**

- 9.1 A Scottish Government grant and loan fund to help tackle infrastructure blockages and to accelerate the delivery of primarily affordable housing across Scotland. The fund is a five-year programme which will run to at least 31 March 2021. 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 organisation.
  - Resources to accelerate site development.
- 9.2 Consideration has been given to how HIF can support SHIP projects, however currently no suitable projects have been identified.

## **10. Affordable Housing Policy**

- 10.1 The Affordable Housing Policy sets out the contribution that developers must make to the delivery of affordable housing as a condition of securing planning approval for a new build development. The Affordable Housing Policy requires all new housing sites in Angus to provide a 25% affordable housing contribution. This can include a variety of forms such as social rent, shared equity, housing for discounted sale and mid market rent. Sites delivered through the Affordable Housing Policy make a significant contribution to the SHIP.
- 10.2 The Council will continue to consider the contribution that developer contributions make to the delivery of affordable housing in Angus, and to secure the most appropriate contribution for each site. The Council will continue to utilise contributions resulting from the Affordable Housing Policy to support the delivery of affordable homes within its own programme and with RSL partners where appropriate.
- 10.3 In addition, the Developer Contributions & Affordable Housing Supplementary Guidance was adopted October 2018. Whilst not an Affordable Housing Policy requirement, it does highlight the significant demand for smaller properties and properties suitable for applicants who have medical, disability or support needs. Furthermore where there is evidence for particular needs housing, appropriate provision will be sought from new affordable housing under Policy TC3.

## **11. Prioritisation Framework**

- 11.1 The SHIP has been developed using a framework that seeks to prioritise investment which balances the Council's strategic objectives, deliverability and community benefits. In assessing individual projects for inclusion in the SHIP the Council has considered the following:
- The extent to which the development addresses unmet housing need
  - Site attributes including reuse of brownfield site, historic or listed buildings, town centre development and rural locations
  - The extent to which planning approvals are in place and conditions have been met which may affect delivery timescales
  - The extent to which the development will deliver wider community amenities or benefits (including particular needs target)
  - The opportunities to leverage additional funding which adds value to the project, and
  - The extent to which the development meets a specific strategic priority such as large scale regeneration sites.
- 11.2 The framework is not intended to provide the only assessment of priority and the Council will continue to balance its investment decisions through a mixture of Council, RSL and developer delivery and by considering a range of affordable housing tenures to meet housing needs across the four HMAs. It is also recognised that as projects develop there will need to be adjustment to the scoring output as, for example, planning permission is granted or wider community benefits are realised. This may cause the priority of a project to be revised during the life of the SHIP.

11.3 In recognition of the need for housing to address particular needs, including wheelchair accessible homes, projects which provide this type of housing will attract extra points under scoring criteria (4) 'delivers wider community amenities or benefits'.

11.4 The prioritisation framework can be found in Appendix 1a.

## **12. Energy Efficiency**

12.1 The Council will seek to maximise the opportunities for energy efficiency and reduction of fuel poverty, achieving the 'Greener' energy efficiency standard in new build where practicable. In order to meet the standard, homes must meet Section 7, Silver Level of the 2011 Building Regulations in relations to both carbon dioxide emissions and energy for space heating. It is recognised however that the standard may not be attainable in all projects, particularly where an existing building is to be redeveloped or where homes form part of a larger development for market provision. The Council will also support RSL partners to develop to the 'Greener' standard.

## **13. Equalities**

13.1 Angus Council is fully committed to equalities and diversity. 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 reassignment. The planning and delivery of good quality housing and appropriate information, advice and support services in Angus embraces the principle of equal opportunities and the equality outcomes.

13.2 The SHIP plays a significant role in promoting this agenda. People with specialist needs should have, wherever possible, the opportunity to live independently in their own homes and community. To address specialist needs, at least 20% of new affordable housing will be delivered to meet particular needs and at least 10% to full wheelchair standard.

13.3 An Equalities Impact Assessment (EQIA) was undertaken as part of the process for developing the LHS 2017-22. The EQIA highlights that the LHS will assist specific groups who share protected characteristics, such as young people, older people and people with disabilities. Each strategic outcome embraces the housing needs of groups who are at risk of exclusion, underpinning our approach to improving access to good quality housing and related services for all people in Angus. The SHIP 2020/21 – 2024/25 has been developed to support the delivery of the strategic priorities set out in the LHS 2012-17.

## **14. Strategic Environmental Assessment**

14.1 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.

14.2 The SHIP as part of the LHS 2017-22 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.

## Strategic Housing Investment Plan 2020/21 – 2024/25 Prioritisation Framework

### Introduction

The Prioritisation Framework provides a tool to prioritise investment which balances the Council's strategic objectives, deliverability and community benefits. It is used to assess projects for inclusion in the SHIP, including to help decide when to bring projects into the SHIP.

The framework does not provide the only assessment of priority and the Council will continue to balance its investment decisions through a mixture of Council, RSL and developer delivery and by considering a range of affordable housing tenures to meet housing needs across the four HMAs.

As projects develop there may be a need to adjust to the scoring output as, for example, planning permission is granted or wider community benefits are realised. This may cause the priority of a project to be revised during the life of the SHIP.

### Scoring Criteria

- (1) Extent to which project addresses unmet housing need:
  - High 5
  - Medium 3
  - Low 1
  
- (2) Site attributes
  - Brownfield 1
  - Listed/historic 1
  - Town centre 1
  - Rural 1
  
- (3) Planning consent:
  - Full consent, all conditions met 3
  - Outline consent/full consent expires within 1yr or conditions not met 2
  - Site allocated for housing in LDP 1
  
- (4) Delivers wider community amenities or benefits (including particular needs target)
  - Yes 3
  
- (5) Opportunities for other internal/external funding
  - Yes 3
  
- (6) Meets agreed strategic priority
  - Yes 5

<b>Low priority</b>	<b>Medium priority</b>	<b>High priority</b>
<b>1 – 6</b>	<b>7 – 12</b>	<b>13 +</b>