

To: Housing and Community Safety Policy Board

On: 23 August 2016

Report by: Director of Development and Housing Services

Heading: Draft Strategic Housing Investment Plan 2017/18 - 2021/22

1. Summary

- 1.1 The Scottish Government allocates Grant Funding to local authority areas through the Affordable Housing Supply Programme. Thereafter, Local Authorities are required to prepare a Strategic Housing Investment Plan (SHIP), every two years and submit this to the Scottish Government.
 - 1.2 The SHIP shows how investment in Affordable Housing will be targeted to achieve the strategic outcomes set out in the Local Housing Strategy (LHS) for Renfrewshire.
 - 1.3 The Draft Strategic Housing Investment Plan (SHIP) 2017/18 to 2021/22 is attached to this report for approval for consultation (Appendix 1). It is proposed that consultation responses are requested by Friday 23 September 2016 and that a revised SHIP is presented to the Policy Board for approval in November 2016.
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2. Recommendations

- 2.1 It is recommended that the Policy Board:
 - (i) Authorises the Director of Development and Housing Services to consult on the draft SHIP 2017/18 to 2021/22 (attached as Appendix 1) and report to the outcome to the Housing & Community Safety Policy Board in November 2016.
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3. Background

- 3.1. Local authorities are required to prepare a Strategic Housing Investment Plan (SHIP) every two years and submit this to the Scottish Government. The SHIP shows how investment in affordable housing will be targeted to achieve the objectives set out in the Local Housing Strategy (LHS).
- 3.2. The current SHIP was approved by the Housing and Community Safety Policy Board in January 2015 and covers the period 2015/16 to 2019/20. This new draft SHIP is in the same format but rolls the programme forward to 2021/22, taking account of recent progress on new build sites, new guidance issued by the Scottish Government in July 2016 and new increased funding allocations to support the Affordable Housing Supply Programme and the national target of 50,000 new affordable homes over the next 5 years.
- 3.3. This increased level of grant funding will help to deliver Renfrewshire Council's target of 1,000 new affordable homes by 2020.
- 3.4. In March 2016, the Scottish Government confirmed that Renfrewshire's Resource Planning Assumption (RPA) for 2016/17 is £11.521m and provided minimum RPAs for the next three years.
- 3.5. Updated Guidance published in July 2016 provides advice on RPAs for the full five year period to 2021/22 and indicates that Renfrewshire can expect at least £29.954m over the next five years.
 - 2017/18 - £9.217m
 - 2018/19 - £6.913m
 - 2019/20 - £4.608m
 - 2020/21 - £4.608m
 - 2021/22 - £4.608m

The Scottish Government guidance suggests that Councils should 'over programme' to ensure full delivery should slippage occur.

- 3.6. Appendix 2 provides details of projects in the SHIP programme, including the estimated grant requirement. It indicates a total estimated grant requirement of around £34m over the five year period 2017/18 to 2021/22 to deliver an ambitious Affordable Housing newbuild programme for Renfrewshire. During the consultation period to 23 September 2016, officers from Planning and Housing will liaise with partners to identify potential new projects which could be included in the finalised SHIP.
- 3.7. Through ongoing forward planning activity during the lifetime of the SHIP, partners will continue to identify potential new sites and projects which could be brought into the programme in line with agreed strategic priorities. (For information, Appendix 3 provides details of affordable housing completions over the last five years.)

- 3.8 Following a period of consultation it is proposed that this draft SHIP is revised and that the final version is presented to the next meeting of the Policy Board in November for approval before submission to the Scottish Government.
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Implications of the Report

1. **Financial** – No direct implications arising from this report. Allowance has been made within the Council's HRA Business Plan for Council new build development at Bishopton and Johnstone Castle.
 2. **HR & Organisational Development** – None.
 3. **Community Planning** – Regenerating local communities and meeting housing needs.
 4. **Legal** – No implications arising directly from this report.
 5. **Property/Assets** – No implications arising directly from this report.
 6. **Information Technology** – No implications arising directly from this report.
 7. **Equality & Human Rights** - The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report as this report is for consultation only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
 8. **Health & Safety** – No implications arising directly from this report.
 9. **Procurement** – None.
 10. **Risk** – None at this stage
 11. **Privacy Impact** – No implications arising directly from this report.
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List of Background Papers

- (a) Background Paper 1 – Strategic Housing Investment Programme 2015/16 to 2019/20

The foregoing background papers will be retained within Development & Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting.

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Strategic Housing Investment Plan for Renfrewshire

DRAFT for Consultation

2017/18 to 2021/22

Renfrewshire's Draft Strategic Housing Investment Plan (SHIP) 2017/18 to 2021/22

1. Draft Strategic Housing Investment Plan (SHIP) for consultation

The Scottish Government allocates grant funding to local authority areas through the Affordable Housing Supply Programme. All local authorities are required to prepare a Strategic Housing Investment Plan (SHIP) every two years and submit this to the Scottish Government.

This Draft SHIP has been prepared for consultation following meetings with Registered Social Landlords who are currently developing or have recently developed Affordable Housing in Renfrewshire. It has also been informed by ongoing discussions with private developers.

This Draft SHIP is being issued for consultation to all RSLs, other key partners and stakeholders for comment by **Friday 23 September 2016**. Comments should be returned by post or by email to:

Head of Planning & Housing
Development & Housing Services
Renfrewshire Council
Renfrewshire House
Cotton Street
Paisley, PA1 1JD
Email: HousingStrategyQuality.hps@renfrewshire.gov.uk

The feedback received will be used to finalise the plan for the next five years. Following approval by the Council's Housing and Community Safety Policy Board, it will be submitted to the Scottish Government by the due date of 30 November 2016.

Following submission of the SHIP to the Scottish Government, a Strategic Local Programme (SLP) for Renfrewshire will be agreed. This will form the basis of individual agreements between the Scottish Government, the Council and RSLs on grant for specific projects.

Affordable Housing can include a range of tenure types including homes for social rent, low cost home ownership/shared equity, shared ownership or intermediate/Mid-Market Rent as well as private sector delivered below market cost housing.

2. Strategic Context

Local Authorities are required to prepare a SHIP and to update this regularly. The SHIP sets out key investment priorities for affordable housing which will help to achieve the outcomes set out in the Local Housing Strategy (LHS).

Renfrewshire's new Local Housing Strategy (LHS) for the five year period 2016 to 2021 is currently being finalised following consultation and will sit within the framework of the Community Planning Partnership as well as other key strategies, such as 'Clydeplan' - Strategic Development Plan, the Local Development Plan and the strategic priorities of Renfrewshire's Health and Social Care Partnership.

Once finalised, the new SHIP 2016-2021 will set out a programme which shows how grant funding will be utilised over the next five years and how the supply target for affordable housing will be met.

3. Affordable Housing Investment Priorities

While increasing the number of new affordable homes built in Renfrewshire over the next five years is important, these homes need to be of the right type, size and tenure and in the right places. In this respect it is proposed that the investment priorities should be:

- Support local housing regeneration programmes
- Replace obsolete social rented housing (where major improvements to existing stock would not be cost effective and/or sustainable)
- Address mismatch between the supply of social rented housing and the housing people need and want to live in, taking account of type, size, quality and location
- Address shortfall in the areas where there is pressure on the supply of affordable housing
- Support the development of a graduated housing market in areas of pressure and in areas where there is a requirement for affordable options
- Support the development of sustainable mixed communities by including affordable housing in Community Growth areas and other larger housing developments
- Expand the supply of housing for people with particular needs
- Complete the comprehensive tenement improvement programme at Orchard Street in Paisley town centre.
- Support town centre residential investment and regeneration.

4. Preparation of the New SHIP

The approach taken in preparing this draft SHIP for the next five years takes account of discussions that have taken place with RSL partners and some private developers. This SHIP is essentially a roll forward of the programme set out in the last SHIP which was approved by Renfrewshire Council in January 2015. It takes account of

- Renfrewshire's supply target for affordable housing – 200 new homes each year over the next five years
- Projects recently completed, or expected to complete shortly, and estimated start and completion dates for projects at various stages of the project planning and design process
- Resource Planning Assumptions for Renfrewshire from the Scottish Government, along with advice about forward planning and programme management and the national target of 50,000 new affordable homes over the next five years
- Updated estimated grant requirements for projects, taking account of revised Scottish Government grant benchmarks.

Recently Completed Projects and Projects Expected to Complete in 2016/17

- **Shortroods, Phase III, Paisley** This mixed tenure development was completed by Sanctuary Scotland in late 2015 included 86 new homes for social rent and low cost home ownership, contributing to the ongoing regeneration activity within the North of Paisley.
- **Paisley Town Centre, Phase I** This development in the heart of Paisley town centre was completed by Link Group in the summer of 2015 and included 31 new homes for Mid-Market Rent and low cost home ownership. It has helped to increase the number of people living in the town centre and widen tenure choice.
- **Braille Crescent, Phase II, Renfrew** 15 houses for social rent were completed by Sanctuary Scotland in early 2016. This followed the successful delivery of Sanctuary's first phase of development (40 units) in 2014/15. This development has increased the supply of social rented housing in an area of identified shortfall.
- **Thrushcraigs, Paisley** This mixed tenure development by Link Group includes 70 new homes for social rent and low cost home ownership and is due complete late summer 2016. It includes 7 purpose built wheelchair

properties designed to meet the needs of wheelchair users. This site has been redeveloped to regenerate an area where obsolete Council housing was demolished.

- **Cotton Street, Phase II, Paisley** This town centre mixed tenure social rented and low cost home ownership development by Link Group includes 38 purpose built flats exclusively for older people and includes a social space for the use of residents. This innovative development, due to complete in late summer 2016, will help to meet the housing needs of older people whilst supporting the regeneration of Paisley town centre.
- **Andrew Avenue, Renfrew** This development in two phases of 77 units and around 57 units will help provide Affordable Housing in Renfrew.

Projects not yet started on site

- **Seedhill Road, Paisley** This social rented development of 23 houses by Williamsburgh Housing Association and 24 amenity standard has been delayed because of drainage issues, but discussions are ongoing with Scottish Water with a view to identifying a solution which allow the development to proceed.
- **Bishopton** Bishopton Community Growth Area (CGA) is expected to provide around 2,500 new homes on brown field land in North Renfrewshire. And is subject to an affordable housing policy agreement to ensure that 25% of new homes within this wider development will be made available for affordable housing.

The SHIP includes provision for 200 new affordable homes for social rent and the Council is currently progressing plans to build around 100 new homes as a first phase, with construction expected to start on site in 2017. It is proposed that the second phase of social rented housing will involve construction of around 100 homes by a housing association.

- **Johnstone Castle** The Council is progressing the rehousing and demolition to enable the construction of around 100 new homes for social rent in the Johnstone Castle where obsolete tenement flats will be replaced with high quality, mainly 'back and front door' houses.
- **Smithhills Street, Paisley Town Centre** This affordable housing development of 24 flats by Link Group is the third phase of the redevelopment of the former Arnott's department store site in Paisley. This project will contribute to the wider regeneration of Paisley town centre, adding to the tenure diversification and increased residential provision within this key central location.

- **Milliken Road, Kilbarchan** This social rented development of 18 one and two bedroom homes by Williamsburgh Housing Association will add to the affordable housing supply in West Renfrewshire and help to address the identified shortfall in social rented housing.
- **Inchinnan Road (Western Park), Renfrew** This affordable housing development of 67 homes by Sanctuary Scotland will contribute to addressing the identified shortfall of affordable housing in Renfrew.
- **Paisley West End** Sanctuary Scotland is working with the Council to develop and implement housing regeneration plans for the Well Street area of Paisley West End. This area faces a number of challenges and requires significant investment to improve the physical fabric and stimulate social and economic regeneration.

Phase 1 will see redevelopment of the Co-op site in Wellmeadow Street and plans will be brought forward in due course for a comprehensive regeneration programme focusing on the Well Street area.

- **Orchard Street, Paisley** Plans were in place to progress a Comprehensive Tenement Improvement (CTI) project at Orchard Street/Causeyside Street, Paisley following successful completion of the CTI project at Gordon Street by Paisley South HA. However, changes to the grant framework in 2011/12 and 2012/13 made this project difficult to progress. The Council, the Scottish Government and Paisley South Housing Association have continued to work closely to review project costs, mitigate risks and attempt to identify arrangements which would be acceptable to all partners and which would enable the project to proceed.

The Council has identified town centre regeneration as a key strategic priority. Given the costs involved and the above-benchmark grant funding requirement, it is unlikely that a full CTI approach will be used again in the future. However, given the strategic location of these tenements, the strategic importance of regenerating Paisley town centre, and patterns of housing demand, the Council has retained Orchard Street CTI as a priority for grant funding in the SHIP.

New Projects for the Future Investment Programme

During the consultation period to 23 September, the Council will liaise with partners on potential new projects which should be included in the finalised SHIP as a forward programme, to deal with potential slippage and address the expectation that additional resources may become available in future years.

5. Resources

For planning purposes, the Scottish Government have provided guidance on the **minimum** Resource Planning Assumptions (RPA's) which councils can expect to receive to 2021/22. Renfrewshire's allocation for 2016/17 is £11.521m. Minimum RPAs for the next five years are as follows, giving a total of at least £29.954m to 2021/22:

- £9.217m in 2017/18
- £6.913m in 2018/19
- £4.608m in 2019/20
- £4.608m in 2020/21
- £4.608m in 2021/22

Appendix 2 shows the estimated grant requirement for identified projects over this five year period (around £34m).

6. Delivery Issues

The Council and its partners are actively pursuing a range of mechanisms available to deliver affordable housing in Renfrewshire. Recently completed and ongoing developments in Renfrewshire include a range of tenures to promote different opportunities for lower income households to promote access to affordable housing.

These tenures have included shared equity low cost home ownership (LCHO), mid-market rent and social rent. This approach will be continued where appropriate, taking account of local needs and market circumstances, in order to maximise the benefit of the available grant funding across the programme and also to lever in private finance.

In line with identified needs and the evidence set out in the draft LHS, the Council will consult on an affordable housing policy for Renfrewshire.

Housing providers within Renfrewshire are working together to identify opportunities for maximising efficiency through a joint approach to procurement.

Infrastructure issues represent constraints for a number of sites in Renfrewshire and opportunities are being explored to address this, including potential bids to the Scottish Government's £50m Infrastructure Fund.

Affordable Housing Projects 2017/18 to 2021/22

APPENDIX 2

Projects in the Affordable Housing Supply Programme						Total Grant Requirement (£M)	Estimated spend by End of March 2017 (£ million)	Est. grant requirement (YRS 1-3) 2017/18-2019/20 (£ million)	Est. grant requirement (YRS 4-5) 2020/21-2021/22 (£ million)	Est. grant requirement beyond 2021/22 (£ million)
Sub-area	Category	Developer	Number of Affordable Units							
Seedhill Road Regeneration	1	Regeneration/Part Needs	Williamsburgh HA	23	1.748	0.000	1.748	0.000	0.000	0.000
Seedhill Road Regeneration	1	Regeneration/Part Needs	Renfrewshire Council	24	1.368	0.000	1.368	0.000	0.000	0.000
Paisley West End Phase I (Wellmeadow Street)	1	Regeneration	Sanctuary Scotland	39	2.900	0.900	2.000	0.000	0.000	0.000
Paisley West End Phase II	1	Regeneration	Sanctuary Scotland	tbc	tbc	0.700	tbc	tbc	tbc	0.000
Orchard St/Causeyside St (HAA)	1	Town centre/CTI	Paisley South HA	54	4.348	0.000	4.348	0.000	0.000	0.000
Smithills Street, Paisley town centre	1	Regeneration	Link Group	24	1.721	0.238	1.483	0.000	0.000	0.000
Andrew Avenue Phase I	2	Affordable Supply	Sanctuary Scotland	77	5.947	5.947	0.000	0.000	0.000	0.000
Andrew Avenue Phase II	2	Affordable Supply	Sanctuary Scotland	57	4.381	2.200	2.181	0.000	0.000	0.000
Inchinnan Road (Western Park)	2	Regeneration	Sanctuary Scotland	67	5.176	3.462	1.714	0.000	0.000	0.000
Johnstone Castle	3	Regeneration	Renfrewshire Council	100	5.700	0.600	3.675	1.425	0.000	0.000
Bishopton Phase I	4	Affordable Supply/Regen	Renfrewshire Council	100	5.700	0.300	5.400	0.000	0.000	0.000
Bishopton Phase II	4	Affordable Supply/Regen	tbc	100	7.721	0.000	0.000	0.000	7.721	0.000
Milliken Road, Kilbarchan	5	Affordable Supply	Williamsburgh HA	18	1.180	0.108	1.072	0.000	0.000	0.000
				683	47.889	14.455	24.989	9.146	0.000	0.000
Future Projects to be identified in line with LHS priorities						Total Grant Requirement (£ million)	Estimated spend by End of March 2017 (£ million)	Est. grant requirement (YRS 1-3) 2017/18-2019/20 (£ million)	Est. grant requirement (YRS 4-5) 2020/21-2021/22 (£ million)	Est. grant requirement beyond 2021/22 (£ million)
Supported housing/Community care groups Affordable Housing in Community Growth Areas/Areas of Shortfall Reprovisioning in areas of housing renewal	tbc	Particular Needs	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
	tbc	Regeneration	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
	tbc	Regeneration	tbc	tbc	tbc	tbc	tbc	tbc	tbc	tbc
				0	0.000	0.000	0.000	0.000	0.000	0.000
Total Estimated Grant Requirement						47.889	14.455	24.989	9.146	0.000

Grant Requirement Yrs 1-5 (£M)

34.135

Sub-Areas	Year	Minimum RPA (£M)
1. Paisley & Linwood	2016/17	£11.521
2. Renfrew	2017/18	£9.217
3. Johnstone & Elderslie	2018/19	£6.913
4. North Renfrewshire	2019/20	£4.608
5. West Renfrewshire	2020/21	£4.608
	2021/22	£4.608

5 Year Total:
£29.954M*

* Minimum RPA over the lifetime of this SHIP 2017/18 to 2021/22 is £29.954M

2011/2012				
Paisley South	Gordon Street HAA	Paisley & Linwood	Town centre/Ten rehab	47
Sanctuary	Linwood Regeneration	John, Eldesl & Linwood	Community renewal	190
Link	Cotton Street Phase I	Paisley & Linwood	Town centre/Ten rehab	30
Sanctuary	Abercorn St Phase II	Paisley & Linwood	Town centre/Ten rehab	16
				283
2012/2013				
Bridgewater	Rashilee North	North Renfrewshire	Affordable supply	92
Sanctuary	Shortroods Phase II	Paisley & Linwood	Community renewal	83
				175
2013/2014				
Sanctuary	Gallowhill	Paisley & Linwood	Community renewal	71
Link	Tannahill Crescent	Johnstone & Elderslie	Community renewal	33
Loretto	Neilston Road	Paisley & Linwood	Particular needs	55
Renfrewshire Council	Blackhall	Paisley & Linwood	Community renewal	37
				196
2014/2015				
Linstone	Brown Street	Paisley & Linwood	Community renewal	16
Sanctuary	Braille Crescent Phase I	Renfrew	Affordable supply	40
				56
2015/2016				
Sanctuary	Shortroods Phase III	Paisley & Linwood	Community renewal	86
Sanctuary	Braille Crescent Phase II	Renfrew	Affordable supply	15
Link	Paisley Town Centre	Paisley & Linwood	Community renewal	31
				132
TOTAL				842