

Agenda Item	9
Report No	BSAC/13/18

HIGHLAND COUNCIL

Committee: Badenoch and Strathspey Committee

Date: 21 August 2018

Report Title: Housing Investment Report

Report By: Director of Development and Infrastructure

1 Purpose/Executive Summary

- 1.1 This report provides information on housing investment planned for Badenoch and Strathspey up to 2022/23.

2 Recommendations

- 2.1 Members are invited to consider the information provided on the planned housing investment for Badenoch and Strathspey.

3 Background

- 3.1 Local authorities' housing strategies, and specifically their Strategic Housing Investment Plans (SHIPs), are the key statements of local housing development priorities which are used to guide funding. They assist the Scottish Government in targeting its overall Affordable Housing Investment Programme (AHIP). SHIPs contribute to achieving better prioritisation and making best use of public resources.
- 3.2 Strategic Housing Investment Plans (SHIPs) are developed in line with Scottish Government guidance which seeks to identify an indicative housing programme up to 2022/23. The Environment, Development and Infrastructure Committee agreed a SHIP at the meeting held on 8 November 2017 noting that updated planned investment programmes will be reported to that Committee on an annual basis.

4 Highland's Strategic Housing Investment Plan 2018 - 2023

- 4.1 Highland's Strategic Housing Investment Plan (SHIP):-
- sets out The Highland Council's key housing investment priorities and demonstrates how they will be delivered so that the outcomes and targets set out in the draft Highland Housing Strategy and the Council's programme for 2017-22 are achieved;
 - sets out opportunities for development across Highland;
 - identifies resources which are required to deliver these; and
 - enables partners such as housing associations and developers to be involved.
- 4.2 The plan has been prepared on the basis that it will be possible to approve at least 500 units each year across Highland, of which 70% will be for affordable rent and 30% for intermediate affordable housing (e.g. low cost home ownership or mid-market rent), in line with the overall Scottish Government targets.
- 4.3 Due to the economic climate and national policy indications, it is anticipated that programme changes are likely. The Strategic Housing Investment Plan therefore proposes criteria which will be used to prioritise the programme should resources be different than presently anticipated.
- 4.4 The Council works with a range of partners, through various processes to drive forward delivery and in particular the Highland Housing Development HUB through which the Council, their housing association partners and the Scottish Government meet to monitor the investment programme and agree site priorities based on the draft Housing Strategy and SHIP. Invariably sites will drop out of the programme if they become non deliverable whilst others will be brought into the programme.

5 Tenure

- 5.1 The SHIP is prepared on the basis that 70% of the overall programme should be for affordable rent, either through the Council or housing association, with the remainder being alternative tenures such as Low Cost Home Ownership or mid-market rent.
- 5.2 **Low Cost Home Ownership**
These units are will be delivered through the Scottish Government's Shared Equity scheme with qualifying applicants investing between 60 and 80% of the market value of the property. Under the scheme the remaining equity is held by the Scottish Government.

5.3 Mid-market rent. Is a form of affordable housing that allows tenants to pay rent levels below the normal private market rent level in the local area, although rents are higher than what a tenant would normally expect to pay as tenant of the Council or housing association. Rent levels are usually set at around 85 – 100% per cent of the local housing allowance.

6 Planned Investment within Badenoch and Strathspey

6.1 Highland's Local Housing Strategy sets the targets for affordable housing, and the SHIP sets out how resources will be used over 5 years (2017-2022) to deliver these affordable housing priorities. The priorities listed in the SHIP tables are fully consistent with our current LHS targets of around 500 units per annum with an assumption that around 10% of the units should be provided within Badenoch and Strathspey.

6.2 The projects identified within Badenoch and Strathspey are listed with **Appendix 1** of this report. Although specific projects are identified these may be subject to change as and when further opportunities are identified or projects fail to proceed, particularly those which are developer led with the affordable element delivered as a planning condition.

7 Implications

7.1 Resource - Funding for the overall indicative programme has been agreed by the Council.

7.2 Legal - No legal issues.

7.3 Community (Equality, Poverty and Rural) - This report will assist in the delivery of affordable housing in a rural area. Mid-market rent projects will assist in meeting the needs of unmet housing demand for those who cannot compete in the open market but are unlikely to have sufficient points for council housing, due to overall housing pressures in the Highlands.

7.4 Climate Change/Carbon Clever - Neutral impact.

7.5 Risk: Managed through performance against agreed budgets reported to Environment, Development and Infrastructure Committee.

7.6 Gaelic - There are no implications arising from this report.

Designation: Director of Development and Infrastructure

Date: 15 August 2018

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Background Papers: Strategic Housing Investment report to EDI Committee 8/11/17

Highland Strategic Housing Investment Plan - 2018/2023

TENURE					NOTIONAL YEAR OF APPROVAL					
*THC Rent	*H A Rent	*LCHO	*MMR	TOTAL	Pre 18/19	18/19	19/20	20/21	21/22	22/23

Badenoch & Strathspey

Aviemore, Inverdrue		6		6	6					
Grantown on Spey, Breachan Court	10	0		10	10					
Grantown on Spey, Breachan Court	5		8	13		13				
Grantown on Spey, Rear of Police Station		4		4	4					
Grantown on Spey, Lawson Site		5		5			5			
Newtonmore		8	6	14	14					
Aviemore, Dalfaber		14		14					14	
Aviemore, Sluggans Drive		10	4	14	14					
Aviemore, High Burnside		3		3		3				
Aviemore, Spey House		20	6	26			26			
Cromdale, Tom-an-uird View	3		2	5	5					
Kingussie	14		4	23		23				
Carrbridge, Struan Hotel		10		10				10		
Carrbridge	9		4	13		13				
Kincraig		6	4	10					10	
Aviemore, Former School	20		10	30		30				
Nethybridge		6	2	12				12		
Nethybridge (2)		8		8			8			
Dalnain Bridge	6		2	18		18				
Sub Totals	67	100	18	238	53	100	39	22	24	0

*THC Rent- The Highland Council Rent

*H A Rent- Housing Association Rent

*LCHO - Low Cost Home Ownership

*MMR – Mid Market Rent