
Report To:	Education & Communities Committee	Date: 22 January 2013
Report By:	Head of Safer & Inclusive Communities	Report No: EDUCOM/03/13/DH
Contact Officer:	Drew Hall	Contact No: 714272
Subject:	Strategic Local Programme (SLP) – Update	

1.0 PURPOSE

- 1.1 To advise Committee of revisions to the SLP following discussions with the Scottish Government Housing Supply Division (HSD) and partner RSLs.

2.0 SUMMARY

- 2.1 The SLP was approved by the Education and Communities Committee in September 2012 based on a main programme reflecting agreed Inverclyde Council priorities and a slippage programme containing projects that could be taken “off the shelf” in the event of any main programme project being undeliverable. The SLP detailed how the Affordable Housing Supply Programme (AHSP) funding of £4.8m from the Scottish Government would be used to provide new affordable housing.
- 2.2 Woodhall Phase 2 was included in the original SLP as River Clyde Homes intended to provide 20 new homes for the remaining households in the lower part of the Woodhall area. This project is dependent upon approval from the Scottish Ministers as it involves transferring land at Woodhall to a private developer in return for the 20 new homes being provided to RCH at no cost to them and with no public subsidy. It has been necessary to remove this project from the SLP main programme as HSD has indicated that it will take quite some time to fully consider this innovative proposal from RCH. Inverclyde Council would also require to consent to this proposal under the terms of the tripartite Stock Transfer Agreement (STA) of December 2007.
- 2.3 RCH was also approached regarding a possible first phase of reprovisioning at Peat Road in Greenock. However this would again involve the innovative funding model outlined in paragraph 2.2 above and, as with Woodhall, the Scottish Ministers and Inverclyde Council would have to agree to this in terms of the STA. Given the likely delay in a decision on this funding model being reached, it has been necessary to set this project aside for the time being although it remains a high priority in the slippage list (see Appendix).
- 2.4 The revised SLP (as set out in the Appendix to this report) now includes the development of 14 houses at Earnhill Road, Greenock (Phase 2), by Oak Tree Housing Association, and of 85 houses and flats by Link Housing Association at Lower Mary Street, Port Glasgow, to provide rehousing options for owners and tenants in the Clune Park area. Both projects were approved by Committee last September as part of the slippage list included in the original SLP.

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Appendix

2.5 As the AHSP funding is dependent on all new building being completed by 31 March 2015, there was considerable pressure on Inverclyde Council to submit the revised SLP to HSD to avoid funding being re-allocated for use elsewhere. The SLP was therefore submitted to HSD in November 2012 following discussion with HSD and RSL partners in order to meet Scottish Government deadlines.

3.0 RECOMMENDATIONS

3.1 The Committee is invited to:

- a) Approve the revised SLP 2012-2015 as submitted to the Scottish Government in November 2012, as detailed in the Appendix to this report; and
- b) Remit to the Head of Safer & Inclusive Communities to finalise arrangements for the implementation of the SLP 2012-2015 including negotiation of Strategic Agreements with the Scottish Government and partner RSLs to take forward agreed projects at the earliest possible date.

John Arthur
Head of Safer & Inclusive Communities

4.0 BACKGROUND

- 4.1 The original SLP, as approved by Committee in September 2012, was prepared on the basis of the priorities set out in the Local Housing Strategy 2011-2016 (the LHS), and in the Strategic Housing Investment Plan (SHIP) approved by the Policy & Resources Committee in March 2012. The main programme projects in the SLP are clearly linked to Inverclyde Council's top priority for housing investment, the Clune Park area of Port Glasgow. It was originally intended that Woodhall Phase 2 would provide rehousing opportunities for Clune Park residents however that has not been possible for the reasons noted in paragraph 2.2 above.
- 4.2 It became clear from Programme Meetings with HSD and RSL partners that the double constraints of time (i.e. full completion of projects on site by 31 March 2015) and funding (i.e. only c. 16% of the total required in the SHIP) would severely limit the types of projects that could be undertaken. A pragmatic approach has therefore been adopted in revising the SLP to ensure that the £4.8m in Resource Planning Assumptions for the Inverclyde Council area is fully used within the local area. Failure to fully utilise the available funding will result in funding being re-allocated to other local authorities that have feasible SLP projects.

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5.0 THE REVISED SLP

- 5.1 The main changes to the original SLP are as follows:
- Woodhall Phase 2, RCH Reprovisioning Programme (20 units) has been removed due to the innovative nature of the funding proposal;
 - Woodhall Phase 2, Link HA new build (40 units) has been removed as the RSL could not guarantee completion by March 2015;
 - Lower Mary Street, Port Glasgow, Link HA reprovisioning for Clune Park area residents has been expanded to 85 units (60 for rent and 25 for shared equity) to absorb AHSP funding previously earmarked for Woodhall Phase 2;
 - The high priority RCH Reprovisioning Programme project at Peat Road, Greenock, has not been included in the main programme for the reasons noted in paragraph 2.3 above;
 - The Oak Tree HA project at Earnhill Road, Greenock (Phase 2), has been brought forward into the main programme as it is capable of being delivered on time and on budget.
- 5.2 Committee will note from the revised SLP as set out in the Appendix to this report that the above changes maximise expenditure of the available AHSP funding for Inverclyde whilst continuing to support the Council's priorities for investment. It is noted that there is a desire to continue the RCH Reprovisioning Programme and this may still be possible depending upon the outcome of Scottish Government and Inverclyde Council deliberations on the RCH innovative funding proposals. The option is therefore available to review these projects at a future date.
- 5.3 The revised SLP was submitted to HSD on 27 November 2012 in order to meet Scottish Government deadlines and to ensure that there would be no re-allocation of funding away from Inverclyde. The revised SLP represents a pragmatic and feasible solution to the twin constraints of time and funding as noted above and has been approved by the Corporate Management Team.
- 5.4 Notification of an addition to the Resource Planning Assumptions for 2012-2015 was received from HSD on 4 December 2012, after the revised SLP had been submitted. An additional £30m of AHSP funding has been made

available by the Scottish Government following the September 2012 budget and the Inverclyde Council allocation is £0.692m, bringing the total for new projects within Inverclyde to £5.508m for 2012-2015. The slippage list contains projects that can be brought “off the shelf” quickly and negotiations are ongoing with HSD and RSL partners to identify a suitable project, or projects, to fully expend this additional allocation.

6.0 IMPLICATIONS

6.1 Legal

There are no legal implications affecting Inverclyde Council.

6.2 Financial

There are no financial implications for Inverclyde Council.

6.3 Equalities

When delivering services to our customers, full cognisance is taken of equality and diversity processes and procedures.

6.4 Repopulation

The SLP is the delivery vehicle for the LHS and the associated SHIP, both of which support and complement the repopulation objectives of the Inverclyde Alliance SOA.

7.0 CONSULTATION

7.1 This report has been prepared in consultation with the following:

- Corporate Management Team;
- Planning Policy Team, Regeneration & Planning Service
- Public Health & Housing Team, Safer & Inclusive Communities Service
- Locally-based and national RSLs
- Scottish Government Housing Supply Division, Paisley Area Office

8.0 CONCLUSION

8.1 Committee is invited to retrospectively approve the submission of the revised SLP to HSD on 27 November 2012 and to note that the revised SLP represents the most feasible response to the time limit and budget constraints faced by Inverclyde Council and its RSL partners. HSD is still to finalise Strategic Agreements with local authorities and their RSL partners in order to deliver the SLPs and Committee has been requested to delegate authority to the Head of Safer & Inclusive Communities to complete negotiations on behalf of Inverclyde Council. Committee is therefore invited to approve the recommendations set out in paragraphs 3.1 a) and 3.1 b) above.

9.0 LIST OF BACKGROUND PAPERS

- 9.1 1. Affordable Housing Investment: Strategic Local Programme; report to Education and Communities Committee, 4 September 2012.
2. Strategic Housing Investment Plan 2012-2015; report to Policy and Resources Committee, 27 March 2012.
3. Inverclyde Local Housing Strategy 2011-2016; report to Safe, Sustainable Communities Committee, 25 October 2011.

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25.10.11
Para 698**

STRATEGIC LOCAL PROGRAMME

Local Authority: Inverclyde Council
Resource Planning Assumption - 2012 - 2015:

£10.812

New money for Local Programmes

£4.816

Input figures following the layout in template and add lines as necessary. No 'Total' formulae included within this worksheet. Please enter amounts as £0.000

Project Address	Developer	Units			Total	Units by Type	Please specify*	Total (should equal Total)	Greener Standards (enter Y as appropriate)	Est. Start Fin. Year	Est. Completion Fin. Year**	Total Project Cost	Grant per Unit (3p equivalent excl.)	TOTAL SG Grant
		Rehab	Off the Shelf	NB										
Lower Mary Street, Port Glasgow - Social Rent	Link Group			60	60		60			2013/14	2014/15	£6.300	£0.042	£2.520
Lower Mary Street, Port Glasgow - NSSE (regeneration)	Link Group			12	12		12			2013/14	2014/15	£1.260	£0.092	£1.104
Lower Mary Street, Port Glasgow - NSSE (standard)	Link Group			13	13		13			2013/14	2014/15	£1.365	£0.042	£0.546
Lower Mary Street, Port Glasgow - TOTAL	Link Group			85	85		85			2013/14	2014/15	£7.560	£0.049	£4.170
Earnhill Road Phase 2, Greenock South West - Social Rent	Oak Tree HA			14	14		14			2013/14	2014/15	£1.533	£0.046	£0.646
Earnhill Road Phase 2, Greenock South West - TOTAL	Oak Tree HA			14	14		14			2013/14	2014/15	£1.533	£0.046	£0.646

*Particular Needs - e.g. wheelchair, amenity etc. ** All projects included to achieve a March 2015 completion date.

Consultation Details:

As stated within our guidance, details of local consultation and engagement which has led to the development of the above programme should be provided in the box below -

All of the projects in the Strategic Local Programme (SLP) are in the Strategic Housing Investment Plan (SHIP) and were subject to an assessment against strategic outcomes and deliverability criteria, and consultation with council services and other housing residents and the landlords of Clune Park have been subject to consultation about the issues in the area and the council's intentions to regenerate. This consultation includes more recently the development of personal housing plans for the Clune Park residents.

Safer and Inclusive Communities (SIC) has had discussions with RSLs and Planning Policy to develop the SLP.

Completed by:

DH/RLVK

27th Nov 2012

STRATEGIC LOCAL PROGRAMME

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Resource Planning Assumption - 2012 - 2015:

£10.812

New money for Local Programmes

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Project Address	Developer	Units		Total	Units by Type		Please specify*	Total (should equal Total)	Greener Standards (enter Y as appropriate)	Est. Start Fin. Year	Est. Completion Fin. Year**	Total Project Cost	Grant per Unit (3p excl. Council)	TOTAL SG Grant
		Rehab	Off the Shelf		GN	PN*								
Luss Avenue, Greenock Central East - Social Rent	Link Group			20	20			20		2013/14	2014/15	£2.300	£0.040	£0.800
Luss Avenue, Greenock Central East - NSSE	Link Group			11	11			11		2013/14	2014/15	£1.320	£0.060	£0.660
Luss Avenue, Greenock Central East - TOTAL	Link Group			31	31			31		2013/14	2014/15	£3.620	£0.047	£1.460
Empty Homes/Rental off the Shelf - Inverclyde Wide - Social Rent	Oak Tree HA/ Cloch HA	30		30	30			30		2013/14	2014/15	£2.100	£0.028	£0.840
Empty Homes/Rental off the Shelf - Inverclyde Wide - TOTAL	Oak Tree HA/ Cloch HA	30		30	30			30		2013/14	2014/15	£2.100	£0.028	£0.840
Peat Road, Greenock South West - Social Rent	River Clyde Homes			100	100			100						
Peat Road, Greenock South West - NSSE	River Clyde Homes			20	20			20						
Peat Road, Greenock South West - TOTAL	River Clyde Homes			120	120			120						