

**STRATEGIC HOUSING INVESTMENT PLAN 2018-2023**

Report by Director of Development

**PURPOSE OF REPORT** To provide the Comhairle with a proposed Strategic Housing Investment Plan for the period 2018/19 - 2022/23.

**COMPETENCE**

- 1.1 Financial issues are dealt with within the body of the Report. There are no other constraints to the recommendations being implemented.

**SUMMARY**

- 2.1 The Comhairle is required to submit a Strategic Housing Investment Plan (SHIP) to the Scottish Government on an annual basis. The purpose of the SHIP is to set out the Comhairle's housing investment priorities over a five year period, as informed by the objectives of the Local Housing Strategy. It details the number of units required, the likely cost of providing these units and the likely funding sources involved.
- 2.2 New guidance for the preparation of the SHIP was issued by the Scottish Government in July 2017 and the Comhairle has been invited to submit a SHIP for the period 2018/19 - 2022/23 to the Scottish Government by the end of October 2017. The proposed SHIP is outlined at Appendix 1 this Report for the Comhairle's consideration.
- 2.3 Work is also progressing on the housing sites contained within the 2015-18 Strategic Local Programme and an update on each site is provided within this Report.

**RECOMMENDATIONS****3.1 It is recommended that the Comhairle:**

- a) **note the latest position with the 2015/16 - 2017/18 Strategic Local Programme;**
- b) **approve the draft Strategic Housing Investment Plan 2018/19 - 2022/23 as set out at Appendix 1 of this Report; and**
- c) **authorise the Director of Development, in consultation with the Chair and Vice Chair of Communities and Housing Committee, to finalise the Plan and submit to the Scottish Government by 27 October 2017.**

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Appendix: Draft Strategic Housing Investment Plan 2018-2022  
Background Papers: None

## BACKGROUND

- 4.1 The Comhairle is required to submit a Strategic Housing Investment Plan to the Scottish Government on an annual basis. The purpose of the SHIP is to set out the Comhairle's housing investment priorities over a five year period, as informed by the objectives of the Local Housing Strategy and the Local Development Plan.
- 4.2 The SHIP provides details of the number of units proposed, their location, tenure type, the Government funding to provide these units and the likely completion date.
- 4.3 The SHIP can include affordable housing supply through new provision, replacement of existing stock or through rehabilitation. It can include social rented housing, low cost home ownership and shared equity schemes.
- 4.4 The Comhairle works in partnership with Hebridean Housing Partnership (HHP), as the main delivery partner, in developing the SHIP.
- 4.5 The Scottish Government issued new Resource Planning Assumptions in June 2017 and issued new guidance for the production of the SHIP in July 2017. Local authorities have been asked to submit a SHIP, based on the new guidance, to the Scottish Government by the end of October this year, and thereafter on an annual basis.
- 4.6 This Report sets out the proposed SHIP for the period 2018/19 - 2022/23 for consideration by the Comhairle.
- 4.7 The Report also provides a progress update on the current Strategic Local Programme (SLP) for the period 2015/18.

## STRATEGIC LOCAL PROGRAMME 2015/18 UPDATE

- 5.1 The Comhairle originally approved the SLP for 2015/18 in September 2014 based on the delivery of 108 new affordable houses (shared equity and social rent). A number of subsequent amendments to the SLP were approved by Comhairle, with the current SLP now aiming to deliver 117 units, as shown in Table 1, in response to a commitment to accelerate the Programme where possible, as reported to the Comhairle in June 2016.

**Table 1: SLP 2015/18**

Site	Housing Market Area	Units	Tenure
<b>2015/16</b>			
Melbost Farm Ph3	Stornoway	8	Shared Equity
Melbost Farm Ph3	Stornoway	16	Social Rent
Barvas School Ph1	Rural	6	Social Rent
Habost, Ness	Rural	4	Social Rent
Horgabost	Rural	6	Social Rent
		<b>40</b>	
<b>2016/17</b>			

Barvas Ph2	Rural	2	Social Rent
Melbost Farm Ph3 Stage 3	Stornoway	4	Shared Equity
Melbost Farm Ph3 Stage 3	Stornoway	6	Social Rent
Melbost Farm Ph4 Stage 1	Stornoway	26	Social Rent
Melbost Farm Ph4 Stage 1	Stornoway	14	Shared Equity
		<b>52</b>	
<b>2017/18</b>			
Cleascro, Leurbost	Rural	8	Social Rent
Tarbert, Former Police House	Rural	8	Social Rent
Corran Ciosmul, Barra	Rural	6	Social Rent
Tarbert, Comhairle Site	Rural	3	Social Rent
		<b>25</b>	
<b>2015-2018 Total</b>		<b>117</b>	

5.2 This Section of the Report provides a progress update on each site on the current SLP. To date 42 homes have been completed, 50 are on site and 25 are going through the feasibility and Planning stage.

### **Melbost Farm Phase 3**

5.3 This phase of the Melbost Farm development was completed in May 2017. The development was opened by Kevin Stewart MSP, Minister for Local Government and Housing in July this year.

### **Barvas School Site Phase 1**

5.4 This development on the site of the old Barvas School was completed in February 2017.

### **Habost, Ness**

5.5 This development was completed in May 2016.

### **Horgabost**

5.6 This development was completed in November 2016.

### **Barvas Phase 2**

5.7 This second phase of the Barvas School development was completed in February 2017 along with phase 1.

### **Melbost Farm Phase 3 Stage 3 and Melbost Farm Phase 4 Stage 1**

- 5.8 Both of these Phases of the Melbost Farm development are currently on site and expected to complete in 2018/19.

### **Cleascro, Leurbost**

- 5.9 Feasibility work has been completed on this site which is on land owned by HHP, just past the Achmore road turn off. It is anticipated that eight units could be developed here.

### **Tarbert Police House**

- 5.10 This site, on the former Police Station and House in Tarbert, has recently received planning permission and is expected to be on site in early 2018.

### **Corran Ciosmul, Barra**

- 5.11 This site is going through the tendering process.

### **Tarbert Comhairle Owned Site**

- 5.12 Planning Permission was refused for this site in June 2017. HHP is currently looking at alternative sites within Tarbert.

- 5.13 On completion the SLP 2015/18 should provide 117 new affordable units. 91 of these units will be for Social Rent and 26 for Shared Equity. 43 of the units (37%) will have been developed in the Rural Housing Market Area and 74 (63%) in the Stornoway Housing Market Area.

## **RESOURCE PLANNING ASSUMPTIONS**

- 6.1 In June 2017, the Scottish Government informed the Comhairle that the Resource Planning Assumptions (RPA) available for affordable housing would be substantially increased in order to assist councils meet the national target of 50,000 new affordable homes over the next five years.

- 6.2 For the Comhairle, RPA for the first three years of the SHIP will be:

- 2018-2019: £7.533m
- 2019-2020: £8.522m
- 2020-2021: £9.092m

- 6.3 This gives the Comhairle an estimated RPA of £25.14m for the period up to 2020/21.

- 6.4 The RPA for the remaining two years of the SHIP (2021/22 and 2022/23) will be made available following the Scottish Government's Spending Review. Early indications are that the RPA for these years will likely be substantially lower.

## **PROPOSED STRATEGIC HOUSING INVESTMENT PLAN 2017/18-2021/22**

- 7.1 At the time of preparing this Report work is underway, in partnership with HHP, to finalise a draft SHIP to cover the five year period up to 2021/22. This work is anticipated to be finalised by mid-September, when the initial feasibility study on the Goathill Farm Masterplan is complete. The details of the SHIP will form Appendix 1 of this Report.

- 7.2 The SHIP has been informed by the themes and objectives set out in the Comhairle's new LHS (subject to a concurrent Report) and has also taken account of the on-going Care Home Re-provisioning initiative.

- 7.3 The SHIP has to be submitted to the Scottish Government by the 27 October 2017. This Report therefore seeks delegated authority for the Director of Development, in consultation with the Chair and Vice Chair of Communities and Housing Committee, to finalise the SHIP in the format required by Scottish Government, and submit it to the Scottish Government for assessment.
- 7.4 There will also be an opportunity during October for a further meeting of the Communities and Housing Strategic Member Officer Working Group, if required, prior to submitting the SHIP to the Scottish Government.

#### **FINANCIAL IMPLICATIONS**

- 8.1 There are no financial implications relating to the Recommendations in this Report.

#### **LEGAL IMPLICATIONS**

- 9.1 There are no legal implications relating to the Recommendations in this Report.

#### **RISK IMPLICATIONS**

- 10.1 There are no risk implications relating to the Recommendations in this Report

#### **CONCLUSION**

- 11.1 The Comhairle's draft SHIP for the 2018/19 - 2022/23 period sets out proposals for the development of new affordable houses, providing a mix of tenure and a geographical spread throughout the islands.
- 11.2 The SHIP is informed by the draft LHS Actions. The SHIP also takes account of the need for Extra Care units likely to be required as part of the Care Home Re-provisioning/Independent Living Project, as well as the developing Population Retention Strategy.