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| Report To: | Safe, Sustainable Communities Committee | Date: 26 October 2010 |
| Report By: | Corporate Director Education and Communities | Report No: S&IC 64/10/RL |
| Contact Officer: | Drew Hall | Contact No: 01475 714272 |
| Subject: | Strategic Housing Investment Plan 2011 – 2016 | |

1.0 PURPOSE

- 1.1 The purpose of this report is to provide Committee with a final draft of the 2010 Strategic Housing Investment Plan (SHIP), which is due for submission to Scottish Ministers by 30 November 2010.

2.0 SUMMARY

- 2.1 The 2010 SHIP has been prepared in line with the revised guidance issued to all local authorities by the Scottish Government and the spreadsheets (known as Annexes) that capture project and costing information have been completed for submission together with the SHIP document.
- 2.2 The SHIP Liaison Group assisted in the preparation of the 2010 SHIP through participation in group meetings and through meetings with individual RSLs to ensure that all SHIP data in the narrative and the Annexes is current and accurate.
- 2.3 The projects within the 2010 SHIP fall into three distinct groups: the Core Programme providing general and special needs RSL housing; the Reprovisioning Programme that focuses on building new housing within renewal areas; and adaptations to meet particular needs within the existing social rented stock. The SHIP 2011 – 2016 takes account of reductions in Affordable Housing Investment Programme (AHIP) funding over the next two to three years and projects have been prioritised to make the best use of the lower levels of funding that will be available. Details of the assessment criteria used and the resulting priorities for investment are included in Appendix 1 of the draft 2010 SHIP document. Details of the projects contained in the SHIP Programme 2011- 2016 are provided at paragraph 5.3 below.
- 2.4 The final draft of the 2010 SHIP is appended to this report for consideration by Committee.

3.0 RECOMMENDATIONS

- 3.1 That Committee:

- (a) note that the 2010 SHIP has been prepared for submission to Scottish Ministers in accordance with the revised guidance and in consultation with RSLs and the Scottish Government Housing Investment Division; and
- (b) approve the final version of the Inverclyde Council 2010 Strategic Housing Investment Plan for submission to Scottish Ministers by 30 November 2010.

John Arthur
Head of Safer & Inclusive Communities

4.0 BACKGROUND

4.1 This is the third plan to be prepared using the revised SHIP guidance and the associated Annexes (spreadsheets). The nine RSLs operating within the Inverclyde Council area have supplied information relating to their proposed development programmes and this will be used to inform the allocation of AHIP funding by the Scottish Government over the period from 2011-2016, subject to annual review and funding announcements by Scottish Ministers.

5.0 PROPOSALS

5.1 It is proposed to submit the final version of the 2010 SHIP within the deadline set by the Scottish Government, subject to approval by Committee.

5.2 The SHIP identifies priorities for investment as set out in the Local Housing Strategy (LHS) and the adopted Local Plan, including expanding housing options and choices through area renewal (both delivered through the Core Programme and the Reprovisioning Programme). The LHS priorities are reflected in the RSLs development programmes as set out in the Annexes. The 2010 SHIP represents Inverclyde Council's priorities for investment in affordable housing as set out in Appendix 1 of the document.

5.3 The following tables provide details of the SHIP Programme 2011 - 2016 on a year by year basis.

Table 1: Year 1 (2011/12) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------------------|----------|----------------|-----------|----------------------------|-------------|
| 1 | Adelaide Street (Key HA) | E | Core | 107 | 88 | 195 |
| 2 | Cumberland Road Area (RCH) | C | Reprovisioning | 120 | 72 | 192 |
| 3 | Earnhill Road 'Phase 2' | C | Core | 93 | 90 | 183 |
| 4 | Upper Bow Reprovisioning (OTHA)* | C | Reprovisioning | 107 | 44 | 151 |
| 5 | Gibshill Phase 3* | B | Core | 83 | 128 | 211 |

Table 2: Year 2 (2012/13) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|---|----------|----------------|-----------|----------------------------|-------------|
| 1 | Woodhall Phase 2 | A | Reprovisioning | 160 | 123 | 283 |
| 2 | Smithy Brae (Trust HA) | G | Core | 107 | 125 | 232 |
| 3 | James Watt Dock (RCH) | B | Reprovisioning | 147 | 63 | 210 |
| 4 | Carwood Court Reprovisioning (Bield HA) | B | Core | 120 | 49 | 169 |
| 5 | Caladh House Project (OTHA) | C | Core | 107 | 48 | 155 |

Table 3: Year 3 (2013/14) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------|----------|-----------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 1 | A | Core | 133 | 44 | 177 |
| 2 | Tarbet Street (MBHA) | E | Core | 133 | 30 | 163 |
| 3 | Cove Road (MBHA) | E | Core | 107 | 29 | 136 |
| 4 | Garvald Street (CHA) | B | Core | 93 | 43 | 136 |

Table 4: Year 4 (2014/15) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------------|----------|----------------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 2 | A | Core | 133 | 44 | 177 |
| 2 | Peat Road (RCH) | C | Reprovisioning | 133 | 82 | 215 |
| 3 | Central Greenock (RCH) | B | Reprovisioning | 133 | 49 | 182 |
| 4 | Inverkip Marina (Trust HA) | F | Core | 120 | 97 | 217 |

Table 5: Year 5 (2015/16) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|------------------------------|----------|-----------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 3 | A | Core | 133 | 44 | 177 |
| 2 | Carwood Street Phase 2 (CHA) | B | Core | 80 | 47 | 127 |
| 3 | Sinclair Street (CHA) | B | Core | 80 | 25 | 105 |

6.0 IMPLICATIONS

6.1 **Legal:** There are no legal implications in addition to those already known.

6.2 **Financial:** All local authorities are expected to make a contribution in cash, or in kind, to the SHIP programme and Inverclyde Council will review its contributions to the affordable housing programme on an annual basis from existing budgets.

7.0 CONSULTATION

7.1 This report has been prepared in consultation with the SHIP Liaison Group, which includes all locally-based and national RSLs operating in the Inverclyde Council area, and the Scottish Government Housing Investment Division, Paisley Area Office.

8.0 CONCLUSION

8.1 In previous years it has been necessary to submit a report on the SHIP to a Special Meeting of Committee due to the late receipt of information required to complete the Annexes and the need to carry out an assessment of all projects for prioritisation purposes. The well publicised reduction in AHIP funding and Scottish Government budgets in general has served to focus attention on only those projects that have the potential to be delivered over the five-year SHIP programme. This has allowed for submission of the present report to a regular meeting of Committee.

8.2 Authority is now being sought to approve the finalised draft version of the 2010 SHIP as

detailed in Recommendation 3.1(b) above.

9.0 LIST OF BACKGROUND PAPERS

- 9.1 (1) Strategic Housing Investment Plan 2010-2015 – report to Special Meeting of Safe, Sustainable Communities Committee, 27 November 2009.
- (2) Strategic Housing Investment Plan 2009-2014 – report to Special Meeting of Safe, Sustainable Communities Committee, 28 October 2008.
- (3) Strategic Housing Function: Update and Work Programme 2008/09, report to Safe, Sustainable Communities Committee, 6 March 2008.

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Para 174]

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RL/DH/SSCC SHIP Progress Report
12 October 2010

**INVERCLYDE COUNCIL
STRATEGIC HOUSING INVESTMENT PLAN
(SHIP)**

2011 – 2016

[Final Draft]

October 2010

Safer and Inclusive Communities
40 West Stewart Street
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1.0 INTRODUCTION

Purpose

- 1.1 The core purpose of the Strategic Housing Investment Plan (SHIP) is to set out investment priorities in affordable housing over the five-year period from 2011 – 2016 to achieve the outcomes detailed in the Local Housing Strategy (LHS) for Inverclyde. The SHIP includes affordable housing supply through:
- New provision;
 - Replacement of housing that is no longer fit for purpose;
 - Rehabilitation of existing housing stock; and
 - Re-modelling of existing housing stock to meet current needs and aspirations.
- 1.2 The SHIP sets out key investment priorities for new affordable housing and demonstrates how these will be delivered. It also identifies the resources that will help to deliver these priorities for affordable housing for rent and for sale throughout the Inverclyde Council area. The SHIP provides details of programmed expenditure over the financial years 2011/12 to 2015/16 by key partners involved in delivering the SHIP programme. The SHIP is not a programme management document and it does not monitor projects that are already under way regardless of the fact that works will be ongoing during the period 2011 – 2016 and that previously agreed Affordable Housing Investment Programme (AHIP) funding will be used to carry out these works (see paragraph 1.4 below).

Background Information

- 1.3 This is the fourth SHIP to be produced by Inverclyde Council and it coincides with preparations for our first 'new style' LHS, which will cover the period from 2011 – 2016. Both the LHS and future SHIP programmes will be informed by the results of the Housing Need and Demand Assessment (HNDA) that has been undertaken by Inverclyde Council together with the other seven local authorities within the Glasgow and the Clyde Valley Strategic Development Planning Authority (GCV SDPA) area. The HNDA outcomes will help to prioritise development programmes and direct housing investment through the SHIP. Inverclyde Council is the strategic housing authority for the Inverclyde area and we are working with our key partners to ensure that we meet all of our strategic objectives. All social housing in Inverclyde is now owned and developed by Registered Social Landlords (RSLs) following the housing stock transfer from Inverclyde Council to River Clyde Homes (RCH) and Cloch Housing Association (CHA) in December 2007.

Ongoing Projects

- 1.4 It is important to remember that a number of substantial SHIP projects commenced in 2009/10 and will continue throughout 2011/12 although they do not appear in the SHIP 2011 – 2016 as they were included in the SHIP 2009 and the associated Annexes. Appendix 3 provides a useful overview of work undertaken since the start of the SHIP programme in 2007. The position with regard to these current projects is as follows:

- RCH Lot 1 (Woodhall Phase 1, Oronsay (Park Farm), and Moray Road) commenced on site in November 2009 and work will continue into 2011/12;
- RCH Lot 2 (Greenock East) went on site in October 2009 and the first new houses were let in May 2010 with further houses due for completion throughout 2011/12;
- Cloch HA (CHA) completed Phase 1 of the Reprovisioning Programme at Maukinhill in Greenock in October 2009 and considerable progress has been made on Phases 2 – 5 of the programme, which will be completed in 2011/12;
- CHA are also contributing to the Reprovisioning Programme by providing 25 new houses for rent in Gibshill, Greenock, which commenced on site in October 2009 and is due for completion in late 2010;
- Oak Tree HA (OTHA) completed new building in Branchton in October 2009 and at Grieve Road/Wren Road in September 2009, and the social rented houses have now been allocated with a few Low Cost Home Ownership units still to be sold;
- OTHA also completed its new development at Inverkip Road, Greenock in September 2009 and these flats have now been allocated;
- OTHA commenced on site at Robertson Street/Finnart Street, Greenock, in May 2010 where 40 flats for social rent are being developed, including ground floor wheelchair accessible flats;
- OTHA are also working in partnership with a private developer to provide social rented housing through new build and remodelling of former commercial premises at West Blackhall Street, Greenock.

Impact of Wider Economic Changes

- 1.5 The housing environment continues to reflect wider economic changes resulting in reduced funding for new housing and cuts in public expenditure that have affected housing development in the following ways:
- A reduction in new developments for owner occupation due to ongoing difficulties in obtaining loan finance and mortgages;
 - Anticipated reductions in AHIP funding over the next two financial years and the effect of reductions in the financial settlement for Scotland following the election of the new UK Government in May 2010;
 - The effects of the 'accelerated' AHIP funding programme in 2008/09 and 2009/10 are now being felt as the £120m made available in previous years is now being 'clawed back' through reduced AHIP budgets;
 - A number of RSL new build projects have been deleted from the SHIP programme as funding will not be available within a reasonable timescale due to reduced budgets and RSLs are not in a position to front fund works;
 - A number of SHIP projects have been put back to the later years of the current SHIP programme in the hope that budget restrictions will ease and that funding will be found to ensure continuity of the Core Programme over the five-year period up to 2016; and
 - Site starts on RCH Reprovisioning Programme projects in Greenock and Port Glasgow have been later than expected due to site conditions and

Revisions to the SHIP Programme

- 1.6 A number of commitments have been given to RCH by the Scottish Government in terms of providing grant funding for demolition works, removal of asbestos, and for achievement of the Scottish Housing Quality Standard (SHQS) by 2015. RCH has received an offer of Business Plan Support Grant from the Scottish Ministers covering the period up to 2016/17 to allow these works to proceed. The RCH Reprovisioning Programme is funded by AHIP and the reduction in funding over the next few years has resulted in a review of the Reprovisioning Programme to reflect the current funding climate. These changes to projects and timescales are included in the SHIP 2011 – 2016.

Inverclyde Council Priorities for the SHIP

- 1.7 Inverclyde Council has also taken the opportunity to review the prioritisation of SHIP projects in line with anticipated funding availability over the five-year period of the SHIP. It is clear that not all projects that had previously been put forward will be able to proceed in these straitened financial circumstances. Nevertheless we have a number of key objectives as set out in the LHS and we must try to ensure that they are met by our key partners within the confines of the AHIP funding available. We have had meetings with all RSLs, locally-based and national, operating within the Inverclyde area that are contributing to the overall Reprovisioning Programme together with developments supported by the Core Programme. All of their revised projects are also included in the SHIP 2011 – 2016.

Clune Park Area, Port Glasgow

- 1.8 Inverclyde Council has identified an area of private rented and privately owned housing in Clune Park, Port Glasgow, (Sub Area A) that cannot be brought up to the aspirational SHQS and where a large number of houses are currently considered to be below the Tolerable Standard. This area has been identified as a Regeneration Initiative by the Council and its key partners, and an active task group, chaired by the Leader of the Council, has been established to take forward the regeneration initiative. Clune Park is included as a SHIP project as a direct result of the social and physical problems prevalent in the area and Inverclyde Council wishes to make clear its willingness to tackle the issues in the Clune Park Area through comprehensive regeneration.
- 1.9 Preliminary discussions have been held with the Minister for Housing and Communities and Civil Servants of the Scottish Government regarding the possible designation of a Housing Renewal Area (HRA) under The Housing (Scotland) Act 2006. Designation of an HRA would be on the basis of carrying out selective demolition, refurbishment, re-modelling and construction of affordable homes for rent and for sale within the Clune Park Area, in partnership with a developing RSL. Through the SHIP, Inverclyde Council has set out its contribution to this initiative and the requirements from the Affordable Housing Investment Programme to deliver comprehensive regeneration of the Clune Park Area. It is hoped that Inverclyde Council's commitment and financial contribution towards the acquisition and demolition costs of regeneration will be complemented by Scottish Government funding

for the re-modelling, refurbishment and new build elements of this ambitious, but much needed, regeneration initiative.

Overview of the SHIP Programme

- 1.10 Future projects are set out in Annex 2 of the SHIP. All projects are subject to further review as more information on resource availability becomes available (see paragraphs 1.6 and 1.7 above). Subject to this qualification, it is anticipated that:
- New construction by the private house building industry will continue across the Inverclyde HMA at a much slower rate and on sites with 'guaranteed' sales over the next two to three years;
 - Around 1,300 new homes for affordable rent and 230 for sale are *planned* in the period covered by this SHIP, however this scale of provision will have to remain under review due to reductions in AHIP funding and continued difficulties in accessing private finance;
 - Around 1,500 social rented houses will be demolished in Greenock and Port Glasgow over the next five years as part of the ongoing RCH Demolition Programme, subject to new housing supply becoming available through the Reprovisioning Programme to allow properties to be cleared ; and
 - Efforts will be made to secure new developments under the Core Programme, including housing for particular needs; however this is entirely dependant upon AHIP funding and associated revenue and housing support costs being available over the five-year period of the SHIP.
- 1.11 The establishment of an Affordable Housing Fund by Inverclyde Council, generated by the recycling of capital receipts from future land sales in regeneration areas, will be managed and controlled by the Council through the SHIP programme. The first sales may take place in the later years of the current SHIP, depending on the availability of development funding and mortgage finance. This will ultimately be a significant contribution to the overall AHIP funding programme.

Linkages to the LHS and other Strategic Plans

- 1.12 The developments noted above are in line with the adopted Inverclyde Local Plan (2005) and the LHS Monitoring and Update Report (May 2009), which have clearly identified regeneration and area renewal as the key priorities for Inverclyde Council. These priorities feature prominently in the assessment and prioritisation exercise that underpins the 'scoring' matrix adopted by Inverclyde Council. The projects contained within the SHIP programme will also contribute to delivering the local outcomes set out in the Inverclyde Council Single Outcome Agreement 2009 – 2011 (the SOA). Specifically, the SHIP will help to deliver the SOA outcomes of strengthening communities and improving the quality of community life through new house building linked to wider social and economic regeneration. Health will also be improved through the delivery of new homes built to varying needs standards and through substantial improvement programmes to bring houses up to the SHQS by 2015. It is hoped that SHIP projects will also contribute to the SOA outcome of

making Inverclyde a place where people want to live now whilst safeguarding the environment for future generations.

2.0 KEY PARTNERS

Development of the SHIP

2.1 The 2010 SHIP was prepared by the Safer & Inclusive Communities Service in liaison with the Regeneration & Planning Service, in partnership with a wide range of organisations with an interest in housing. The following key partners contributed to the preparation of the SHIP and the collation of information in Annexes 1 – 5 of the Plan:

- Registered Social Landlords (RSLs) – local and national;
- Scottish Government Housing Investment Division (HID); and
- Inverclyde Council Social Work Services.

Involvement of Key Partners

2.2 The process was initiated in May 2010 and continued over the next four months with liaison meetings with local / national RSLs to discuss issues of mutual interest and the detail of their five-year investment programmes. Inverclyde Council staff also attended Programme Meetings with RSLs and the HID to discuss proposals for the SHIP programme and to confirm the status of work in progress (see paragraph 1.4 above). The SHIP Liaison Group will continue to meet on a regular basis to ensure that the programme is monitored and reviewed in the light of changes in resource availability and alterations being required due to development constraints.

2.3 The SHIP and the Annexes were submitted to the Safe, Sustainable Communities Committee of Inverclyde Council at its meeting on 26 October 2010 and approved for submission to Scottish Ministers. Copies of the SHIP were circulated for reference to all key partners and a wide range of interested parties. We will continue to consult with and actively involve as wide a range of stakeholders as possible in the development of future SHIPs.

3.0 LHS OUTCOMES AND TARGETS

Agreed Outcomes and Targets

3.1 There have been no changes to the agreed outcomes and targets for the LHS as approved by Inverclyde Council in May 2009, which are as follows:

- Achieving a more appropriate balance between the different housing sectors in Inverclyde;
- Widening the choices for Inverclyde Residents;
- Improving Housing Quality;
- Meeting the particular needs of Inverclyde's residents; and
- Improving housing related information and advice in Inverclyde.

The development projects that the RSLs have submitted for the SHIP 2010 have been assessed against the LHS Aims. **The ability of a project to meet the LHS Aims is the fundamental determining factor in the Council's**

decision on whether a project should be classed as an investment priority.

Achievement of Outcomes

3.2 The main routes for achieving the above outcomes are as follows:

- The continuation of the RCH Reprovisioning Programme;
- The continuation of the Reprovisioning Programme projects being undertaken by Cloch HA and Oak Tree HA;
- The provision of low cost home ownership (LCHO) and open market New Supply Shared Equity (NSSE) houses in new RSL developments;
- New build social rented housing being provided to housing for varying needs standards, which will address the particular needs of a significant number of Inverclyde citizens;
- RSLs continuing to provide Stage 3 Adaptations for their tenants to meet their particular needs and to allow them to remain in their own homes and communities; and
- RCH and other RSLs continuing with their Standard Delivery Plans to achieve the SHQS by 2015, which will address fuel poverty and energy efficiency issues identified in the LHS and the associated strategy for tackling fuel poverty.

Outcomes and targets will continue to be reviewed as the new LHS is developed in line with the production timetable of the Main Issues Report of the Strategic Development Plan and the Local Development Plan timetable (i.e. 2010 – 2011) to reflect changes taking place in the housing system.

Energy Efficiency and Environmental Standards

3.3 All new build developments within the SHIP programme have been designed to provide quality homes with high environmental standards, high levels of energy efficiency and fuel economy, and to help to address climate change issues by reducing CO₂ emissions. Construction materials have been provided from sustainable sources and biodiversity has been taken into account in the choice of materials and construction methods. The ongoing SHQS Standard Delivery Programme also includes a commitment to sustainability in its use of materials, to improve energy efficiency, and to reduce the 'carbon footprint' of existing buildings.

3.4 The details of each project and the outcomes they are expected to achieve are set out in Annex 2, which provides a breakdown of tenure/type information down to Sub Area level for the entire SHIP programme.

4.0 EQUALITIES

4.1 Inverclyde Council, as lead partner in the SHIP, is committed to the principles of equality of opportunity and social justice. It is Inverclyde Council policy to affirm the rights of all citizens to live free from discrimination and prejudice. In applying these principles the Council, together with its key partners, aim to ensure that all services are accessible to, and meet the needs of, the whole community, irrespective of:

- Age;

- Disability;
- Gender;
- Race;
- Religion/Belief; or
- Sexual orientation.

Black and Minority Ethnic (BME) Population

- 4.2 No specific needs have been identified in terms of the Black and Minority Ethnic (BME) population of Inverclyde. However, all RSLs attempt to monitor the ethnic origin of applicants to establish changes in the make up of the population over time. Available information suggests that the BME population of Inverclyde remains relatively small in comparison to the Glasgow metropolitan area and other parts of Scotland. If a need for housing specifically for BME groups is identified, we will ensure that an appropriate response is provided through the LHS and the associated SHIP programme.

Gypsy/Traveller Population

- 4.3 The seasonal movement of the Gypsy/Traveller population through the Inverclyde area has led to some difficulties with unauthorised encampments as there are currently no facilities (temporary or permanent) for Gypsy/Traveller households. There are opportunities for co-operation across local government administrative boundaries given the transient nature of these ethnic groups and these opportunities will be further developed through joint working with Renfrewshire and West Dunbartonshire Councils both of which have facilities for Gypsy/Travellers. The possible development of facilities within the boundaries of Inverclyde is still open for discussion and will be examined as part of the development of the LHS.

Housing Needs of Specific Household Groups

- 4.4 The LHS and the SHIP will continue to identify the requirement for housing for particular needs. The specific needs of residents with:
- Physical disabilities;
 - Learning disabilities;
 - Mental illness; and
 - Dependency issues (i.e. drugs and alcohol)
- will be assessed through joint working with Social Work and Health Services. Some of the above needs will be addressed through ongoing RSL development programmes providing new build housing for varying needs. Further development opportunities will continue to be identified over the five-year period of the SHIP. However, they will only be included in the SHIP where AHIP funding is available together with revenue and housing support costs (in line with revised SHIP Guidance 2009). It is recognised that difficulties in securing revenue and support costs will continue due to the budget constraints facing Social Work Services. However, a number of projects included in the SHIP will not create any new budget demands and we will continue to attach a high priority to these works.

RSL Stage 3 Adaptations

- 4.5 Proposals for the use of funding for Stage 3 Adaptations are shown in Annex 2 of the SHIP. Possible changes to funding for adaptations were included in the Scottish Government consultation document, *Housing: Fresh Thinking*,

New Ideas, published in May 2010 and there was a suggestion that RSLs should fund adaptations to their own stock through current revenue in the same manner as local authorities. Any changes to the funding regime for works of this nature will be reflected in the 2011 SHIP. RSLs will continue to provide for particular needs through their ongoing investment programmes, including investment to meet the SHQS by 2015.

Assistance to Home Owners

- 4.6 Assistance to home owners is provided through Inverclyde Council's Scheme of Assistance and can include financial assistance to older and disabled owners who require adaptations to their home. Access to the adaptations element of assistance is via the Council's Centre for Independent Living, and includes assessment by Occupational Therapists who will establish the type of assistance required and refer owners to the Inverclyde Care & Repair Service for implementation of works. The Care & Repair Service also submit an application for grant assistance to Inverclyde Council on behalf of the owners.

5.0 PLANNING AND HOUSING GEOGRAPHIES

Housing Market Areas

- 5.1 Inverclyde has a self-contained Housing Market Area (HMA) comprising the three main settlements of Port Glasgow, Greenock and Gourock together with the Clyde coast settlements of Inverkip and Wemyss Bay. The Glasgow and the Clyde Valley Strategic Development Planning Authority (GCVSDPA) has established a Housing Market Partnership under the auspices of the HNDA Project. This partnership will be used to inform the Development Plan and the LHS, and Inverclyde forms part of these arrangements.
- 5.2 As in previous SHIPs Kilmacolm and the nearby Quarrier's Village are treated as forming part of the Renfrewshire Sub-Market Area of the Central Conurbation (or Greater Glasgow) HMA. This division between these two distinct HMAs provides the first level for the identification of market sub areas, as detailed in Section 7.0 below and Map 1 in the Appendices.

SHIP Sub Areas

- 5.3 Inverclyde Council, following consultation through the SHIP Liaison Group, has detailed Sub Areas for the Inverclyde SHIP, which are as follows:

Table 1: Inverclyde SHIP Sub Areas

| HMA | Sub Area Designation | Locality |
|-------------------------------------|-----------------------------|--------------------------------|
| Inverclyde HMA | Sub Area A | Port Glasgow |
| | Sub Area B | Greenock Central East |
| | Sub Area C | Greenock South West |
| | Sub Area D | West Greenock |
| | Sub Area E | Gourock |
| | Sub Area F | Inverkip & Wemyss Bay |
| Renfrewshire Sub-Market Area (Part) | Sub Area G | Kilmacolm & Quarrier's Village |

5.4 The sub-divisions within Greenock match the geographies being used for the HNDA. To ensure consistency of boundaries and accuracy of Sub Area statistics these geographies are also used for the:

- LHS 2011 – 2016;
- HNDA (the principal evidence base for future ‘planning for housing’);
- Strategic Development Plan (covering the entire GCVSDPA area); and
- Local Development Plan (covering the Inverclyde Council area)

Details of the geographies contained within the Sub Area boundaries are provided in Map 1 in the Appendices.

6.0 PRIORITISING SHIP PROJECTS

SHIP Annex Submissions

6.1 All projects in the SHIP Annexes have been assigned a priority grading using the assessment criteria set out in Appendix 1. The emphasis is on projects that can actually be completed within the five-year period covered by the SHIP and within the reduced AHIP funding allocation available to the Inverclyde area. These budget constraints have put further pressure on the Council to ensure that the investment priorities set out in the SHIP are achievable within the budget and the five-year timescale. It has therefore been necessary to slightly modify the assessment criteria to reflect Inverclyde Council’s strategic priorities that must be delivered regardless of these time and funding pressures (see Appendix 1). The scoring criteria remain firmly based upon the strategic fit of projects with the key outcomes of the LHS (see paragraph 3.1 above) and their deliverability. However, projects that meet the key objectives of Inverclyde Council, as set out in the Inverclyde Community Plan and the SOA, have been ranked more highly than other projects.

Summary of SHIP submissions

6.2 The nine RSLs that form part of the SHIP Liaison Group have submitted projects that they consider could feasibly be developed over the five-year period of the SHIP, providing that the necessary funding is made available. Projects involving revenue and housing support/care costs have been included where funding has been identified, or in anticipation of such funding becoming available in future years of the SHIP programme. Table 2 below summarises the projects that have been submitted by the RSLs. Table 3 provides a more detailed breakdown of the requested AHIP funding over the five-year investment period from 2011/12 to 2015/16.

Table 2: Summary of RSL Annex Submissions

| SHIP component | Units and funding |
|---|-------------------|
| Project type | To be determined |
| Units | To be determined |
| Tenure | To be determined |
| Requested Reprovisioning Funding | £million |
| Requested Core Programme Funding | £million |
| Total Requested AHIP Funding over the 5 year SHIP period | £million |

Table 3: Requested AHIP funding over the five-year period (£ million)

| Requested AHIP Funding Stream | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 5 Year Total |
|-------------------------------|---------|---------|---------|---------|---------|--------------|
| Core Programme | TBD | TBD | TBD | TBD | TBD | TBD |
| Reprovisioning Programme | TBD | TBD | TBD | TBD | TBD | TBD |
| Total | | | | | | |

6.3 The guidance for recording the submissions in the Annexes, i.e. where the total funding required irrespective of the size of the project has to be input in the year that the project is due to go on site, does not help to interpret and assess the SHIP over the five-year timeframe. It should also be noted that Table 3 contains only 'new business' and that ongoing projects noted in Section 1.4 above also have to be funded over Years 1 -3 of the five-year programme.

Resource Planning Assumptions

6.4 No Resource Planning Assumptions (RPA) were available for the 2010 SHIP and it has therefore been assumed that budget reductions of between 20% and 45% of the AHIP allocation for the financial year 2009/10 will provide reasonable assumptions of available funding. This assumption is reflected in Table 5 below. Table 4 provides details of AHIP funding in 2010/11 for comparison purposes. The Council will also consider the effect on investment if there is an increase, or decrease, in AHIP funding.

Table 4: Inverclyde AHIP Funding for 2010/11

| Year | Total AHIP Allocation | Core Programme | Top Sliced Funding | Break down of Top Sliced Funding |
|---------|-----------------------|----------------|--------------------|----------------------------------|
| 2010/11 | £26.101 million | £6.001 million | £20.100 million | Reprovisioning programme |
| | | | | SHQS works |
| | | | | Asbestos removal |
| | | | | |

Table 5: Inverclyde Estimated AHIP Funding for SHIP 2011/12 - 2015/16

| Year | Estimate reduction from 2010/11 | Estimated Core | Estimated Reprovisioning Programme | Business Support Grant for RCH | Total Estimated Top Sliced funding |
|------------------------------|---------------------------------|----------------|------------------------------------|--------------------------------|------------------------------------|
| 2011/12 (one year) | 25% reduction | £4.5m | £8.5m | £8.0m | £16.5m |
| 2011/12 -215/16 (five years) | 25% reduction | £22.5m | £42.4m | £40.0m | £82.4m |
| 2011/12 (one year) | 50% reduction | £3.0m | £5.7m | £8.0m | £13.7m |
| 2011/12 -215/16 (five years) | 50% reduction | £15.0m | £28.3m | £40.0m | £68.3m |

The required funding for the SHIP 2011-16 closely ties in with an estimated reduction of 50% of AHIP funding over the five-year period. As previously noted, this does not take account of projects that are currently on site nor does it include the reimbursement of front funding to RSLs that undertook projects on the understanding that reimbursement would follow in later

financial years. If the allocation of AHIP is higher than anticipated then the Council will look to bring forward projects that are in line with the LHS Aims.

Prioritisation Exercise

- 6.6 The SHIP project submissions from RSLs indicate that there is a strong aspiration to develop affordable housing for rent and for sale in Inverclyde. However some of these plans are unlikely to come to fruition due to the reduction in AHIP funding from the Scottish Government. Inverclyde Council therefore has to ensure that all of the financial resources available are fully utilised to meet the strategic aims and objectives set out in the LHS. It is within this context that Inverclyde Council has set the housing investment priorities for Inverclyde for the next five years.

LHS Aims

- 6.7 The core purpose of the SHIP is to set investment priorities in affordable housing over a five-year period to achieve the outcomes of the LHS. The SHIP reinforces Inverclyde Council as the strategic housing authority and the importance of the outcomes and targets set out in the LHS and subsequent LHS updates. As noted in Section 1.0, the strategic aims set out in the LHS 2004-2009 remain unchanged and have essentially been 'rolled forward' to cover the period until the first 'new style' LHS is in place in 2011.

Deliverability

- 6.8 A key feature of the SHIP is the deliverability of the investment priorities within the five-year timeframe of the plan. The SHIP Guidance clearly states that deliverability within the SHIP needs to be strong. The SHIP should not be a set of aspirations but it should be a plan which will inform investment decisions. The guidance makes clear that prioritising investment will depend on a range of factors, including relative need, land availability and development constraints. As well as setting the priorities against the LHS Aims, the Council has looked at other factors to ensure that projects can be delivered. These other factors include revenue funding and support costs for particular needs projects, land supply, development constraints, and a project's position in and likely progress through the Planning process. Reference has also been made to other key policies and strategies that identify physical outcomes such as the provision of new accommodation for particular client groups within the Inverclyde population.

Criteria and Weighting

- 6.9 Inverclyde Council has developed a scoring system which takes into account the LHS Aims and a range of deliverability factors to help assess whether a project is an investment priority. The system assigns scores to give 'weight' to the aims and deliverability factors. All projects are scored in the same manner so that comparisons can be made and a 'ranking' can be derived based upon the extent to which projects meet the above criteria.
- 6.10 As the core purpose of the SHIP is to set the Council's investment priorities to achieve the aims and objectives of the LHS, the scoring system gives the largest weighting (50%) to these aims and objectives. Details of how the LHS Aims and the various deliverability factors have been scored are given in Appendix 1 together with the scores for all of the SHIP projects submitted by

RSLs. Appendix 1 provides a written explanation of the criteria that the Council has used to assess whether a project should be an investment priority in the SHIP and a table illustrating the various points awarded.

- 6.11 The scoring criteria reflect what Inverclyde Council considers to be the most important and influential factors in assessing if a project should be an investment priority. The importance of assessing a project against the LHS Aims has already been stated. The criteria also shows the importance the Council is placing on projects fulfilling the requirements of the Planning etc. (Scotland) Act 2006 to assist the determination of planning applications. The criteria also reflect an RSL's ability to deliver projects on the ground, once planning permission has been granted.
- 6.12 The 2009 assessment criteria form the basis of the investment priorities for the 2010 investment plan. Given the budget constraints projected from next year onwards and the lack of scope for new projects to be introduced into the SHIP, we felt it was appropriate to continue with the assessment scores from 2009. The 2010 investment priorities reflect the challenges of delivering investment in affordable housing under substantial budgetary constraints. Next year's SHIP will be informed by the new LHS and the results of the Housing Need and Demand Assessment (HNDA) which will give provide strategic direction and evidence to revise the investment priorities.
- 6.13 As outlined above, due to unprecedented funding uncertainty we have had to re-consider the investment priorities to ensure that the strategic aims of the LHS can be fulfilled. The tables below show Inverclyde Council's investment priorities for the five-year period from 2011 /12 – 2015/16.

Table 6: Year 1 (2011/12) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------------------|----------|----------------|-----------|----------------------------|-------------|
| 1 | Adelaide Street (Key HA) | E | Core | 107 | 88 | 195 |
| 2 | Cumberland Road Area (RCH) | C | Reprovisioning | 120 | 72 | 192 |
| 3 | Earnhill Road 'Phase 2' | C | Core | 93 | 90 | 183 |
| 4 | Upper Bow Reprovisioning (OTHA)* | C | Reprovisioning | 107 | 44 | 151 |
| 5 | Gibshill Phase 3* | B | Core | 83 | 128 | 211 |

Table 7: Year 2 (2012/13) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|------------------------|----------|----------------|-----------|----------------------------|-------------|
| 1 | Woodhall Phase 2 | A | Reprovisioning | 160 | 123 | 283 |
| 2 | Smithy Brae (Trust HA) | G | Core | 107 | 125 | 232 |
| 3 | James Watt Dock (RCH) | B | Reprovisioning | 147 | 63 | 210 |

| | | | | | | |
|---|---|---|------|-----|----|-----|
| 4 | Carwood Court Reprovisioning (Bield HA) | B | Core | 120 | 49 | 169 |
| 5 | Caladh House Project (OTHA) | C | Core | 107 | 48 | 155 |

Table 8: Year 3 (2013/14) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------|----------|-----------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 1 | A | Core | 133 | 44 | 177 |
| 2 | Tarbet Street (MBHA) | E | Core | 133 | 30 | 163 |
| 3 | Cove Road (MBHA) | E | Core | 107 | 29 | 136 |
| 4 | Garvald Street (CHA) | B | Core | 93 | 43 | 136 |

Table 9: Year 4 (2014/15) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|----------------------------|----------|----------------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 2 | A | Core | 133 | 44 | 177 |
| 2 | Peat Road (RCH) | C | Reprovisioning | 133 | 82 | 215 |
| 3 | Central Greenock (RCH) | B | Reprovisioning | 133 | 49 | 182 |
| 4 | Inverkip Marina (Trust HA) | F | Core | 120 | 97 | 217 |

Table 10: Year 5 (2015/16) Investment Priorities

| Priority Ranking | Project | Sub Area | Programme | LHS Score | Project and Planning Score | Total Score |
|------------------|------------------------------|----------|-----------|-----------|----------------------------|-------------|
| 1 | Clune Park Phase 3 | A | Core | 133 | 44 | 177 |
| 2 | Carwood Street Phase 2 (CHA) | B | Core | 80 | 47 | 127 |
| 3 | Sinclair Street (CHA) | B | Core | 80 | 25 | 105 |

6.14 As with previous SHIPs, projects from the Reprovisioning Programme feature heavily amongst our investment priorities. However, two projects that were in last year's SHIP, Slaemuir and Bouverie Street, have not been included in the current programme due to uncertainties over the viability of these projects and land ownership issues. We recognise that the projects and numbers that make up the Reprovisioning Programme need to be revised, especially in the light of current evidence and the forthcoming HNDA results. At present, we have included the agreed Reprovisioning Priorities whilst recognising that further discussion is required with the Scottish Government, HID, RCH and other developing RSLs.

6.15 As noted earlier a number of Core Programme projects have been removed from the programme and there is still uncertainty over some projects in the SHIP. Gibshill Phase 3 has been included in the SHIP although we recognise

that the strategy for the Gibshill area requires to be reviewed in the context of the Councils strategic priorities, the restricted funding available, and a reassessment of the tenure mix to be developed on the site. The Margaret Blackwood HA projects at Gourrock are also under review and the possibility of developing both sites simultaneously is under consideration. These projects require further input from Social Work Services within the CHCP to ascertain the type of provision and the level of support required.

- 6.16 Clune Park is an investment priority for Inverclyde Council starting in year 3 of the SHIP programme. Partial demolition, new build and refurbishment is anticipated to last for 7 years and requiring in the region of £10.4m of AHIP funding. In the latter of the part of the programme, Clune Park will be the Council's number one investment priority under the Core Programme.
- 6.17 Appendix 3 shows the investment priorities in Inverclyde by Sub Area. Greenock Central East and Greenock South West have the majority of the planned investment in both the Reprovisioning Programme and the Core Programme. This is a reflection of previously identified need for investment in specific areas of Inverclyde. Evidence from the HNDA will determine whether investment is required in other parts of Inverclyde such as Kilmacolm, Gourrock, Inverkip and Wemyss Bay where there is a smaller proportion of social rented housing. As indicated in paragraph 6.12, the results of the HNDA and the development of the new LHS in 2011 will provide the evidence base to review the direction of investment in affordable housing.

7.0 OVERCOMING CONSTRAINTS

Land Supply Issues

- 7.1 It is the Council's view that there is an adequate land supply to meet the two main new build programmes undertaken by local RSLs: the Core Programme and the Reprovisioning Strategy. However, detailed site investigations and exploration of ground conditions are still required in relation to some of the land identified for housing purposes. It is possible therefore that individual projects in the SHIP programme will have to be reviewed to take account of any constraints that come to light. The land supply will continue to be reviewed annually as part of the long-established audit process.

Identified Constraints

- 7.2 Annex 3 of the SHIP includes information supplied by RSLs on constraints that have been identified in relation to their individual projects. All RSLs are taking action to address and overcome these constraints in order to ensure that projects proceed on site. Failure to do so will result in projects being put back to a later part of the five-year programme, or being reviewed and potentially removed from the SHIP programme entirely. The constraints identified in the 2009 SHIP are as follows:
- Ground Conditions
 - Ground Contamination
 - Infrastructure – Utilities (General)
 - Infrastructure – Transport (Roads)
 - Infrastructure – Scottish Water & SUDS
 - Land ownership issues

- Planning Issues

Financial Constraints

- 7.3 The Scottish Government has advised local authorities and their RSL partners to expect reductions in the levels of AHIP funding over the next two to three years due to reduced central government budgets and the effects of the emergency budget approved by the UK Government. The prioritisation of SHIP projects as detailed in Section 6.0 above reflects these anticipated financial constraints. The SHIP guidance specifies that local authorities should plan for an increase and a reduction in AHIP funding as part of the planning process. The 2010 SHIP describes how the Council will prioritise projects in the event of a change in AHIP funding (see Section 2.0 above).
- 7.4 Given that AHIP funding will be reduced over the next two or three years, a number of RSLs have identified general financial constraints as an issue that may affect the timing and programming of their proposed developments. RSLs may have to reduce the scale of their proposals, or carry out works over several phases, in order to match the funding available and this has been accounted for in the planning scenarios developed by RSLs. Funding for Stage 3 Adaptations has been flagged as a potential issue due to the current discussions surrounding a change in the way that this funding is provided.
- 7.5 The Inverclyde Council view is that there is an adequate land supply over the five-year period up to 2016 covered by this SHIP. The forthcoming results of the HNDA will inform our view of whether need and demand for land can be met over the longer term to satisfy both the SHIP Core Programme and the Re-provisioning Programme. We will continue to work closely with our RSL and HID partners to overcome identified constraints, where possible, and to pursue alternative projects where constraints prove to be insurmountable in terms of the resources and development capacity available.

8.0 LOCAL AUTHORITY CONTRIBUTIONS TO THE SHIP

Financial Contributions

- 8.1 Inverclyde Council's principal financial contribution to the SHIP will continue to be funding from Council Tax receipts for second homes, which amounted to c. £90,000 in 2009/10. These receipts will be used by Inverclyde Council to support the provision of affordable housing as part of the ongoing SHIP programme. The use of these earmarked funds will be decided on an annual basis in consultation with key partners. The establishment of an Affordable Housing Fund by Inverclyde Council, generated by the recycling of capital receipts from future land sales in regeneration areas, will be managed and controlled by the Council through the SHIP programme. This will allow Inverclyde Council to make a significant contribution to the overall AHIP funding programme once receipts become available in the mid to later years of the SHIP programme.

Contributions in Kind

- 8.2 Local authorities are required to consider the future use of land within their ownership as part of the emerging Local Development Plan process and some of this land may be made available for development by RSLs to provide

affordable housing for rent and for sale. This would be seen as a contribution in kind to the SHIP programme on behalf of Inverclyde Council.

Financial Assistance to Owners

- 8.3 Grant assistance is provided through Inverclyde Council's Scheme of Assistance to owners where common works are required to meet the SHQS or to address disrepair. This type of investment is delivered on a strategic basis and in partnership with the local RSLs, the Inverclyde Care & Repair Service and other Council Services. Through the SHIP, work has been undertaken with the local RSLs to ensure that complementary investment can be provided by Inverclyde Council to assist owners to take part in common works. A special funding arrangement has been established for owners involved in common works with RCH and this Support for Owners Fund will continue to be administered by Inverclyde Council in collaboration with RCH and the HID. Details of Support for Owners Fund expenditure are included in Appendix 2.

Revenue Funding and Support Costs

- 8.4 Inverclyde Council also provides ongoing revenue funding for the care and support of tenants and residents through Social Work Services together with capital funding for equipment and adaptations to meet particular needs. These contributions must also be taken into account in the provision of affordable housing through the SHIP programme as tenants and residents will continue to need care and support regardless of where they are ultimately housed, for example, in new homes provided through the ongoing Core Programme and Re-provisioning Programme.

Other Funding Sources

- 8.5 Other potential sources of contributions, in cash or in kind, will be identified as part of Inverclyde Council's wider partnership arrangements with other public agencies. The use of commuted sums and other non-AHIP sources of funding will be regularly reviewed to ensure that all avenues are fully explored and accessed, where possible.

9.0 ANNEXES AND APPENDICES:

- **Annex 1: SHIP Targets by Sub Area, Type and Tenure**
- **Annex 2: SHIP Programme 2010 – 2015 (units, location, tenure & type)**
- **Annex 3: Status of SHIP Projects (including constraints)**
- **Annex 4: SHIP Programme Costs, Funding Requirements, and Funding Sources**
- **Annex 5: Summary Information**

- **Appendix 1: Assessment Criteria and Prioritisation of Investment**
- **Appendix 2: PSHG, SHQS and Non-SHQS**

- **Appendix 3: Inverclyde Investment Priorities by Sub Area**
- **Appendix 4: Affordable Housing Overview**
- **Map 1: Inverclyde SHIP Sub Areas**
- **Map 2: Regeneration Strategies (by Sub Area)**
- **Glossary of Terms**

GLOSSARY OF TERMS

| | | |
|---|---|--|
| <p>Adaptations (Stage 3)</p> <p>Modifications to make a house suitable for a disabled person.</p> | <p>Allocation Policy</p> <p>Document that sets out how a local authority or housing association allocates its houses.</p> | <p>Area Renewal</p> <p>Regeneration initiatives within a defined geographical area, involving action such as demolition and new house building.</p> |
| <p>Barrier-Free Housing (aka Lifetime Homes)</p> <p>Houses that have been purpose built or adapted for use by people with special needs.</p> | <p>Below Tolerable Standard (BTS)</p> <p>Housing that does not meet the statutory minimum physical quality standard is BTS.</p> | <p>Brownfield</p> <p>A planning term used to describe land that has been previously developed (see Greenfield also).</p> |
| <p>Care and Repair</p> <p>A service that helps older and disabled homeowners to repair and maintain their homes.</p> | <p>Community Care</p> <p>The provision of services and support to older people, disabled people, and those with special needs in their own homes.</p> | <p>Community Plan</p> <p>A long-term strategy that promotes the social, environmental and economic well being of the local community.</p> |
| <p>Energy Efficiency</p> <p>A house is energy efficient when it retains a high level of the heat produced by its heating system.</p> | <p>Greenfield</p> <p>A planning term used to describe land that has not previously been developed.</p> | <p>Homelessness</p> <p>A term used to describe people who have no secure, permanent accommodation of their own.</p> |
| <p>Housing Association</p> <p>A not-for-profit social landlord providing mainstream and / or special needs housing (see RSL).</p> | <p>Housing (Scotland) Act 2001</p> <p>The main housing legislation setting out the Scottish Government's policy objectives for all social housing.</p> | <p>Housing (Scotland) Act 2006</p> <p>Legislation introducing new housing standards for privately owned and rented houses, including Housing Renewal Areas.</p> |
| <p>Local Housing Strategy (LHS)</p> | <p>Local Plan (Local Development Plan)</p> | <p>Low Cost Home Ownership (LCHO)</p> |

The main document that sets out the local authority's strategy for providing housing of all tenures to meet identified needs and demand, covering a five-year period.

A land use plan prepared by the local authority that outlines a framework for development for new housing, business, industrial, and other uses, and safeguards open space, countryside and the built heritage. Formerly known as the Local Plan which it will replace in due course.

Houses provided specifically for first time buyers on low incomes to enable them to access affordable private housing.

Registered Social Landlord (RSL)

A not-for-profit social landlord, such as a housing association, that is registered with and monitored by the Scottish Housing Regulator.

Right to Buy (RTB)

Legislation that enables tenants of local authority and RSL houses to buy their own homes.

Scheme of Assistance (formerly Private Sector Housing Grant PSHG)

Scottish Government funding used by local authorities to assist owners to carry out repairs and improvements to their homes.

Scottish Housing Quality Standard (SHQS)

A common standard covering the physical quality of houses and the areas around them that should be met by all owners and landlords.

Social Rented Sector

Housing owned and managed by local authorities and RSLs and built using public money.

Stock Transfer

The transfer of the ownership and management of houses from one landlord, such as a local authority, to another landlord, such as a housing association or other RSL.

Strategic Development Plan (SDP)

The 'upper tier' of the Development Plan prepared for city regions, made up of several local authorities and charged with identifying the broad scale of housing and other development land requirements for a 15 – 20 year time period, while safeguarding the natural and built heritage. Formerly known as the Structure Plan, or Joint Structure Plan, which it will replace in due course.

Sustainability

Meeting the needs of the present generation without compromising the ability of future generations to meet their own needs.

Tenure

A description of the basis of occupation of a house, e.g. an owner-occupier, a tenant of a social landlord, or a tenant of a private landlord.

Abbreviations

| | | | |
|-------------|---|---------------|-----------------------------------|
| AHIP | Affordable Housing Investment Programme | LCHO | Low Cost Home Ownership |
| BME | Black and Minority Ethnic | LHS | Local Housing Strategy |
| BTS | Below Tolerable Standard | (NS)SE | (New Scheme) Shared Equity |
| HA | Housing Association | PSHG | Private Sector Housing Grant |
| HMA | Housing Market Area | RSL | Registered Social Landlord |
| HMP | Housing Market Partnership | SHIP | Strategic Housing Investment Plan |
| HRA | Housing Renewal Area | SHQS | Scottish Housing Quality Standard |

CONTACT DETAILS

If you would like more information about the SHIP, the LHS, or any other aspect of strategic planning for housing, please contact us and we will be glad to help:

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APPENDIX 1: ASSESSMENT CRITERIA AND PRIORITISATION OF INVESTMENT

Introduction

In order to ensure that the most efficient use is made of the funding available and that the key objectives of the LHS are met, Inverclyde Council has devised assessment criteria that allow SHIP projects to be 'scored' and 'ranked' according to their fit with the LHS Aims and the extent to which they are deliverable within the five-year timeframe. An overview of the assessment criteria and the 'weighting' attached to the various factors is provided in Table 1 below.

Table 1: Assessment Criteria to Assist with Setting Investment Priorities

| Assessment Criteria | Points | Weighting |
|---|---|---|
| LHS Aims | | |
| Achieving a more appropriate balance between the different housing sectors in Inverclyde <ul style="list-style-type: none"> Owner occupation Renting from a Private Landlord (mid market rent) Renting from a Social Landlord Brownfield Sites | If a project meets the Aim then a score of 13-15 points will be given as indicated in the right hand column; If a project fully satisfies all LHS Aim then a top score of 200 points will be given. | Max score 60 |
| Widening the Housing Choices for Inverclyde Residents <ul style="list-style-type: none"> Matching Dwelling Size with Need and Demand Developing More Appropriate Types of Dwellings Redressing the Geographic Imbalance of the Housing Tenure Distribution Promoting Affordability Community Engagement | | Max score 65 |
| Improving Housing Quality <ul style="list-style-type: none"> Reducing the Number of Properties which are below the Established Standards Increasing the Number of Properties Which Meet the Established Standard Making Homes More Energy Efficient | | Max score 45 |
| Meeting the Particular Needs of Inverclyde's Residents <ul style="list-style-type: none"> Improving Services for Homeless Households Making Better Use of Existing Housing to Meet Particular Needs | | Max score 30 |
| | | Max LHS Score 200 points |
| Project factors | | |
| | | Max Score |
| Social Rent | 30 for highest number of units, % of 30 for rest | 30 |
| LCHO (includes NSSE) | 20 for highest number of units, % of 20 for rest | 20 |
| PRS | 6 for highest number of units, % of 6 for rest | TBC (only one project contains an element of PRS) |

| | | |
|---|---|--|
| Special Needs | 10 for highest number of units, % of 10 for rest | 10 |
| Cost | 0 scored, info only | |
| Front funding | Incremental | 20 |
| Additional funding | Incremental | 10 |
| Prog % (year) units per project as % of year total | 10 for highest, % of 10 for rest | 10 |
| Revenue Funding Secured (will only be taken into consideration for projects that require support funding) | Yes 10, potentially 5, no 0 | 10 |
| Project Factors | | Max Project Factors Score 100 points |
| | | |
| Resources, Capacity and Planning | | Max Score |
| Land Supply | 5 point increments (zoned, land supply and ownership) | 15 |
| RSL Capacity | Historic build rates | 10 |
| Resources (contractors) | 10 for continuing current programme, 5 for general capacity | 10 |
| Community Engagement | | |
| pre-app engagement | 5 points | 5 |
| task group | 5 points | 5 |
| Pre-Application Discussions | 5 points for undertaken | 5 |
| Statutory Consultations | | |
| Roads (trunk) | 1-4 grading for stage of consult | 4 |
| Roads (Council) | 1-4 grading for stage of consult | 4 |
| Scottish Water | 1-4 grading for stage of consult | 4 |
| SEPA | 1-4 grading for stage of consult | 4 |
| Utilities | 1-4 grading for stage of consult | 4 |
| Scottish Nat Heritage | Ungraded as not always applicable | 0 |
| | | |
| Development Constraints | | |
| Contamination | 10 for risk assessed & planned | 10 |
| Subsidence | 10 for risk assessed & planned | 10 |
| Other (e.g. knotweed) | 10 for risk assessed & planned | 10 |
| Resources, Capacity and Planning | | Max Resources, Capacity and Planning Score 100 Points |
| Total Score | | Max Total Score 400 points |

Assessment Criteria and Weighting

LHS Aims

The LHS Aims must be achieved through the SHIP and these Aims have therefore been given the highest weighting within the assessment criteria, accounting for 200 out of a possible maximum of 400 points. The four key LHS Aims are:

- Achieving a more appropriate balance between the different housing sectors
- Widening housing choices
- Improving housing quality
- Meeting particular needs

Within these four key LHS Aims there are 15 sub-divisions relating to specific aims such as increasing owner-occupation and improving housing quality, so that each sub-division is assigned a score of 13.33, i.e. 200/15. Rounding the scores leads to either 13 or 15 for each of the sub-divisions, adding up to the maximum of 200 points (see Table 1 above). Each project is scored according to its fit with these specific aims and points are awarded accordingly.

Deliverability

The deliverability factors are based on four main headings, split into two sections as follows:

- Project Factors
- Finance; and
- Resources and Capacity
- Planning

The scores assigned to these factors are explained below.

1. Project Factors

Social Rent: 30 points are awarded to the project providing the highest number of social rented units and the remaining projects receive a percentage of 30 points according to their relationship to the highest number. For example, a project providing half of the highest number would receive 50% of 30 = 15 points, etc.

LCHO (includes NSSE): the project providing the highest number of LCHO/NSSE units receives 20 points, the remainder receive proportionate scores, as above.

PRS (Private Rented Sector): 6 points are awarded to projects providing an element of PRS housing. The remainder receive proportionate scores, as above.

Special Needs: 10 points are awarded to projects providing homes capable of meeting particular needs. The remainder receive proportionate scores, as above.

2. Finance

Revenue Funding: 10 points are awarded where revenue funding has been secured for a project, or where funding is already in place; 5 points are awarded where funding is likely to be made available on completion of the project. Projects that require revenue funding are scored against each other.

Cost: the cost of the project is provided for information only and is not scored.

Front funding option: 20 points are awarded where the RSL is prepared to front fund the project and all resources (i.e. reserves, private finance, etc) are in place; 10 points are awarded where resources can be secured; and 5 points where the RSL is willing to front fund but no definite resources are in place.

Additional funding secured: 10 points are awarded where additional funding from private finance, reserves, other sources, etc, is being used to reduce the amount of AHIP required to undertake a project; 5 points are awarded where such funding can be made available, and 2 points are awarded where RSLs have indicated that other funding streams will be used (e.g. income from sales of LCHO/NSSE units).

Programme %: 10 points are awarded to the project delivering the highest number of units per year and the remainder receive proportionate point scores, as above.

3. Resources and Capacity

Land Supply: 5 points are awarded where land is designated for housing, where it forms part of the effective land supply, and where the developing RSL has ownership of the land, up to a maximum of 15 points (i.e. 3 x 5 points).

RSL Capacity: this factor is intended to provide a measure of an RSLs capacity to actually deliver projects on site and 10 points are awarded where RSLs can demonstrate a 'track record' in previous developments and where contractors are in place ready to do the work; 5 points are awarded where contractors have still to be appointed or where projects are beyond the historic build rate achieved by the RSL. RSL capacity takes into account the number of units an RSL plans to develop over the SHIP period and then account is taken of their ability to deliver by comparing their plans with historic build rates.

Resources (contractors): 10 points are awarded where contractors are continuing a current programme (e.g. works are being completed in several phases over a number of years); 5 points are awarded where contractors have the general capacity to undertake projects of the scale and complexity proposed.

4. Planning

Community Engagement: 5 points are awarded where an RSL has engaged with the local community prior to the (planning) application stage; 5 points are awarded where there is a Task Group in place, or some other model has been adopted to ensure community engagement and participation in the project; 5 points are awarded where the RSL has entered into pre-application discussions with Planning Services.

If these factors are not applicable for a project, the maximum points are awarded so that the project is not placed at a disadvantage against other projects.

Statutory Consultations: points awards of 1 (minimum) to 4 (maximum) are made according to the stage reached in the consultation process, i.e. 1 for the

preliminary stage and 4 for completion; these points awards cover statutory consultations with:

Roads (Trunk)
Roads (Council)
Scottish Water
SEPA
Utilities
Scottish Natural Heritage / Historic Scotland (where required).

If one or all of these factors are not applicable for a project, the maximum points are awarded so that the project is not placed at a disadvantage against other projects.

Development Constraints: 10 points are awarded where constraints such as ground contamination, subsidence or other adverse ground conditions, or other issues affecting development (e.g. Japanese knotweed) have been identified and overcome by the RSL; the maximum award is therefore 30 points (i.e. 3 x 10 points for each of the above); alternatively, where there are no such constraints on a project, the maximum of 30 points is awarded as there are no obstacles to the completion of the project.

Prioritisation of Investment

It will be seen from the above that a combination of scores for meeting LHS Aims and for meeting the various deliverability factors has been awarded to each of the 19 projects submitted by local and national RSLs for inclusion in the SHIP 2010.

The tables in Section 6.0 of the SHIP document provide details of the scores awarded to the various projects and this provides a means of prioritising projects on a year by year basis, including differentiation between the separate Reprovisioning Programme and Core Programme funding streams.

Projects are listed in descending order of priority according to their overall scores and these are the rankings that will be a major (and potentially determining) factor in Inverclyde Council deciding on its priorities for AHIP investment over the period from 2011/12 to 2015/16.

SHIP Guidance states that local authorities should be prepared for variances amounting to + / - 10% of the Resource Planning Assumptions in any given year. We have therefore included projects that do not score highly against the assessment criteria, or that are not highly ranked in terms of priority, as these are the types of projects that could be brought 'off the shelf' in the event of an increase in funding becoming available. These projects could also be brought forward in the event of higher ranking works being delayed due to development constraints, etc.

It is also recognised that Inverclyde Council has a number of other strategic plans and corporate objectives that might impact on the delivery of the SHIP and may have to be taken into account in determining the final rank order of priorities in any one year. These wider considerations include issues such as:

- Depopulation, particularly the differential rate of population loss between the SHIP Sub Areas;

- A growing number of older citizens and their proportion of the population in different localities; and
- A higher than average number of citizens with disabilities, including learning disabilities, and limiting long-term illness.

Projects have therefore been included in the SHIP on the basis that they are priorities for Inverclyde Council and that the AHIP funding and associated revenue and support costs may be forthcoming in future years of the SHIP programme.

Please refer to Tables 6 – 10 in Section 6.13 of the main document for full details of SHIP priorities on an annual basis over the years 2011/12 – 2015/16 as determined by Inverclyde Council.

**APPENDIX 2: Inverclyde Council SHIP 2011/12 - 2015/16
Scheme of Assistance, SHQS and Non-SHQS Stock Investment**

| SHQS Investment | No. Of Works Social Rent | No. Of Works Own/Occ | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | Total | Average Unit Cost |
|---------------------------|-----------------------------|-------------------------|-------------------|-------------------|-------------------|------------------|----------------|-------------------|----------------------|
| Bield HA | 119 | 0 | 12,000 | 206,600 | 53,300 | 46,500 | 111,100 | 429,500 | 3,609 |
| Cloch HA* | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Key HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Larkfield HA | 496 | 0 | 362,039 | 304,000 | 77,000 | 0 | 0 | 743,039 | 1,498 |
| Link HA* | n/s | n/s | n/s | n/s | n/s | n/s | n/s | 0 | 0 |
| MBHA* | n/s | n/s | n/s | n/s | n/s | n/s | n/s | 0 | 0 |
| Oak Tree HA | 16 | 0 | 21,000 | 0 | 0 | 27,000 | 0 | 48,000 | 3,000 |
| RCH † | 6,113 | 0 | 12,320,000 | 16,600,000 | 12,400,000 | 7,100,000 | 0 | 48,420,000 | 7,921 |
| Trust HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 6,744 | 0 | 12,715,039 | 17,110,600 | 12,530,300 | 7,173,500 | 111,100 | 49,640,539 | 7,361 |
| * no information supplied | | | | | | | | | |
| † unconfirmed | | | | | | | | | |

| Non-SHQS | No. Of Works Social Rent | No. Of Works Own/Occ | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | Total | Average Unit Cost |
|---------------------------|-----------------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|----------------------|
| Bield HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Cloch HA* | 343 | 319 | 72207 | 742133 | 321571 | 789931 | 0 | 1,925,842 | 2,909 |
| Key HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Larkfield HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Link HA* | n/s | n/s | n/s | n/s | n/s | n/s | n/s | 0 | 0 |
| MBHA* | n/s | n/s | n/s | n/s | n/s | n/s | n/s | 0 | 0 |
| Oak Tree HA | 3,175 | 79 | 3,509,747 | 3,318,561 | 1,883,407 | 2,254,633 | 1,606,684 | 10,966,427 | 3,370 |
| RCH † | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trust HA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,518 | 398 | 3,581,954 | 4,060,694 | 2,204,978 | 3,044,564 | 1,606,684 | 12,892,269 | 6,279 |
| * no information supplied | | | | | | | | | |
| † unconfirmed | | | | | | | | | |

| Scheme of Assistance | | | |
|--------------------------------|--|------------------|------------------|
| <u>Strategic Fit</u> | <u>Project</u> | <u>2009/10</u> | <u>2010/11</u> |
| Tackling Disrepair | General Repair Grants | 98,858 | 0 |
| Reducing BTS Housing | Lead Pipe Replacement Grant Regeneration Enabling BTS & Standard Amenities | 90,344 | 187,593 |
| Improving Energy Efficiency | Central Heating Grants LESS Inverclyde | 68,655 | 76,000 |
| Meeting Particular Needs | Adaptations Small Repairs Service | 882,919 | 1,028,049 |
| Meeting Established Standards | Owners in RSL Projects | 13,098 | 30,000 |
| Improving Information & Advice | Landlord Information & Advice Owner-Occupier Info & Advice | 16,355 | 2,500 |
| Revenue & Support Costs | Salary Costs | 224,167 | 208,858 |
| TOTAL | | 1,394,396 | 1,533,000 |

| Support For Owners Est. Take Up Rate † | Type of Works | No. Of Works Own/Occ | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 | 2015-2016 | Total |
|--|----------------------|-----------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| 13-19 St Johns Road | External Refurb. | 8 | 86,800 | | | | | 86,808 |
| 34-40 St Johns Road | External Refurb. | 15 | 162,750 | | | | | 162,765 |
| Braeside, Greenock | External Refurb. | 5 | 54,250 | | | | | 54,255 |
| 83-99 Tower Drive | External Refurb. | 38 | 412,300 | | | | | 412,338 |
| Cowdenknowes | External Refurb. | 50 | | 542,500 | | | | 542,550 |
| Greenock East | External Refurb. | 26 | | 282,100 | | | | 282,126 |
| Boglestone | External Refurb. | 35 | | 379,750 | | | | 379,785 |
| Total | | 111 | 716,100 | 1,204,350 | 0 | 0 | | 1,920,627 |
| Unprioritised Projects | | | | | | | | |
| Pine, Lime, Cornhaddock | External Refurb. | 35 | | | | | | 634,443 |
| Gourock Town Centre | External Refurb. | 135 | | | | | | 661,500 |
| Greenock Town Centre | External Refurb. | 222 | | | | | | 1,087,800 |
| Mid Auchenleck | External Refurb. | 50 | | | | | | 542,500 |
| Port Glasgow Town Centre | External Refurb. | 139 | | | | | | 681,100 |
| Greenock West A | External Refurb. | 150 | | | | | | 1,627,500 |
| Greenock West B | External Refurb. | 13 | | | | | | 141,050 |
| Total Unprioritised | | 744 | | | | | | 5,375,893 |
| † programme to be confirmed | | | | | | | | |
| actual level of financial support subject to means test & Scheme of Assistance | | | | | | | | |

APPENDIX 3

INVERCLYDE INVESTMENT PRIORITIES BY SUB AREA

| Project | Planned start year | AHIP Funding Programme | Total score |
|---|--------------------|------------------------|-------------|
| Sub Area A Port Glasgow | | | |
| Woodhall Phase 2 | 2012/13 | Reprovisioning | 283 |
| Clune Park Phase 1 | 2013/14 | Core | 177 |
| Clune Park Phase 2 | 2014/15 | Core | 177 |
| Clune Park Phase 3 | 2015/16 | Core | 177 |
| Sub Area B Greenock Central East | | | |
| James Watt Dock (RCH) | 2012/13 | Reprovisioning | 210 |
| Central Greenock (RCH) | 2014/15 | Reprovisioning | 182 |
| Gibshill Phase 3 (CHA) | 2010/11 | Core | 211 |
| Carwood Court Reprovisioning (Bield HA) | 2012/13 | Core | 169 |
| Garvald Street (CHA) | 2013/14 | Core | 136 |
| Carwood Street Phase 2 (CHA) | 2015/16 | Core | 127 |
| Sinclair Street (CHA) | 2015/16 | Core | 105 |
| Sub Area C Greenock South West | | | |
| Peat Road (RCH) | 2014/15 | Reprovisioning | 215 |
| Cumberland Road Area (RCH) | 2011/12 | Reprovisioning | 192 |
| Earnhill Road 'Phase 2'? | 2011/12 | Core | 183 |
| Upper Bow Reprovisioning (OTHA) | 2011/12 | Reprovisioning | 151 |
| Caladh House (OTHA) | 2012/13 | Core | 155 |
| Sub Area D West Greenock | | | |
| No projects | | | |
| Sub Area E Gourock | | | |
| Adelaide Street (Key HA) | 2011/12 | Core | 195 |
| Tarbet Street (MBHA) | 2013/14 | Core | 163 |
| Cove Road (MBHA) | 2013/14 | Core | 136 |
| Sub Area F Inverkip and Wemyss Bay | | | |
| Inverkip Marina (Trust HA) | 2013/14 | Core | 217 |
| Sub Area G Kilmacolm | | | |
| Smithy Brae (Trust HA) | 2012/13 | Core | 232 |

INVERCLYDE INVESTMENT PRIORITIES AND LHS STRATEGIC AIMS

| | |
|---|--|
| A Achieving a more appropriate balance between the different housing sectors in Inverclyde | B Widening the Housing Choices for Inverclyde Residents |
| <ul style="list-style-type: none"> Owner occupation | <ul style="list-style-type: none"> Matching Dwelling Size with Need and Demand |
| <ul style="list-style-type: none"> Renting from a Private Landlord (mid market rent) | <ul style="list-style-type: none"> Developing More Appropriate Types of Dwellings (houses and particular needs) |
| <ul style="list-style-type: none"> Renting from a Social Landlord | <ul style="list-style-type: none"> Redressing the Geographic Imbalance of the Housing Tenure Distribution |
| <ul style="list-style-type: none"> Brownfield Sites | <ul style="list-style-type: none"> Promoting Affordability |
| □ | <ul style="list-style-type: none"> Community Engagement |
| C Improving Housing Quality | D Meeting the Particular Needs of Inverclyde's Residents |
| <ul style="list-style-type: none"> Reducing the Number of Properties which are below the Established Standards | <ul style="list-style-type: none"> Improving Services for Homeless Households |
| <ul style="list-style-type: none"> Increasing the Number of Properties Which Meet the Established Standard | <ul style="list-style-type: none"> Making Better Use of Existing Housing to Meet Particular Needs |

| Project | Planned start year | LHS Strategic Aims | | | |
|---|--------------------|--------------------|------|------|-----|
| | | A | B | C | D |
| Sub Area A Port Glasgow | | | | | |
| Woodhall Phase 2 | 2012/13 | 75% | 100% | 100% | 0% |
| Clune Park Phase 1 | 2013/14 | 75% | 67% | 100% | 0% |
| Clune Park Phase 2 | 2014/15 | 75% | 67% | 100% | 0% |
| Clune Park Phase 3 | 2015/16 | 75% | 67% | 100% | 0% |
| Sub Area B Greenock Central East | | | | | |
| James Watt Dock (RCH) | 2012/13 | 75% | 83% | 100% | 0% |
| Central Greenock (RCH) | 2014/15 | 75% | 67% | 100% | 0% |
| Gibshill Phase 3 (CHA) | 2010/11 | 50% | 33% | 67% | 0% |
| Carwood Court Reprovisioning (Bield HA) | 2012/13 | 50% | 50% | 100% | 50% |
| Garvald Street (CHA) | 2013/14 | 50% | 33% | 100% | 0% |
| Carwood Street Phase 2 (CHA) | 2015/16 | 50% | 33% | 67% | 0% |
| Sinclair Street (CHA) | 2015/16 | | | | |
| Sub Area C Greenock South West | | | | | |
| Peat Road (RCH) | 2014/15 | 75% | 67% | 100% | 0% |
| Cumberland Road Area (RCH) | 2011/12 | 75% | 50% | 100% | 0% |
| Earnhill Road 'Phase 2'? | 2011/12 | 50% | 50% | 66% | 0% |
| Upper Bow Reprovisioning (OTHA) | 2011/12 | 50% | 50% | 100% | 0% |
| Caladh House (OTHA) | 2012/13 | 50% | 33% | 100% | 50% |
| Sub Area D West Greenock | | | | | |
| No projects | | | | | |
| Sub Area E Gourrock | | | | | |
| Adelaide Street (Key HA) | 2011/12 | 50% | 50% | 100% | 50% |
| Tarbet Street (MBHA) | 2013/14 | 75% | 83% | 67% | 0% |
| Cove Road (MBHA) | 2013/14 | 50% | 67% | 67% | 0% |
| Sub Area F Inverkip and Wemyss Bay | | | | | |
| Inverkip Marina (Trust HA) | 2013/14 | 50% | 83% | 100% | 50% |
| Sub Area G Kilmacolm | | | | | |
| Smithy Brae (Trust HA) | 2012/13 | 50% | 67% | 67% | 0% |