

## Angus Council

### Strategic Housing Investment Plan 2019/20 – 2023/24

#### 1. Introduction

- 1.1 The core purpose of the Strategic Housing Investment Plan (SHIP) 2019/20 – 2023/24 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 In April 2018 the Scottish Government announced the funding allocated to local authorities for 2018/19 – 2020/21. Angus' Resource Planning Assumptions (RPA) for this period are a significant increase compared to previous funding assumptions and this presents an opportunity to increase the scale and pace of delivery of affordable housing in Angus over the next three years. 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.
- 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. Once agreed, Strategic Local Programme Agreements 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.

### **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) is currently 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 Registered Social landlords will aim to deliver 120 new affordable homes per annum, doubling development over the next five years.
- 3.4. 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 a need for this product type. These results will be used to test the market through planned delivery. We will review the findings from the planned delivery of intermediate tenures and will respond accordingly throughout the life of this SHIP.

### **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.
- 4.2 The SHIP plans to deliver around 128 units for particular needs housing over the 5 year period. It is currently anticipated that around 39 of these units will be suitable for households who need a wheelchair accessible home. There is scope from the sites within the programme to increase this number and we are confident the 10% LHS target for full wheelchair standard housing could be delivered. However the final numbers could vary due to a number of reasons including site factors, different tenure options and client requirements.
- 4.3 The table contains the overall number of specialist provision / particular needs housing i.e. 128 units. The actual type and numbers of each i.e amenity, sheltered, very sheltered, supported or wheelchair is specified in the HARP system.

## **5. Partnership Working**

- 5.1. The SHIP is developed and implemented through close partnership working with the Scottish Government, Registered Social landlords 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.
- 5.2. There is a strong history of partnership working in Angus Council 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.
- 5.3. The Affordable Housing Delivery Group was set up to bring together all partners quarterly to discuss the wider programme and strategic issues including updates from Scottish Government, the SHIP and site prioritisation. The structure has recently been reviewed to provide a forum for a more proactive approach to monitoring project progress to compliment discussions on strategic issues affecting the delivery of affordable housing in Angus. The Strategic Group now 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.
- 5.4. In developing the SHIP 2019/20 – 2023/24 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 and agreed which projects to take forward.
- 5.5. 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.
- 5.6. 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.

## **6. Affordable Housing Supply Programme (AHSP)**

- 6.1. The minimum RPA for the initial three years of the SHIP was £25.074m. This has increased to £25.586m as a result of an increase for 2018/19 to £8.023m. The other two years remain the same £8.497m for 2019/20; and £9.066m for 2020/21. Local authorities have been asked to use their 2020/21 RPA as the basis for funding for years four and five. The Council had already intended to deliver a rolling programme of housing investment based on historic later year RPAs of around £2m. Work will continue to identify additional projects to meet an RPA of £9m.
- 6.2. The SHIP projects that in the region of 608 units could be delivered in the period to 2023/24. Subsidy of £32,843m would be required to deliver the programme from 2019/20. The SHIP has been prudently overcommitted to enable the Council to manage any programme slippage effectively.

6.3 The funding requirements are as follows:

<b>SHIP Year</b>	<b>Total completions</b>	<b>Funding requirement £m</b>
1 - 3	429	28.303
4 - 5	179	4.540
Total	608	32.843

6.4. 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.

6.5. 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.

## **7. Funding and Organisational Capacity**

### **Angus Council**

7.1. 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. In February 2018 the Council's Communities Committee approved its Housing Revenue Account Rent Setting and Budget Strategy for the period 2018-23 which will deliver on that commitment. We will deliver 302 new homes over the lifetime of the SHIP.

7.2. 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 2018/19 – 2022/23. 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.

7.3. In June 2017 the Council's Communities Committee approved the setting up of 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.

7.4. The Council has also engaged with a new build Framework currently in place which can be used for larger value contracts from the Scottish Procurement Alliance (SPA). In addition the Council together with 12 other Local Authorities have invested in the development of a Framework through Scotland Excel for the procurement of new build housing. This Framework will have the provision to be available to all 32 local authorities and various housing associations. It is anticipated this Framework, once in place, will be used for smaller value contracts once the Council's Framework expires and to provide an alternative to the SPA Framework. 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.

### **Abertay Housing Association**

7.4. Abertay Housing Association, in addition to owning and managing 1,750 houses in Dundee, it has recently finished a development of 16 units in Forfar. 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**

- 7.5. Angus Housing Association has delivered around 95 units since 2013. It has completed 11 units of a 71 unit development in Arbroath which is due to be completed in 18/19. Funding for a further 156 units is allocated within the Angus SHIP.
- 7.6. 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.

### **Caledonia Housing Association**

- 7.7. Caledonia Housing Association is to deliver 20 units in Forfar which is due to be completed in 19/20. The development will replace an existing care home through the provision of independent living flats and a shared house plus provide mainstream housing. Twelve of the units will be for particular needs. Caledonia is continuing to explore sites with varied capacity and would consider developments across Angus to be brought into the plan in later years or where there is slippage in the early years.

### **Hillcrest Housing Association**

- 7.8. Hillcrest Housing Association has previously delivered 43 units in Monifieth. It is currently developing 10 units in Arbroath which are due to be completed in 18/19 plus a further 24 units, also in Arbroath, which are due to be completed the year after. Funding for a further 117 units is allocated within the Angus SHIP all of which are in the North HMA. The Association's Committee had previously approved delivery of around 800 units over three years, of which this is year two, across Dundee, Angus, Perthshire, Edinburgh and Fife with no local targets set.
- 7.9. 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**

- 7.10. 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.

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

- 8.1. 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.
- 8.2. Consideration has been given to how HIF can support SHIP projects and one project had been identified as potentially meeting the criteria. However, while there had been initial interest from the developer it had not been possible to obtain the information required to form a more detailed project proposal. This may be because the terms of the HIF may not be markedly different to finance available in the market or because the developer was not in a position to commit to programmes beyond the initial early delivery stages.

## **9. Affordable Housing Policy**

- 9.1. 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.
- 9.2. 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.
- 9.3. In addition there is a current consultation of the Developer Contributions & Affordable Housing Supplementary Guidance. If adopted, 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.

## **10. Prioritisation framework**

- 10.1. 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 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.
- 10.2. 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.
- 10.3. 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.
- 10.4. The prioritisation framework can be found in Appendix 1a.

## **11. Energy Efficiency**

- 11.1. 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.

## **12. Equalities**

- 12.1. 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.
- 12.2. 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.
- 12.3. 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. 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 2019/20 – 2023/24 has been developed to support the delivery of the strategic priorities set out in the LHS 2012-17.

## **13. Strategic Environmental Assessment**

- 13.1. 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.
- 13.2. 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.

## Appendix 1a: Strategic Housing Investment Plan 2019/20 – 2023/24 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>