
Report To:	Environment & Regeneration Committee	Date:	28 October 2021
Report By:	Interim Service Director, Environment & Economic Recovery	Report No:	ENV/026/21/MM
Contact Officer:	Martin McNab	Contact No:	01475 714246
Subject:	Housing Update		

1.0 PURPOSE

- 1.1 To update Committee on a number of current housing issues.

2.0 SUMMARY

- 2.1 This report updates Committee in Section 5 on the process for the development of the next Local Housing Strategy from 2023-28 and seeks approval for the funding of a House Condition Survey from the repairs and renewals fund.
- 2.2 Section 6 of the report updates Committee on the Acquisition Strategy agreed with the Scottish Government and the RSLs. The strategy will provide additional funding from Inverclyde's Resource Planning Assumption (RPA) to assist RSLs in the purchase of properties for particular housing needs or where the purchase will have strategic value, for example in enabling stock improvements. Recommendation 3.3 covers how the Council can contribute to this process through the use of the Affordable Housing Fund.
- 2.3 Section 7 updates members on progress in the Specialist Housing Review including the policy for wheelchair accessible homes and details the next steps in the review process. Ultimately the review will contribute to the next Local Housing Strategy. Section 8 covers the Council's obligations in respect of Empty Homes and how the role of the Empty Homes Officer might be developed going forward.
- 2.4 Section 9 is an update on the two returns the Council must make to the Scottish Housing Regulator as both a landlord for the former tied houses and in its role delivering the Homelessness Service. Recommendation 3.4 covers the approval of the annual Assurance Statement which is included at **Appendix 1**.
- 2.5 Section 10 of the report is an update on the Area Based Schemes (formerly HEEPS) and Section 11 is a brief update on progress on the Strategic Housing Priority Areas.

3.0 RECOMMENDATIONS

- 3.1 That the Committee notes the contents of this report.
- 3.2 That the Committee approves the procurement of the Local House Condition Survey; authorises the Interim Service Director, Environment & Economic Recovery to accept the most economically advantageous tender and approves the funding of the Survey from the Housing Repairs & Renewals Fund at a cost of up to £90k subject to approval by the Policy & Resources Committee.

- 3.3 That the Committee approves the use of the Affordable Housing Fund where necessary and where funding allows to support any acquisitions for purpose 3 in 6.3 and grants delegated powers to the Interim Service Director, Environment & Economic Recovery to approve funding in consultation with the Chief Financial Officer.
- 3.4 That Committee approves the Annual Assurance Statement for 2020-21.

Martin McNab
Interim Head of Public Protection & Covid Recovery

4.0 BACKGROUND

- 4.1 There are a number of areas arising from Inverclyde Council's role as a strategic housing authority which Committee should be updated on. The most important of these is the development of the next 5 year Local Housing Strategy which will be developed over the coming year. This report also updates members on a number of pieces of work which have been under development with partners including RSLs, the Scottish Government and the Inverclyde HSCP over the last year including the Acquisition Strategy and the Specialist Housing Review.
- 4.2 Other pieces of work which have been progressed include the ongoing process of developing Area Based Schemes for insulation and energy efficiency, formerly known as HEEPS. The development of the strategy in relation to Empty Homes ties in to both the LHS and the current development of the LTE policy.
- 4.3 The Council is required in its role as both a landlord in relation to the former tied houses and in its role in relation to homelessness to make two returns annually to the Scottish Housing Regulator. These are the Annual Return on Charter (ARC) and the Annual Assurance Statement. The latter requires to be approved by committee and is attached at **Appendix 1**.

5.0 LOCAL HOUSING STRATEGY 2023-2028

- 5.1 The Housing (Scotland) Act 2001 places a statutory duty on Local Authorities to prepare a Local Housing Strategy (LHS) supported by an assessment of housing need and demand every five years. Inverclyde Council's Housing Strategy team are responsible for preparing and developing the LHS with the current strategy expiring in December 2022, covering the 2017-2022 time period.
- 5.2 The Housing Strategy team are currently on track to develop the next iteration of the Inverclyde LHS by the end of 2022, ready for the 2023 – 2028 period. Initial discussions and preparation has commenced on LHS development and in particular how the team are going to effectively consult and engage with our key strategic stakeholders to incorporate their ideas appropriately and shape the future strategy. Stakeholder consultation (Registered Social Landlords, Planning Policy, HSCP) will take place in Autumn 2021 with initial workshop discussions focusing on what the key housing issues are for the area, incorporating the Scottish Government's Housing to 2040 vision and principles.
- 5.3 Furthermore, the Housing Strategy team along with Inverclyde Council's Planning Policy team are partners within the Glasgow Clyde Valley Housing Market Partnership (HMP). The HMP are responsible for developing the new Glasgow and Clyde Valley Housing Need and Demand Assessment (HNDA3) and work to this end is ongoing. It is anticipated that HNDA3 will be completed winter 2021. This will provide the Housing Strategy team with a robust and credible evidence base to develop the next iteration of the Inverclyde LHS, complementing the extensive stakeholder consultation which will be undertaken.
- 5.4 The Housing (Scotland) Act requires Local Authorities from time to time to carry-out assessments on the condition of housing in their area. In order to assess the condition of the private housing the Council requires to commission a local housing condition survey (LHCS) for the private stock. This survey will also provide household information and an assessment of the energy efficiency of the properties. The last LHCS was in 2010/11 and the service originally intended to commission a survey in 2020-21 to inform the LHS.
- 5.5 The LHCS informs the future direction of the Local Housing Strategy and provide support information to access any available funding from Scottish Government to improve the condition or energy efficiency of housing in Inverclyde. A sample of the private housing will be surveyed and order to get statistically significant condition information for geographical locations in Inverclyde and for our older stock primarily in town centres the sample size will require to be around 1400 units. The budget for this will need to be around £90K and the CMT recommends that this should be funded from the Housing Repairs & Renewals Fund.

6.0 ACQUISITION STRATEGY

- 6.1 Action 7 of the Housing Contribution Statement 2019-2024: 'Assess whether an Acquisition Programme assisted by the Affordable Housing Supply Programme might better address health inequalities & build stronger communities', seeks to address unmet specialist housing requirements, added to the ongoing requirements for an appropriate supply of temporary accommodation, and the need to address stock disrepair in areas of majority RSL ownership. Housing Strategy led discussions with housing partners on the benefits of using a proportion of the Scottish Government's Affordable Housing Supply Programme funding to help purchase stock for sale on the open market as an appropriate method of meeting strategic housing objectives in Inverclyde
- 6.2 The highly successful new build programme detailed in the Strategic Housing Investment Plan helps to meet the increasing need for wheelchair accessible homes, homeless accommodation, and other specialist requirements. However buying properties from the market, in areas of existing housing, allows us to repair, renovate and regenerate; while also continuing to address the need for additional specialist provision and homeless accommodation in areas where new homes cannot be built. Housing Strategy and our Housing partners believe that an Acquisition Programme funded through the Scottish Government's Affordable Housing Supply Programme will be instrumental in addressing health inequalities & building stronger communities in Inverclyde.
- 6.3 The current SHIP 2021-2026, agreed at the Environment & Regeneration committee on 14 January 2021, alerted the Scottish Government's More Homes division to Housing Strategy's intention to work with our Housing and Health partners and pursue an Acquisition Programme. An Acquisition Programme business case and accompanying evidence base was sent to More Homes in March this year detailing our rationale for the programme, and suggestions for how we could proceed. Successful partnership working delivered the fundamental aims of the Acquisition Programme:
1. To consolidate stock for management and improvement purposes.
 2. To secure stock where there is limited supply and limited development opportunities.
 3. To secure stock for households with particular requirements.
- 6.4 The Acquisition Programme was subsequently agreed between the council, RSLs and the Scottish Government in July of this year. Inverclyde will receive up to £2m grant funding (at a rate of 50% of purchase price, up to £50,000 per property) through the Affordable Housing Supply Programme in the 2021/22 financial year. This funding will be matched by the contributing RSLs: Cloch Housing Association, River Clyde Homes, Link Housing, Larkfield Housing Association and Oak Tree Housing Association. As part of Inverclyde Council's commitment to the Acquisition Programme subject to Committee agreement it is proposed to use the affordable housing fund to support any acquisitions for purpose 3 in 6.3 above where partners have identified a significant need which can be met by a property coming onto the market for which the available funds from More Homes and the RSL would be unlikely to secure the purchase.
- It is likely that a decision to contribute would need to be made at short notice to secure a property. It is therefore recommended that delegated powers be granted to the Interim Service Director Environment & Economic Recovery to approve funding in consultation with the Chief Financial officer subject to sufficient funds being available in the Affordable Housing Fund appendix 1 details the proposed process for this. An annual update will be brought to committee on any acquisitions supported by the affordable housing fund.
- 6.5 The partners involved in the Acquisition Programme will endeavour to purchase around 40 homes to add to the affordable housing stock within areas of existing housing in Inverclyde in 2021/22; and a desire to continue the programme in the 2022/23 financial year will be clearly expressed in the Strategic Housing Investment Plan. An Acquisition Programme Delivery Group has been established with membership from Housing Strategy, RSLs, HSCP and Homelessness, to ensure that all 3 strategic objectives are considered, and to provide a swift response to suitable opportunities on the market.

7.0 SPECIALIST HOUSING PROVISION REVIEW UPDATE

- 7.1 A working group comprised of members of the Housing Partnership Group embarked upon a Specialist Housing Provision Review to address Action 1 of the Housing Contribution Statement 2019-2024: 'Use evidence based need and demand to identify specialist housing provision requirement early in the planning of the Affordable Housing Supply Programme'
- 7.2 The Interim Review by the Specialist Housing Provision working group highlighted the need for more wheelchair housing in Inverclyde and the Housing Partnership Group's recommendation for a revised wheelchair accessible housing target was fed into the consultation process of Inverclyde's Proposed Local Development Plan.
- 7.3 The Proposed Plan, taken to the Environment and Regeneration Committee on 13 April 2020, received Committee approval for the implementation of a new Wheelchair Accessible Housing Policy: "POLICY 21 - WHEELCHAIR ACCESSIBLE HOUSING - The Council will seek the provision of 5% wheelchair accessible housing on new build development sites of 20 or more units."
- 7.4 Therefore all new developments in Inverclyde are now required to provide wheelchair accessible housing, regardless of tenure. RSLs are building more than 40 affordable wheelchair accessible homes in Inverclyde through the Affordable Housing Supply Programme, however the new Wheelchair Accessible Housing policy now also requires private developers to provide wheelchair accessible homes on any future sites of at least 20 units in Inverclyde.
- 7.5 The successful adoption of the Wheelchair Accessible Housing policy will help to address the unmet need for wheelchair housing in Inverclyde, and increase the housing options for wheelchair users. A new Specialist Review Group led by HSCP has now been set up to progress the Specialist Housing Provision Review and address the housing needs of all other client groups who may require specialist housing. The final Specialist Housing Provision Review paper is expected in the coming months with progress being reported to the Strategic Planning Group in the meantime. Members in the Specialist Review Group will ensure that the final Specialist Housing Provision Review will consider the specialist provision requirements of all age groups, in all types of household, across all tenures. This will include any specialist housing needs of the following groups as detailed in the Local Housing Strategy guidance:

- Disabled people
- People with learning disabilities
- People who are vulnerable, frail, living with dementia, needing support to remain at home/living in the community
- Gypsy Travellers
- Travelling Showpeople
- People with autism
- People with mental health problems
- People with complex needs
- People leaving supported accommodation – persons with convictions, looked after children, people with high support needs currently either in long term care in hospital or out of area placement, those discharged from hospital or a similar institution
- People who require supported accommodation – e.g. at risk families, people who are homeless, those who cannot live independently
- Young people transitioning to independent living for the first time
- Ethnic minorities, including migrants, asylum seekers and refugees
- Lesbian, gay, bisexual and transgender people

8.0 EMPTY HOMES

- 8.1 To create attractive and sustainable places in Inverclyde, one of the key aims of the Inverclyde LHS 2017-2022 was to tackle empty homes and low demand, unattractive housing stock causing blight on the area. In relation to Empty Homes, the Scottish Government's 2019 LHS guidance clearly outlines what is expected of Local Authorities under the statutory duty in preparing a robust and evidenced LHS including:

- Set out the number of empty homes in the local authority area and the authority's plans to

address this, including the use of CPO powers as appropriate.

- Include a target for the number of empty homes to be brought back into use over the lifetime of the LHS and for this to be reflected in the LHS action plan.
- A statement of how the local authority is supporting the development of new sustainable communities and what is being done to help make existing communities more sustainable.
- A short explanation of the nature and function of town centres within the local authority area and how the local authority is using the Town Centre First Principle where any investment decisions have been made.
- How the Place Principle is being used to deliver change within communities and achieve desired outcomes.
- A clear commitment to the use of CPOs and other planning tools as appropriate, in supporting regeneration and tackling empty properties.
- Information on the extent of empty properties in the local authority area, an explanation of what the plans are for bringing these homes back into use (i.e. employing an empty homes officer and using empty homes loans/grants) and what the impact of this will be in addressing local housing need.

The Inverclyde LHS 2023-28 will be expected to articulate the work which will be carried out in relation to the above tasks accompanied by a detailed action plan to achieve this.

- 8.2 The previous Empty Homes Officer was funded jointly by Inverclyde Council and River Clyde Homes, employed by RCH and spending 50% of her time working for each organisation. RCH decided in 2020 that they no longer wished to participate in the project and their contribution for 2020-2021 was met by Shelter Scotland. RCH decided that they no longer wished to host the position from 2021 onwards resulting in the Officer leaving their employment in June 2021. The funding for the post from Inverclyde Council was from the Scheme of Assistance.
- 8.3 Officers are considering the best way to fund and deliver the Empty Homes function going forward. In order to give members input into this process it is proposed that members will be consulted on the future delivery of the Empty Homes function as part of the review of the Council's Long Term Empty policy in the near future.

9.0 ANNUAL RETURN ON CHARTER AND ASSURANCE STATEMENT

- 9.1 The Council is required to make two returns to the Scottish Housing Regulator (SHR) annually. These are the Annual Return on Charter (ARC) and the Assurance Statement. The returns arise from the Council's ongoing role as a landlord in relation to the former tied houses and to the Council's Homelessness Service.
- 9.2 The ARC return primarily focusses on the condition of the stock held by social landlords, both RSLs and Local Authorities. The return runs to 52 pages and, in the case of landlords with significant stock is an extremely detailed document. Key data in the return includes:
- Tenant satisfaction
 - Compliance with the Scottish Housing Quality Standard
 - Repairs performance
 - Compliance with the Energy Efficiency Standard for Social Housing

As the total stock level for Inverclyde Council amounts to only 10 properties, rather than including the full ARC for members it is more practical for members to see the summary of the ARC return which can be seen at <https://www.housingregulator.gov.scot/landlord-performance/landlords/inverclyde-council>.

- 9.3 Members may recall the 2020-21 Annual Assurance Statement approved by this committee in January 2021. The 2021-22 Assurance Statement is due to be submitted by 31st October and is attached at **Appendix 2** for approval.
- 9.4 There have been no breaches of the regulatory requirements in respect of homelessness in the period since the 2020-21 statement.

10.0 ENERGY EFFICIENT SCOTLAND AREA BASED SCHEMES (FORMERLY HEEPS)

- 10.1 To date Inverclyde Council (IC) has been awarded £13,361,669 from the Scottish Government (SG) for the Energy Efficient Scotland Area Based Scheme (ABS), formally known as HEEPS, to provide energy efficiency measures, predominately External Wall Insulation (EWI) to homeowners. This includes £1,462,261 awarded for 2021-22.

The objectives of ABS funding are to:

- Provide measures to private households in or at risk of fuel poverty that help to reduce energy usage and costs;
 - Deliver the Fuel Poverty Strategy and Energy Efficient Scotland programme;
 - Enable and support eligible homes receiving support from ABS to have achieved an Energy Performance Certificate (EPC) rating of C or better by 2030;
 - Ensure that householders, installers/workers and their families are protected against the risk of COVID-19 transmission;
 - Secure Energy Company Obligation (ECO) and other funding/investment to maximise the impact of ABS projects and funding;
- 10.2 Criteria set by the Scottish Government is for councils to work with Registered Social Landlords (RSL's), when possible, on collaborative programmes and as such it is quite often the RSL which will be the driving force behind a programme. The RSL pays for their own property and IC provides ABS funding towards the cost to the homeowner. Currently we are completing the scheme in Cowdenknowes funded from 2020-21. Areas currently in consideration for the next phase of the programme are Killearn Road in collaboration with Cloch Housing Association, York Road in collaboration with Larkfield Housing Association and Larkfield Road in collaboration with River Clyde Homes. Due to RSL time frames it is likely these potential projects will slip into the 2022-23 programme.
- 10.3 IC cannot rely purely on RSLs identifying programmes within the allocated funding timeframes therefore 'back up' programmes are in place to ensure that the funding allocated to Inverclyde is spent and not returned to the SG, if a RSL has properties in the 'back up' area they will be invited to join the programme. The Park Farm area in Port Glasgow has been identified for the 2021-22 programme. It is an area recognised as having poor housing and is within the lowest 20% SIMD areas with low levels of income leading inevitably to fuel poverty and ill health, initially 159 privately owned properties will be targeted. It is also intended to offer Solar Photovoltaic (PV) panels to those households identified as being in fuel poverty or extreme fuel poverty where a clear benefit will be achieved. This will be measured where the fabric first approach fails to achieve the desired EPC rating (C) or where the householder will be at home for the majority of the day. Depending on the uptake of the overall programme, houses where EWI was previously installed may be offered PV.
- 10.4 Local Authorities may have to provide evidence in support of the area/measures mix identified for programmes, including:
- Energy Saving Trust home analytics data
 - Local house condition survey information
 - Evidence from the Home Energy Efficiency Database (HEED)
 - Evidence from SIMD and Cavity Insulation Guarantee Agency
 - Evidence from Local Strategy and Community Planning strategies

- Other administrative data on subjects such as child poverty, school meals, benefits entitlements etc.

10.5 Over and above the EWI programme, it is planned to carry out an Internal Wall Insulation (IWI) programme for private homeowners living in pre 1919 tenements within the lowest SIMD data zones in the central of Greenock. This will assist low income householders suffering from fuel poverty to improve their energy efficiency. It will be a free scheme through ABS and ECO funding and will include a redecoration allowance. RSLs within these areas have been invited to join this programme.

Due to the Publicly Available Specification (PAS) 2035 on energy retrofit measures and SG ABS funding cap homeowners contributions could double, we are currently waiting on further instruction from the SG on moving forward.

11.0 STRATEGIC HOUSING PRIORITY AREAS

11.1 Members will be aware that it had been the services intention to bring the Eastern Gateway Study to Committee in the course of 2021. There remain some issues around the feasibility of some of the proposals particularly with regards to costings. We will have further discussions with the consultants on this element prior to bringing the report to Committee and discussing the implications with partners including RSLs and the Scottish Government.

11.2 The Central Greenock Study is out to tender and the Service will now begin work on the specification for the Central Port Glasgow Study.

12.0 IMPLICATIONS

12.1 Finance

There are no new financial implications arising from this report.

Financial Implications - One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
Local House Condition Survey		2021-22	90	Repairs & Renewals Fund	
Affordable Housing Fund		2021-22	150		For contribution to one of acquisitions which would make a significant and material difference to the lives of those with specialist housing need.

Annually Recurring Costs/(savings)

Cost Centre	Budget Heading	With effect from	Annual net impact £000	Virement From	Other Comments
N/A					

12.2 **Legal**

None.

12.3 **Human Resources**

None.

12.4 **Equalities**

(a) Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
X	NO - This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

	YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.
X	NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

	YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals.
X	NO

Repopulation

12.5 Better quality affordable housing should have a positive impact on repopulation.

13.0 CONSULTATIONS

13.1 None.

14.0 BACKGROUND PAPERS

14.1 None.

Inverclyde Acquisition Programme 2021/22: Process for securing stock for households with particular requirements where market value exceeds £100k

Suitable property identified by RSL or HSCP. Market value exceeds £100k

Details sent to Housing Strategy and tripartite agreement sought

If suitability agreed, Housing Strategy contact More Homes to request additional grant contribution

Housing Strategy seek approval from Interim Service Director, Environment & Economic Recovery, to release to release funds to an agreed maximum level believed necessary to secure the property taking into account the importance of the acquisition both to the proposed tenants but also in reducing spend in other areas.

If Interim Service Director approves, and More Homes agree to the higher grant contribution, RSL is provided with funding from Affordable Housing Fund to secure acquisition

Agreed funding reported to the Corporate Management Team

Annual update provided to Environment & Regeneration Committee on support afforded by the Affordable Housing Fund to the Acquisition Strategy

Annual Assurance Statement: Inverclyde Council

The purpose of this Annual Assurance Statement is to reassure the Scottish Housing Regulator, our tenants and other service users that Inverclyde Council complies with its regulatory and statutory obligations as set out in section 3 of the regulatory requirements. In areas where there is no (or part) material compliance we have indicated how we are planning to improve in those areas and the timeframe for improvement.

As a local authority we can confirm that we meet our statutory duties to prevent and alleviate homelessness, together with our duties regarding our legal obligations associated with housing and homelessness, equality and human rights and tenant and resident safety. As Inverclyde Council only has a limited housing stock, most of which are on secure tenancies, our tenants have a direct relationship with officers and the customer/landlord relationship must be considered within that context.

We can confirm that Inverclyde Council achieves all but the following standards and outcomes in the Scottish Social Housing Charter for tenants, people who are homeless and others who use our services:

The homeless service is in a period of recovery from the pandemic and continues to work with all statutory agencies and within guidelines to ensure the needs of people threatened with or in a homeless situation have their needs assessed and met. This includes an number of focused areas of improvement and increased levels of partnership working with local RSL's , Third sector providers and HSCP partners, This includes a refreshed internal performance monitoring framework and team plan, linked to the Inverclyde RRTP, housing contribution statement and HSCP Strategic plan.

Our Rapid Rehousing Transition Plan update was submitted to Scottish Government in July 2021 and will action any feedback given. The RRTP is overseen by a Steering Group, with the Rapid Rehousing Partnership Officer facilitating partnership work across a range of workstreams to ensure local implementation of the plan including implementation of the Housing First model.

There have been no breaches in the timeframe between October 2020 and October 2021.

All of Inverclyde Council's housing stock currently meets the Scottish Housing Quality Standard (SHQS) however, there are 4 houses which do not meet the requirements of the Energy Efficiency Standard for Social Housing (EESH). These houses require external wall insulation. All houses also require to have an Energy Performance Assessment carried out.

Inverclyde Council is engaged with River Clyde Homes regarding a potential transfer of its housing stock to the RSL. That includes arriving at agreed terms and conditions of transfer before engaging with the tenants. River Clyde Homes has carried out condition surveys on all the Council's housing stock and once agreed terms of transfer have been achieved, all affected tenants will be contacted to advise of the Council's proposals, the council will also provide for the tenants to be given access

to TPAS who will give support to the tenants and advise them of their rights. Finally assuming agreement is reached with RCH then a ballot will be carried out and if a majority of tenants agree to the transfer then it will go ahead.

The Council has three houses which are located within parks, two of which are not on Scottish Secure Tenancies and are therefore not affected by the legislation. At the present time the Council is considering its position regarding retaining ownership of the third park house.

Should River Clyde Homes be unable to achieve agreed terms and conditions for transfer of the houses then the Council will consider transfer of the houses to another local Registered Social Landlord.

The consultation cannot commence until such time as agreed terms and conditions of transfer have been agreed.

We confirm that we have utilised and considered appropriate evidence to give us this assurance. This Assurance Statement was formally approved by the Council's Environment & Regeneration Committee on 28th October 2021.

Cllr Michael McCormick
Convenor
Environment & Regeneration Committee
Inverclyde Council