



Local Government and Communities Committee

Strategic Housing Investment Plans (SHIPs): Summary of written evidence

1. Introduction

This paper provides a summary of the evidence to the Local Government and Communities Committee received to its letter to local authorities requesting information on Strategic Housing Investment Plans (SHIPs).

2. Background

SHIPs are prepared by local authorities. Their purpose is to set out strategic investment priorities for affordable housing over a 5 year period to achieve the outcomes set out in the local housing strategy. SHIPs are the key documents for identifying strategic housing projects to assist the achievement of the Scottish Government's five year 50,000 affordable home completion target.

3. Previous Committee Consideration of SHIPs

During its scrutiny of the Scottish Government's Draft Budget in December 2016, the Minister for Local Government and Housing, Kevin Stewart MSP, was asked by the Committee to provide some summary information on SHIPs. In response, the Minister confirmed that he would be willing to provide this, but was unable to comment on timings at that stage.

At its meeting on 8 February 2017, the Committee agreed to invite the Minister to give evidence on his analysis of the SHIPs. Prior to the evidence session with the Minister, the Committee received an informal briefing from Scottish Government officials on SHIPs.

The Committee took evidence from the Minister on [10 May 2017](#). Following that meeting, the Committee agreed to [write](#) to local authorities requesting further information on SHIPs. Further background is available on the Committee website here:

<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/105204.aspx>

Twenty eight responses to the call for evidence were received. All the written responses can be viewed here:

<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/105205.aspx>

4. Summary of responses

The Committee asked local authorities two questions. Responses to those questions are summarised below.

1. How you decide on the number of specific house type, house sizes and tenures that will be delivered in your area (which may either be detailed in your SHIP or decided at a later date).

Many respondents referred to the strategic context within which SHIPs sit. For example, North Lanarkshire Council noted that the purpose of SHIPs is to identify the strategic housing priorities for investment rather provide a detailed delivery programme. They said, as some other councils did, **that at the stage when a site is identified and approved for inclusion within the SHIP the detailed assessment of housing may not have been finalised.**

Prioritising sites for inclusion within the SHIP

A number of councils (e.g. Falkirk, North Lanarkshire, Scottish Borders, West Dunbartonshire) highlighted how their councils prioritised sites for inclusion within the SHIP. This tended to involve considerations about how the site could be related to the local housing strategy objectives and other practical considerations for example, deliverability and site constraints.

For example, South Lanarkshire Councils said that sites are prioritised for inclusion in the SHIP based on an assessment of their suitability to deliver the type and mix of housing required to meet local need and their cost effectiveness, as well as the order in which they are expected to come forward for development.

West Dunbartonshire Council said that it invites submissions for projects which must complement the local housing strategy and comply with the existing Local Development Plan. Submissions are assessed against a scoring matrix to prioritise the projects and assist planning the affordable housing development programme. The principal assessment criteria relate to:

- Local Housing Strategy objectives
- Meeting the strategic priorities of the Council
- Contributing towards meeting assessed housing need and demand
- Meeting regeneration objectives
- SIMD scoring
- Affordability
- Compliance with affordable housing design standard
- Deliverability including site constraints
- Level of grant subsidy required.

Some respondents gave examples of the range of people involved in discussing and agreeing the SHIP priorities. This included, for example, planning and housing departments of local authorities, RSLs, and staff from Health and Social care partnerships.

Determining house sizes/tenures/house types

As noted above some respondents said that at the SHIP planning stage it was too early to determine the specific house sizes/tenures/house types that particular sites might provide. These decisions tended to be made on a site by site basis taking into account the local priorities and a range of evidence. South Lanarkshire Council said that while the detail of the house size and type may not be outlined in the SHIP.

“... This does not mean that the affordable housing programme doesn't deliver the size and type of housing needed in an area. Once included in the SHIP, as each project comes forward, the Council works closely with the developer or Housing Association partner to refine the type and mix of housing to be provided on the site based on local housing needs.”

Information used to inform decisions about house sizes/tenures/house types etc.

Respondents outlined how they made decisions about what house size/tenures/house types are provided on particular sites. Most respondents referred to their **housing needs and demands analysis** which informs the local housing strategy.

Some councils noted the **different housing pressures** in their areas that the housing needs and demands analysis identified. For example, Glasgow Council and West Dunbartonshire Council noted a lack of accessible housing, and Glasgow Council noted a lack of family sized accommodation in their area. The City of Edinburgh and East Dunbartonshire Council suggested there were pressures on all house types and tenures in their areas.

Renfrewshire Council highlighted the predicted growth in the elderly population. The council gave an example of a pilot project in Paisley town centre, developed in partnership with Link Housing and with Scottish Government support, to deliver low cost home ownership opportunities for older people in Renfrewshire. This project was developed to address identified gaps in provision for older owners on lower incomes and older owner-occupiers with limited equity and living in homes which do not meet their long term needs. This was identified as an action in the previous LHS (2011-2016) and addressed through Renfrewshire's SHIP.

Some councils (e.g. Orkney Islands, South Ayrshire and Scottish Borders) highlighted that in their areas, because of the difference between social and market rent levels, there was little demand for mid-market rented housing so the focus was on developing new social rented housing.

Respondents said they used their housing needs and demands analysis in conjunction with **a range of other information to determine more detailed plans for site mix**. Other sources of information included **waiting list information and local demand information held by the council and other housing providers**.

Some councils have undertaken more **local housing needs studies or commissioned specific pieces of research** which then inform the SHIP plans. For example, Scottish Borders Council has commissioned research which has led to

plans to work with two selected RSL delivery partners to develop 6 (potentially 7) new build extra care housing developments for older people in key settlements throughout Scottish Borders. The Council has also commissioned consultants to develop an Integrated Strategic Plan for Older People's Housing, Support and Care Needs which will inform future SHIP investment intentions and prioritisation decisions.

Some respondents said that **other agencies input to discussions about the particular type of housing required**. For example, health and social care partnerships can help determine specialist housing need requirements. Inverclyde Council said that a Housing Partnership Group, consisting of representatives from Health and Social Care Partnership and RSLs, has been established to agree where new specialist housing is required. Stirling Council said that as part of the process of developing detailed designs for a project, local community groups and tenant representatives are also given an opportunity to comment on the proposals prior to the submission of a planning application.

The City of Edinburgh Council noted that a 10% provision of wheelchair properties target is included within each development of social rented housing, with an additional 10% suitable for ambient disabled. They also said that local planning policies play an important role in determining the mix and types of affordable homes delivered across the city. Edinburgh Council's Planning Design Guidance advises that 20% of the total number of homes delivered on sites of 12 or more should be designed for growing families: *"These types of homes should have three or more bedrooms, have good levels of storage and have direct access to private gardens (for example via patio doors or private external stairs) or safe play areas for children"* Moray Council outlined its **localised housing needs model** developed as part of its 2011 housing needs and demand analysis. The model monitors all affordable rented stock by landlord, disaggregated by house type and housing market area. Whilst the HNDA provides a high level assessment of housing need that underpins the Council's strategic housing investment framework, the localised model is a live investment planning tool that determines the mix of size and type of housing that the Moray affordable housing programme will deliver on a settlement basis. The model allows them to prepare housing mixes in advance of discussions with housing developers and/or RSLs and reach agreement on provision, prior to inclusion of any project in the SHIP.

Other factors

Some councils mentioned that in addition to the analysis of needs, other factors for specific sites need to be taken into account before the final mix of housing is decided. Stirling Council, for example mentioned the **site capacity, topography and proximity to local services**.

Scottish Borders Council also noted that **financial viability and planning application and consent process can also be big factors in what ultimately gets built**. For example, they said that the Council's current Local Housing Strategy 2012-17 set an annual target of 103 affordable homes, and has a target of 10% of subsidised units to be built to wheelchair standard. However, much of Scottish Borders is hilly so meeting this target can be especially challenging on some sites.

2. How you monitor and evaluate whether the SHIP, and the projects finally delivered, meets the requirements and needs of the local area and also contribute to the Scottish Government's target of 50,000 affordable homes.

Most mentioned that the SHIPs were reviewed on an ongoing basis. Many respondents also referred to the **regular programme meetings they had with the officials from the Scottish Government More Homes teams**. Orkney Council spoke of the good working relationship they had with the Scottish Government officials. North Lanarkshire Council said that the meetings with the More Homes officials, "ensure that we are working effectively together to achieve full spend on the annual budget, meet targets and develop the forward programme to meet our local housing priorities."

Many respondents referred to the **local housing strategy review process**. Many councils review progress on their local housing strategy outcomes on an annual basis. For example, Glasgow City Council outlined how Glasgow's Housing Strategy will be monitored:

"Strategic outcomes outlined in the Glasgow's Housing Strategy (GHS) are monitored through the monitoring and evaluation framework for the Strategy. The new GHS will be monitored annually with the cumulative impact of housing investment over the 5 year period evaluated in relation to meeting housing needs. An interim evaluation of the Strategy after 2-3 years will also be undertaken.

The Council's Housing Investment team publish an annual [Performance Review](#). This details the developments approved and completed within that financial year, the costs associated with the programme, as well as the post-completion reviews on developments which are undertaken by the Housing Investment team to ensure the housing being delivered meets strategic priorities and importantly, tenants' needs and expectations.

For example, Glasgow's Housing Strategy has an identified need for larger family housing and in response, a target for larger family housing has been included in the SHIP. This target is monitored and annually reported on in the Performance Review document. This means that if the target is not being met for any reason or additional needs have been identified, then a discussion can take place on the issues or barriers that need to be addressed to ensure housing needs are being met in the coming year."

Respondents reported **various other monitoring arrangements** that were in place. For example, Stirling Council said that The progress of all of the projects identified in the SHIP is monitored quarterly by the Council's SHIP Review Group. The Group is chaired by the Council's Housing Portfolio Holder and is attended by Senior Council Officers, the Directors of local Registered Social Landlords and representatives of Raploch URC and Loch Lomond & The Trossachs National Park Authority. Other councils mentioned **reports prepared for scrutiny by elected members**.

A number of respondents mentioned that they undertake **post completion survey of tenants** after they have moved in. For example, South Ayrshire Council said that:

“This evaluation helps to ensure that we are delivering the right housing solutions in the right places, and provides valuable ‘lessons learned’ for application in our ongoing development programme”.

Falkirk Council indicated that it was **refining their monitoring process**. This includes undertaking a mapping project of a recent Council new build project. This will include examining the journey the person has undertaken from finding out how they accessed the accommodation, the advice which was provided, how the property has met their needs and local services they use. This will be linked into information taken from their allocation system. The Council New Build Team will also undertake a survey which will examine particular features of the property they like and dislike. This information will be used to inform future SHIP projects.

Argyll and Bute Council referred to work ongoing in its area to develop more robust evidence on the ultimate value and impact of the SHIP on national and local strategic priorities. This followed an independent study in 2016 of the SHIPs outputs over the previous five years that identified a number of data issues which limited the evaluation assessment.

Other comments

South Ayrshire Council was concerned about the availability of land that can be acquired at an affordable value to support new build plans. They said that with a significant majority of the land in South Ayrshire in private ownership, they are reliant on private developers bringing their sites to the market. Development costs are also increasing due to the pressure on the industry to meet the Scottish Government target alongside the continued development in South East of England. These cost rises are in excess of the increase in subsidy granted to local authorities by the Scottish Government over the past 2 years

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