

**Angus Council
Strategic Housing Investment Plan 2017/18 – 2021/22**

1. Introduction

- 1.1. The purpose of the Strategic Housing Investment Plan (SHIP) 2017/18 – 2021/22 is to set out the strategic investment priorities for affordable housing over a five year period to achieve the outcomes set out in the Angus Local Housing Strategy (LHS) 2012-17.
- 1.2. The SHIP is a working tool to improve long-term strategic planning and to show how LHS investment priorities for affordable housing will be delivered in practice through a range of funding streams. The SHIP includes affordable housing supply through new provision, replacement, rehabilitation, remodelling, housing provided or assisted by Scottish Government and housing provided by the council and other partners.
- 1.3. The Council is committed to overseeing a long term programme of new affordable housing development in Angus and contributing to the Scottish Government's target to deliver 50,000 new affordable homes in the lifetime of this Parliament. This is reflected within the SHIP 2017/18 – 2021/22 which has been developed with significant capacity to bring forward additional projects if new funding is made available.

2. The Strategic Context

- 2.1. The LHS 2012-17 sets out how Angus' strategic housing vision to 'create places that people can be proud to call home' will be achieved. It outlines three strategic priorities to address current and newly arising housing need, these are to:
 - Increase housing supply, access and choice;
 - Provide special needs housing and housing support; and
 - Improve the quality of housing, and make it energy efficient and easy to heat.
- 2.2. The LHS identifies significant unmet housing need and demand in Angus. This housing need and demand is projected to continue to increase due to a lack of suitable housing to meet existing need and demographic changes (such as an ageing population and reducing household size) which create newly arising need.
- 2.3. The current LHS sets a target to deliver an average of 330 new homes every year over the period to 2018/19. This is known as the housing supply target. These properties will be a mix of affordable and market housing, and can include the conversion of existing properties for residential use.

- 2.4. The SHIP has been developed to reflect the priorities of the LHS 2012-17 and will contribute to the housing supply target. It is also informed by a range of key strategic and planning documents including the Strategic Development Plan (SDP) 2012-32, the Local Development Plan (LDP) 2016 and the Housing Land Audit 2016.
- 2.5. The LHS 2017-22 is currently under development and is expected to be approved in Spring 2017. The new LHS will set revised housing supply targets for new market and affordable homes in Angus for the period to 2021/22. These targets will be based on the refreshed Housing Need and Demand Assessment which was assessed as robust and credible in February 2014. It is expected that the housing supply targets will reflect a need for social and intermediate tenure homes and will be more explicit about the need for specialist provision. The SHIP will be updated to reflect these targets as appropriate.
- 2.6. 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; and
 - West – Forfar and Kirriemuir.

3. The Programme

- 3.1. In March 2016 the Scottish Government provided a minimum Resource Planning Assumption (RPA) for the four year period 2016/17 to 2019/20. The Scottish Government is committed to providing a new five year RPA following the 2016 Spending Review. As the SHIP is being prepared prior to this announcement the 2019/20 RPA has been used as the basis for programming in 2020/21 and 2021/22.
- 3.2. The minimum RPA for the life of the SHIP is £14.030m. This is broken down as: £4.315m for 2017/18; £3.236m for 2018/19; and £2.158m for 2019/20, 2020/21 and 2021/22.
- 3.3. The SHIP projects that, based on current levels of funding, in the region of 402 units could be delivered in the period to 2021/22. Subsidy of £19.591m will be required to deliver the programme. The SHIP has been prudently overcommitted to enable the Council to manage any programme slippage effectively. The SHIP tables are provided in Annex A.

The funding requirements are as follows:

SHIP Year	Total completions	Funding requirement
1 - 3	314	£ 15.505m
4 - 5	88	£ 4.086m
Total	402	£ 19.591m

- 3.4 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 an early delivery date have been programmed as early in the SHIP as possible, resulting in the early years being 'front loaded' and a fewer number of projects detailed in later years. This reflects the Council's commitment to deliver an ambitious programme of new affordable housing in Angus and in anticipation of further funding announcements the Council and its partners have a number of additional projects which are capable of being brought into the programme. Further details of the additional capacity within Angus are provided in Annex B.
- 3.4. In developing the forward programme for the SHIP, consideration has been given to the current status of a number of planning applications, or sites which it is known are likely to be brought forward for planning consideration within the life of the Plan. This has been done in consultation with Planning colleagues and also reflects ongoing discussions between developers and RSL partners. It is recognised that in providing a realistic estimate of the deliverability of large scale projects based on the best known position, it can be difficult to align this with annual funding allocations.
- 3.5. The Council, in consultation with the Scottish Government, will continue to manage the Affordable Housing Supply Programme (including the Strategic Local Programme Agreement (SLPA)) 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.

4. Affordable Housing Policy

- 4.1. 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.
- 4.2. 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.

5. Funding and Capacity

Angus Council

- 5.1. The Council is committed to delivering a programme of around 250 units over the lifetime of the current SHIP. Funding in the region of £21m has been allocated from the Housing Capital Expenditure Plan 2017/21 for this purpose.
- 5.2. In recent years the Council has approved changes to the Council Tax charging policy for long-term empty and second homes with the additional revenue raised directed towards the provision of affordable housing. Following a phased introduction, the Council Tax discount applied to long-term and second homes has been removed and replaced with an additional charge of 100%. The additional revenue will continue to support projects which increase the supply of affordable housing in Angus.

RSL Partners

- 5.3. There are four 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 Group and continue to engage with the Council about possible future development opportunities.

Angus Housing Association

Angus Housing Association has delivered around 90 units since 2013. Funding for 102 units is allocated within the Angus SHIP. The Association has capacity to deliver between 50 and 100 units per year across Angus and Dundee.

The Association has traditionally taken forward development on small to medium sized sites. It is willing to look at sites with varied capacity. The Association would require 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.

Hillcrest Housing Association

Hillcrest Housing Association is currently delivering 43 units in Monifieth that are due to complete in this financial year. Funding for 39 units is allocated within the Angus SHIP. The Association's Committee has approved delivery of around 800 units over the next three years across Dundee, Angus, Perthshire, Edinburgh and Fife with no local targets set.

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 with the main area of focus being the South and East HMAs.

Caledonia Housing Association

Caledonia Housing Association is currently delivering 24 units in Carnoustie that are due to complete in this financial year. The Association is willing to look at sites with varied capacity and would consider developments across Angus.

Abertay Housing Association

Abertay Housing Association has funding for 16 units currently allocated within the Angus SHIP. 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.

6. Prioritisation framework

6.1. 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;
- If relevant planning approvals are in place and all conditions have been met which may affect delivery timescales;
- The extent to which the development will deliver wider community amenities;
- The opportunities to leaver 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.

6.2. 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.

6.3. The prioritisation framework can be found in Annex C.

7. Energy Efficiency

7.1. The Council will seek to achieve 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.

8. Equalities

- 8.1. An Equalities Impact Assessment (EQIA) was undertaken as part of the process for developing the LHS 2012-17. The EQIA highlights the role of the LHS in ensuring that the Council is able to direct its resources to meet housing need and demand. The SHIP 2015/16 – 2019/20 has been developed to support the delivery of the strategic priorities set out in the LHS 2012-17.

9. Strategic Environmental Assessment

- 9.1. As part of the process for developing previous SHIPs (including the SHIP 2013/14) the Council submitted a screening report to the Scottish Government Strategic Environmental Assessment (SEA) Gateway to identify whether there was a requirement to undertake a full SEA on the SHIP for the corresponding year. The Council subsequently determined that there was no requirement to undertake a full SEA.
- 9.2. The same process was followed in development of the LHS 2012-17, where again it was determined that there was no requirement to undertake a full SEA.
- 9.3. It considered that the outcome of the screening undertaken for previous SHIPs and the LHS is sufficient to determine that there is no requirement to undertake a full SEA in relation to the SHIP 2017/18 – 2021/21.