

APPENDIX 3



Housing and Technical Resources

Strategic Housing Investment Plan for South Lanarkshire

2020 – 2025

August 2019

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1. Introduction

1.1 Purpose

The Strategic Housing Investment Plan (SHIP) is a five year plan that sets out affordable housing development priorities within a local authority area to guide the way in which Scottish Government funding and other resources are allocated to achieve Local Housing Strategy (LHS) outcomes. It is refreshed and submitted to the Scottish Government every year.

1.2 Background

This SHIP covers the period 2020 to 2025 and builds on the progress that has been made to help meet the 50,000 additional supply of affordable homes across all tenures over the life of the current Scottish Government parliament to March 2021. The SHIP identifies strategic housing projects to assist in achieving the 50,000 target and is supported by the following funding mechanisms:

- An overall commitment of over £3 billion investment for the affordable housing supply programme
- Housing Infrastructure funds for unlocking development blockages for both private and public sector developers
- Glasgow City Region Deal funds for economic growth which includes transport network improvements and connectivity to South Lanarkshire Community Growth Areas (CGAs)
- Resource Planning Assumptions (RPAs) for the development of the SHIPs to March 2021

Building on its additional housing supply programme, the Scottish Government aims to create sustainable economic growth and address homelessness through existing and new initiatives, including increasing the supply of accessible affordable homes across all tenures with appropriate community infrastructure. The SHIP is a key document for directing resources to achieving the delivery of affordable housing and more recently, the 50,000 target (35,000 social rent) set out in 2016 under the More Homes Scotland initiative.

1.3 2020 -2025 SHIP preparatory framework

The SHIP has been produced by the Council's Housing and Technical Resources in collaboration with Planning colleagues from Community and Enterprise Resources, Health and Social Care Partnership (H&SCP) and in consultation with the Scottish Government's Housing Supply Team, developing Registered Social Landlords (RSLs) and Private Developers. The plan has been developed to meet relevant Scottish Government guidance and specific requirements set out in Strategic Housing Plans – More Homes Division Guidance Notes 2019/04 (MHDGN) and the 2019 Resource Planning Assumptions available to South Lanarkshire Council (SLC).

The assumptions and forecasts set out in the appendix tables are based on information available at the time of preparation and will be subject to refinement as projects are developed. Strategic Local Programmes Agreements (SLPA's) are reviewed and reissued annually to maintain a minimum three year forward programme. This process takes account of progress and allows new projects, drawn from the SHIP, to be included in the programme if additional funding becomes available or particular sites prove to be unviable.

The Scottish Government monitors delivery of affordable housing via the Affordable Housing Supply Programme (AHSP). The SHIP Tables provide the basis for the development of the three year rolling SLPAs between the Council and Scottish Government. SLPA's in turn form the basis for RSL and Local Authority Programme Agreements and become the primary mechanism for delivery of the Affordable Housing Supply Programme.

1.4 Equalities

The SHIP is a delivery plan for the Local Housing Strategy (LHS) and an Equalities Impact Assessment (EQIA) completed for the 2017-22 LHS found the Strategy would have a positive impact for the people of South Lanarkshire and no negative impacts on protected characteristics as identified in the Equality Act 2010. As part of South Lanarkshire Council's approach to mainstreaming equalities, equalities principles were considered throughout the 2017-2022 LHS development process and informed the associated outcomes and priorities. The key principles included:

- Accessing: providing services in ways that mean everyone can and does have the right to use them
- Community: providing services that bring people together and make the most of individual needs and abilities
- Informing: ensuring everyone has access to information in a format that suits their needs
- Involving: talking to groups and individuals and using their views and opinions to shape the strategy
- Promoting: ensuring individuals are treated fairly and given the opportunity to participate fully no matter their individual need
- Understanding: raising awareness of diversity and ensuring people are treated with dignity and respect

1.5 Strategic Environmental Assessment

The Council undertook a pre- screening in accordance with the Environmental Assessment (Scotland) Act, 2005, setting out its view that the SHIP will have no effect in relation to the environment. The Council made this decision because the SHIP sits under the hierarchy of the Council Plan, the Local Housing Strategy and the Local Development Plan, all of which have undergone full SEA.

1.6 How to comment on the SHIP

Please provide any comments to:

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2. Context

National housing and related policies, including planning policies along with the wider UK policies and their impact on local housing markets, provide the strategic context within which the SHIP is developed.

2.1 National strategic housing investment and delivery framework

2.1.1 More Homes Scotland

Following on from the 2015-2020 Joint Housing Delivery Plan (JHDP), the Scottish Government committed over £3billion funding over 5 years, to support the delivery of the 50,000 homes target of which 35,000 are to be social rent by March 2021. This provided a significant uplift to the Resource Planning Assumptions (RPA) for local authorities to deliver against their SHIPs. A central priority for the JHDP has been to increase the pace of new housing development completions. A total of 9535 affordable homes were delivered in 2018-19 including 6,573 social rent – an increase of 12% on previous year and 30% more than 2016-17 (2019, JHPDG Annual Report).

2.1.2 Second homes

Making better use of existing housing stock in all tenures is a key element of the overall strategy for meeting growing levels of housing need. In 2005, local authorities were granted discretionary powers to vary Council Tax discounts on long term empty and unfurnished dwellings. A local authority may give a discount of between 10% and 50% for a second home and resources generated provide additional income to support the provision of new-build affordable housing for rent to meet locally determined priorities.

Table 5.1 of the SHIP sets out the resources generated through council tax and reused to support affordable housing delivery across South Lanarkshire.

2.1.3 Empty homes

In 2013, local authorities were granted additional discretionary Council Tax variation powers on long term empty properties to help bring properties back into use. A local authority may set a council tax increase of 100% on certain properties which have been empty for one year or more. South Lanarkshire Council introduced the 100% levy on empty homes on 1 April 2019 and an estimated £267,000 will be raised annually. The revenue raised and its use will be reported in the next SHIP.

2.1.4 Climate change and sustainable housing developments

A key objective in the delivery of the affordable housing supply programme is to ensure that the design principles achieve the standards required to help reduce the greenhouse gas emissions as per Scottish Government's higher Energy Efficiency Standards for Social Housing post 2020, (ESSH2).

The 2017 – 2022 South Lanarkshire Council Sustainable Development and Climate Change Strategy contains specific outcomes relating to housing ensuring homes and communities are energy efficient, environmentally sustainable and that fuel poverty is minimised. The LHS reinforces these outcomes in Chapter 3 – 'Housing quality and energy efficiency' where the aim is to increase the supply of low carbon and highly energy efficient homes.

To this effect, all SLC new-build council homes are built to the Silver Greener Standard as set out in Section 7, Silver Level, of the 2011 Building Regulations in respect of both Carbon Dioxide emissions and Energy for Space Heating. A higher grant subsidy is available from the Scottish Government to help meet the cost of achieving this Standard. In addition, modern construction methods are utilised as far as possible to help minimise adverse environmental impacts.

2.2 Local strategic housing investment and delivery framework

2.2.1 South Lanarkshire Local Development Plan

The Local Development Plan (LDP) was adopted in 2015 and sets the spatial framework for new housing development across South Lanarkshire. The proposed Local Development Plan 2 (LDP2) builds on the previous LDP aligning with the Scottish Planning Policy and Clydeplan Strategic Development Plan 2 (SDP2) in relation to ensuring a five year effective housing land supply at all times for both private and public sectors.

There are two policies that relate to housing within the LPD. Housing Land Supply is contained in policy 12 and Affordable Housing and Housing Choice in policy 13. Policy 13 sets out the Council's expectations regarding affordable housing contributions for qualifying new developments and the requirements for a mix of housing types to meet a range of needs. The LDP2 was submitted to the Scottish Government Planning and Environmental Appeals Division for examination on 25 April 2019 and should be adopted in 2020. City Deal projects and the Council's own housebuilding programme are among key priorities.

2.2.2 Community Growth Areas (CGAs) land supply

South Lanarkshire has identified five CGAs which will assist in meeting future housing need and demand arising from projected household growth. These areas are also key strategic projects for major infrastructure investment to be delivered through the City Deal. Table A below sets out the current supply and capacity position, based on completions and the draft 2019 Housing Land Audit.

Table A: Community Growth Areas

Community Growth Area	No of Sites	Capacity		
		2019-2024	Post 2024	Total
Carluke	6	41	560	631
East Kilbride	18	405	2560	2990
Ferniegair/Larkhall	10	103	1340	1794
Hamilton	9	551	1434	2112
Newton	11	315	556	1330
Total	54	1415	6450	8857

The estimated CGA private sector outputs reflect up-to-date assessment of current and future conditions and performance within the local housing market and the economy. Phases at Newton, Ferniegair, Larkhall, Hamilton and Carluke are under construction. The larger part of the CGA at East Kilbride has planning consent and a signed off Section 75 Agreement.

The SHIP has identified potential affordable housing opportunities across CGA sites over the five year period. Delivery will be determined by the rate of development linked to improvements in the housing market as well as capacity within the affordable housing budget at such times as sites become available. The Council continues to work with key partners involved in the CGAs to consider options for securing delivery of new affordable housing taking account of changes in public subsidy available.

2.2.3 2017-2022 Local Housing Strategy (LHS)

Affordable Homes: Sustainable Places is South Lanarkshire's LHS covering the five year period to 2022 and is reviewed annually. Closely linking to other Council and partner strategies and plans, the LHS shares strategic outcomes that are reflected in the Council Plan-Connect and the South Lanarkshire Community Plan.

2.2.4 Affordable housing need and investment priorities

The LHS has been informed by the Housing Need Demand Assessment 2 (HNDA2) and the detailed pressure analysis undertaken by the Council for its housing supply, examining trends in demand and turnover. The key issues and challenges identified for each of the four Housing Market Area (HMAs) within South Lanarkshire include:

- Clydesdale has a distinct rural profile which ranges from high pressured areas in terms of both demand for private and affordable housing, to stressed areas with pockets of unsustainable housing in the long term.
- Rutherglen and Cambuslang requires continued regeneration of large local authority housing areas and addressing mismatches in supply and demand of appropriate property type and size.
- East Kilbride has very high demand and comparatively low turnover of homes for social rent. Due to its new town heritage, it also has a particular concentration of people of a similar older-age profile and demand for suitable accessible accommodation.
- Hamilton has the largest housing stock and a higher overall demand. It also incorporates areas with concentrations of both wealth and deprivation, which have varying needs in terms of housing supply and regeneration requirements.

The LHS therefore contains 5 strategic outcomes relating to affordable housing: housing supply, affordability and choice (outcomes 1 and 2), housing quality and energy efficiency (outcome 4), supporting independent living (outcome 5), addressing homelessness, and sustainable places (Outcome 9) and the associated investment priorities.

The key investment priorities for all HMA areas are to:

- Address affordable housing shortages in high demand areas¹ and continue progressing the Affordable Housing Policy on all new developments > 20 and investigate intermediate tenure choice. ¹
- Continue to increase supply of low carbon and highly energy efficient homes to meet the Energy Efficiency Standard for Social Housing (EESH), tackle fuel poverty and address climate change
- Increase supply of amenity housing for older people
- Investigate ways to provide new affordable homes, including shared equity and low cost home ownership.
- Improve housing choices of older owner occupiers
- Promote the continued use of brownfield sites and use of vacant or derelict land and address shortages in particular house sizes

LHS Outcomes 1 & 2

Housing supply, choice and affordability

LHS Outcome 4

Housing quality and energy efficiency

LHS Outcome 5

Supporting Independent Living and Specialist Provision

LHS Outcome 9

Sustainable places

¹High demand areas: Clydesdale: Carlisle, Lanark and Biggar, Hamilton: Bothwell and Uddingston, Rutherglen and Cambuslang: priority neighbourhood areas, East Kilbride: throughout the area

- Continue to progress local area housing sustainability action plans in Clydesdale North and South
- Continue to progress the East Whitlawburn Regeneration Masterplan

2.2.5 Housing Need and Demand Assessment (HNDA)

The evidence in the HNDA 2015 shows South Lanarkshire has a significant level of affordable housing need across all four HMA's. The estimates of households unable to meet their needs in the market and therefore requiring some form of subsidised affordable home are high.

2.2.6 Housing supply targets

Targets set out in the 2017-2022 LHS are broadly consistent with those that were developed through the Housing Market Partnership, supported by the Glasgow and the Clyde Valley Strategic Development Planning Authority, and published in Clydeplan Strategic Development Plan (2016) and in the background Report 8 'Beyond the Housing Need and Demand Assessment'. South Lanarkshire's targets are as follows:

Table B: 2017-2022 housing supply targets

Tenure	Per Year	Total
Affordable	300	1,500
Market (private)	758	3,790
All	1,058	5,290

3. Meeting housing need and improving quality of life

Aligning to the relevant national and local housing strategies and policies, the key aspect in allocating affordable social rented housing is to respond to local needs and demands by ensuring:

<ul style="list-style-type: none"> • Those assessed as being in most need are prioritised² 	Reflecting requirements under the Housing (Scotland) Act 1987 as amended
<ul style="list-style-type: none"> • Best use of the available stock within South Lanarkshire 	SLC Housing Allocation Policy ensures households are offered the right type and size of homes that best meet their needs.
<ul style="list-style-type: none"> • The allocation approaches within the HomeFinder³ partnerships, help achieve balanced and sustainable communities 	Contributing to LHS outcomes 1,2 and 9 – the approach improves choice in relation to house types or size and helps create sustainable communities as applicants choose where they wish to live

The majority (92%) of South Lanarkshire's social rented stock is accessible through the HomeFinder common housing register where the Council and housing associations have agreed a common assessment of housing need.

² There are four housing list categories within the allocation policy. The urgent housing need list has the highest priority and comprise homeless applicants, applicants with urgent medical needs and injured members of H.M forces or discharged on medical grounds

³ HomeFinder is the Council's common housing register with a number of housing associations with properties in South Lanarkshire, making it easier for applicants to apply for housing with the Council and participating housing associations through a single application

3.1 Delivery of 50,000 affordable homes (35,000 social rent) 2021 target

A total of 2,127 homes comprising all tenures have been delivered across South Lanarkshire from 2016 up to March 2019. A significant proportion, totalling 1,135 homes are for social rent, and equates to a 3.2% of South Lanarkshire's contribution to the national social rented target. The remaining 992 are private market homes. Tables C to E provide a breakdown of all the completions in each Housing Market Area split by developer – SLC, RSLs and Private Developers

3.1.1 South Lanarkshire Council – 1,000 additional council homes 2021 target

Steady progress has been made towards the delivery of 1,000 additional council homes set out in the LHS as part of South Lanarkshire Council's contribution to the 35,000 Scottish Government social rent target.

A total of 425 [300 new build and 125 open market purchases] homes have been added to the Council's stock and the outcomes broadly meet the diverse housing needs requirements as identified in the current 2017-2022 LHS. A significant proportion (39%) of the SLC additional social rented supply is addressing the needs of older people. This is consistent with the population and household projections of increasing number of older people in South Lanarkshire.

Table C sets out all the additional homes and provides an outline of new homes in each Housing Market Area (HMA) with the associated housing needs categories. The new supply has been built to Housing for Varying Needs (HfVN) featuring barrier free internal spaces, energy efficient, and are of high quality standards.

Table C: 2016 to March 2019 South Lanarkshire Council additional homes

Housing Market Area	Units	General Needs	Particular Needs/Amenity
East Kilbride	110	28	82
Clydesdale	40	22	18
Hamilton	80	54	26
Rutherglen and Cambuslang	70	36	34
OMP All areas	125	121	4
Totals	425	261	164
Percentages		61%	39%

The general needs category comprise semi-detached homes that achieve a degree of flexibility to suit people of different abilities. Their specification includes a wider staircase allowing for the installation of chairlift, downstairs toilet and walk in shower or space provided for future installation of a shower for ambulant disabled household members as needs arise. The bigger size semi-detached (4 bedrooms or more) feature a downstairs bedroom/s and wet floor bathroom aimed at addressing the needs of households with a disabled family member/s.

The particular needs/amenity category comprise semi-detached bungalows, cottage flats and lift access flats for older and ambulant disabled people.

3.1.2 Registered Social Landlords (RSL) completions

RSLs partners participating in the affordable housing supply programme have made a significant contribution towards meeting a wide range of housing needs and the Scottish Government 2021 affordable housing target. RSLs have delivered a total of 710 social rented homes as set out in Table D below.

Table D: 2016 to March 2019

Housing Market Area	Units
East Kilbride	230
Clydesdale	132
Hamilton	332
Rutherglen & Cambuslang	16
Total	710

3.1.3 Private Developer completions

Private housing developments have progressed at a good pace over the three year period with a total of 992 completions as set out in Table E. This equates to a 26% progress towards the 3,790 private housing supply target set in the 2017-2022 LHS.

Table E: 2016 to March 2019

Housing Market Area	Community Growth Area	Units
<i>Clydesdale</i>	Carluke	30
<i>East Kilbride</i>	EastKilbride	25
<i>Hamilton</i>	Ferniegair/Larkhall	351
	Hamilton	127
<i>Rutherglen and Cambuslang</i>	Newton	459
Total		992

3.2 2019-2024 Homeless and Rapid Rehousing Transition Plan (RRTP)

Addressing homelessness is a key priority of the LHS and the South Lanarkshire Affordable Housing Supply Programme (AHSP). The RRTP, co-produced with a wide range of partners sets out a strategic approach of addressing homelessness, outlined in five high priority objectives and articulated in the associated actions.

Three of the RRTP objectives which include expanding the scope of Housing First approach, reducing overall level of homelessness and length of time that households spend in temporary accommodation are directly linked to the affordable housing supply programme. The Open Market Purchase Scheme targets specific properties to support actions relating to RRTP including replacing housing stock where a temporary tenancy is converted or 'flipped' to a permanent home. In addition, a significant proportion of the affordable social rented homes are being allocated to homeless households to support targets set in the RRTP. A common outcome monitoring template has been developed to ensure that the level of lets being allocated to homeless households through the AHSP can be accurately monitored and reported.

3.3 Strategic Commissioning Plan 2 and wheelchair accessible housing targets

South Lanarkshire Health and Social Care Partnership was established in 2016 under the Public Bodies (Joint Working) (Scotland) Act 2014. It has the strategic responsibility for achieving the 9 national health and wellbeing outcomes and has published a 2019-2022 Strategic Commissioning Plan 2 (SCP2).

The SCP2 has an incorporated housing contribution statement that sets out priority actions to be delivered by housing providers. The key housing priority outcome that will help towards achieving national health and wellbeing outcomes include suitable and sustainable homes where people are supported to live independently.

The AHSP continues to deliver suitable and sustainable homes that are built to HfVN, adapted homes and amenity homes that will help meet the needs of the growing ageing population. As per table C, out of the 300 new homes completed from 2016 to March 2019, there are 164 particular needs/amenity units. Of the 77 units onsite at the time of writing the SHIP, 9 are being adapted for wheelchair users, equating to 12% of units under construction.

Scottish Government guidance MHDN 2019/02 recommends setting wheelchair housing targets within the LHS by 31 December 2019 to support the delivery of more wheelchair accessible housing. This is a key housing action in A Fair Scotland For Disabled People delivery plan to 2021. Work has commenced with relevant partners as part of the LHS review process to set targets for all tenures and progress will be reported in LHS annual review.

3.4 Gypsy/Travellers

South Lanarkshire Council owns and manages two gypsy/traveller sites with 21 pitches at Shawlands Crescent in Larkhall, and 6 pitches at Springbank in East Kilbride operating at full occupancy with an effective waiting list for any pitches that become available for let.

The current 2017 -2022 LHS identified a key investment priority to review funding and options for additional dwelling pitches to address the changing needs of the community such as ageing, health or mobility issues. Site expansion and mainstream affordable housing are considerations for both sites and monitoring work at a national level is being progressed to establish a better understanding of the accommodation needs of Gypsy/Travellers.

To help address barriers to accessing information, services and support, SLC secured £20,000 funding from Lintel trust to improve digital access at Springbank and the development of a community hub facility at Shawlands Crescent, Larkhall.

3.5 Child poverty

One of the main poverty drivers as identified in the Scottish Government's 2018-22 Tackling Child Poverty Delivery Plan entitled "every child every chance" is household costs. South Lanarkshire Council's plan to tackle child poverty contains four actions relating to affordable housing that are contributing to the change required to eradicate child poverty including preventing and reducing homelessness, improving digital inclusion, reducing energy costs and costs of housing for families.

In terms of the SLC's affordable housing supply programme, a key objective in the delivery process is ensuring that new build housing designs incorporate features that help in reducing the cost of living. All new build homes are energy efficient and therefore attracting reduced fuel costs and all have digital connectivity. In addition, a primary factor in the delivery process is location, ensuring housing developments are close to amenities helps in reducing transport costs as most facilities will be within walking distance.

4. 2020-2025 SHIP delivery

4.1 SHIP tables and development priorities

The tables set out 102 sites with an estimated total capacity for the delivery of a programme of up to 3,141 new affordable homes over the five year period to March 2025. These include priority projects rolled forward from the previously approved SHIP, projects with current SLPA funding commitments and new sites.

The programme has been developed in consultation with key developer partners and reflects key national and local strategic issues of material consideration including negotiations with Private Developers in relation to specific development proposals. A breakdown of the proposed distribution of the new build affordable housing units across the four housing market areas is set out in Table F.

Table F: combined five year affordable housing units by Housing Market Area

Clydesdale	Hamilton	East Kilbride	Rutherglen/ Cambuslang	OMP (Various Areas)	South Lanarkshire
176	977	957	821	210	3141
5.6%	31.1%	30.5%	26.1%	6.7%	100%

4.2 Site prioritisation criteria

New sites are prioritised for inclusion in the SHIP based on a number of key factors and associated strategic issues of material consideration. All sites are assessed based on the agreed criteria and depending on the outcome, they are categorised, as high, medium or low priority. An outline of the assessment approach agreed with relevant developer partners is set out in table G.

Table G: Site assessment approach

Key factors	Material Considerations
Site location	LDP2 housing land sites/windfall sites regeneration/neighbourhood planning /proximity to other sites under development and services
Tenure mix	LHS priority tenure: social rented/mid-market/shared equity/ localised housing pressure analysis to inform demand/house types
Needs category	General needs/older people/ wheelchair user/ homeless households/Gypsy/Travellers
Sustainable development	Brownfield/greenfield/conservation/flood zone EESSH2 specification/digital inclusion
Development constraints	Ownership/abnormals/access/ infrastructure/ deliverability in relation to timescales

Development sites have to score positively on all key factors to be included in the SHIP. Priority categories of high, medium and low are assigned depending on whether the development proposal contributes to outcomes as identified at national and local levels.

Key strategic issues considered at site prioritisation stage are highlighted in the *Material considerations* column of Table G, based on the best information available at the time of preparing the SHIP. This enables investment to be targeted to priority developments which will best meet local needs and identified LHS outcomes within the SLPA timeframe in the event that the investment is constrained to the minimum RPA.

The final output will be subject to a detailed development assessment on the viability of each site as well as the level of grant funding resources available over the plan period. Subject to funding availability and unforeseen abnormal site constraints, the programme is realistic in terms of estimated site start dates. Mid- market rent, shared equity and low cost home ownership may form part of an overall procurement package for each development to facilitate cost effective delivery of affordable housing for rent.

To achieve this, we will continue to work closely with the Scottish Government and our partners in the public and private sector to develop alternative funding sources and delivery mechanisms and maximise implementation of this SHIP particularly in the major CGAs.

In the event that core grant levels reduce, our priorities will be to progress key regeneration projects, particularly where new housing is required to facilitate approved demolition programmes and wider regeneration objectives.

4.3 Financial resources

The primary source of public subsidy is the Scottish Government's Affordable AHSP and provides funding for various types of affordable housing including: social rent comprising new build and open market purchases, mid- market rents and low-cost initiative for first time buyers (LIFT) shared equity schemes delivered by the Council or RSLs and in some cases, in partnership with Private Developers.

In June 2017, an increased budget of around £1.754 billion was allocated to councils across Scotland for the three years to March 2021. The total three year RPA issued to South Lanarkshire for 2018/19 to 2020/21 was £78.758 million. In June 2019, increased RPAs were provided to Local Authorities and the Resource Planning Assumptions (RPAs) issued to South Lanarkshire for 2020/21 is £30.408M.

The new SHIP sets out a 5 year plan with development priorities aligned to the revised level of Scottish Government funding for current programme commitments and the increased Resource Planning Assumptions (RPAs) to March 2021. In line with current Scottish Government guidance for the preparation of the SHIP for forward planning purposes, a slippage factor of 25% has been factored into the 2020/21 RPA of £30.408M equating to £38.01M.

The Scottish Government cannot commit to funding beyond 2021, therefore development priorities shown for years 2, 3, 4 and 5 will be subject to future decisions about the overall budget for new affordable housing. As such, developments beyond 2021 have been planned on the basis of a notional minimum RPA as per Scottish Government guidance. A summary of the total Resource Planning Assumptions (RPAs) used for the development of the SHIP to March 2025 is set out in Table H.

Table H: South Lanarkshire's Resource Planning Assumptions (RPA)

Financial Year	Scottish Government RPA (£0.0M)	SHIP Planning Assumptions RPA + future year capacity (£0.0M)
2020/21	£30.408	£38.010*
2021/22	£25.199	£25.199
2022/23	£25.199	£25.199
2023/24	£25.199	£25.199
2024/25	£25.199	£25.199
Total	£131.206	£138.806

* RPA + 25% slippage factor applied to Y1.

4.4 South Lanarkshire Council contributions

The Council's key funding sources are:

- Prudential borrowing of over £25 million which was approved for 2019/20 housing developments
- Council Tax levy on second homes which generated £428,000.00 in 2018/19

4.5 Private Developer contributions

To comply with the SLC Affordable Housing Policy, Private Developers are required to contribute 25% of all sites (with capacity of 20 units or more) available for affordable housing. The Council's Local Development Plan Policy 13: Affordable Housing and Housing Choice and the associated Supplementary Guidance for Affordable Housing and Community Infrastructure Assessment are used to inform local negotiations on developer contributions to meet affordable housing requirements.

SHIP Table 5.2 sets out developer contribution commuted sum payments received to date, that will be used to support the delivery of the SHIP over the five year programme.

4.6 Organisational capacity

South Lanarkshire has a good track record of innovative joint working and delivery and will continue to work collaboratively with the Scottish Government, housing associations and private sector partners, making best use of available resources to increase the supply of affordable housing and contribute to meeting priorities set out within this SHIP.

4.7 Other associated considerations

4.7.1 Welfare Reform and Universal Credit

The impacts of welfare reforms continue to pose significant challenges in a wide range of policy areas including Child Poverty, Homelessness, A Fair Scotland for Disabled People etc, even when considered alongside the positive contribution from the Affordable Housing Supply Programme (AHSP).

More critically, the reforms pose threats to local authorities AHSP business and investment planning models which rely on rental income to finance the cost of borrowing. Reflecting the national position, South Lanarkshire Council, has experienced a significant increase in rent arrears among tenants in receipt of Universal credit, despite the allocation of extensive resources to provide support and advice. The impact of these changes will continue to be of material consideration for future development plans and ambitions.

4.7.2 Housing to 2040 – A vision for our future homes and communities

In September 2018, the Scottish Government produced a discussion paper outlining the vision on how homes and communities should look and feel across Scotland in 2040. The vision features key themes which include a well-functioning housing system, high quality sustainable homes, sustainable communities and homes that meet people's needs wrapped around fifteen principles. In June 2019, the draft vision and principles were approved by the Scottish Government Cabinet after extensive consultation. The final vision and route map to 2040 will be available in spring 2020.

The SHIP continues to consider all the relevant themes as identified in the draft vision with significant progress being made in relation to aligning the SHIP into relevant national and local strategies and policies; allowing for a seamless conversion towards the 2040 housing vision. Some of the key considerations have included climate change and energy efficiency, health and social care, child poverty and housing designs/types that meet diverse needs including homeless households and those of Gypsy/Travellers.

Work has commenced in consultation with key developer partners and Planning colleagues to take forward actions for setting wheelchair accessible homes targets.

A minimum annual target of bringing 15 empty homes back into use has been proposed and will take effect from 2020/21.

The Scottish Government is progressing land markets and supply actions in relation to Compulsory Purchase Order system and Compulsory Sales Orders proposals to help tackle derelict land and property blight in our communities. This will help in accelerating progress towards the 2040 vision.