



**Strategic Housing
Investment Plan
2022/23– 2026/27**

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1. Introduction

1.1 The core purpose of the Strategic Housing Investment Plan (SHIP) is to set out strategic investment priorities for affordable housing over a 5-year period to achieve the outcomes set out in the Local Housing Strategy (LHS). The SHIP reinforces the local authority as the strategic housing authority and details how investment priorities will be delivered. The SHIP should:

- Set out the investment priorities for affordable housing
- Demonstrate how these will be delivered
- Identify the resources required to deliver these priorities
- Enable the involvement of key partners.

1.2 The SHIP is a realistic and practical operational plan that rolls forward projects identified in previous SHIPs and introduces new projects. It demonstrates how, when and where the Council and its partners intend to deliver new affordable homes across the city. It also illustrates how a variety of funding mechanisms are maximised to ensure the delivery of the projects.

1.3 In 2020/21 there were 461 affordable housing completions which, despite the impacts of Covid-19, is the highest number of affordable homes delivered in Aberdeen through the Affordable Housing Supply Programme. As of 30 September 2021, 79 affordable housing completions have taken place across the city, with 806 units being projected for completion in 2021/22. The table below shows the location, developer and type of affordable homes completed in 2020/21.

Location	Developer	Type	No. of units
Council Buy Backs	ACC	Social Rent	76
George Street	ACC	Social Rent	3
Wellheads, Dyce	ACC	Social Rent	67
NHT Froghall	Grampian	Social Rent	19
King Street	Grampian	Social Rent	28
Countesswells	Hillcrest	Social Rent	18
Abbotswell Road	Hillcrest	Social Rent	114
St Machar	Hillcrest	Social Rent	34
NHT Mugiemoos	Hillcrest	Social Rent	35
Cults	LAR Housing Trust	Mid-Market Rent	4
Rowett South	Places for People	Social Rent	19
Rowett South	Places for People	Mid-Market Rent	23
Rowett South	Places for People	Shared Equity	21
Total			461

2. Strategic Context

2.1.1 Local Housing Strategy

2.1.2 The Aberdeen City Local Housing Strategy (LHS) 2018-2023 provides the strategic direction to respond to housing need and demand and informs the future investment in housing and housing related services across the city. The LHS identifies an affordable housing target of 342 homes per year in 18/19 and 19/20 and 385 per year in 20/21, 21/22 and 22/23.

2.1.3 In developing the LHS, the Council worked in collaboration with a wide range of partners and stakeholders with an interest in housing to develop a shared vision for housing across the city. Housing plays a vital role in meeting the needs of local people and contributes to a prosperous economy.

2.1.4 The LHS sets out a framework of actions and investment with partnership working to deliver the strategic outcomes and is underpinned by the Housing Need and Demand Assessment 2017 and reflects the Aberdeen City and Shire Strategic Development Plan and the Aberdeen Local Development Plan.

2.1.5 The housing priorities identified in the LHS 2018 - 2023:

- There is an adequate supply of housing across all tenures and homes are the right size, type, and location that people want to live in with access to suitable services and facilities.
- Homelessness is prevented and alleviated.
- People are supported to live, as far as is reasonably practicable, independently at home or in a homely setting in their community.
- Consumer knowledge, management standards and property condition are improved in the private rented sector.
- Fuel poverty is reduced which contributes to meeting climate change targets.
- The quality of housing of all tenures is improved across the city.

2.1.6 The SHIP is aligned with the priorities in the LHS, and the investment priorities are consistent with the strategic priorities. The delivery of affordable housing through the SHIP contributes to all but the one of the strategic priorities identified in the LHS; consumer knowledge, management standards and property condition are improved in the private rented sector.

2.2 Empty Homes

2.2.1 A full-time Empty Homes Officer has been in post since November 2018 to reflect the changing requirements of empty homes across the city and to ensure empty homes are brought back into use.

2.2.2 The Empty Homes Officer works with owners to bring empty properties back into use. As of 31 March 2021, 189 empty properties have been brought back into use with a further 80 as of September 2021. Work is ongoing with landlords and letting agents across the city to “match” people from housing waiting lists with owners/letting agents of empty Private Rented Sector properties through the council’s Matchmake to Rent Scheme.

2.2.3 The Council utilises the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendments Regulations 2016 which allow local authorities to charge increased Council Tax on certain homes that have been empty for one year or more. The power contained in the Regulations is intended as an additional tool to help local authorities encourage owners to bring empty properties back into use, both to increase the supply of housing for those who need homes and to reduce the blight on communities caused by houses being left empty and allowed to fall into disrepair.

2.3 Gypsy/Travellers

2.3.1 The lack of suitable secure accommodation underpins many of the inequalities that may be experienced. It often leads to Gypsy/Travellers using public and private land to set up unauthorised encampments which sometimes creates tensions between Gypsy/Travellers and the settled community. Establishing new permanent and transit sites can help alleviate some of the problems that Gypsy/Travellers face.

2.3.2 In order to address this, the Local Development Plan 2017 has identified sites as part of the 25% affordable housing contribution offering opportunities to the north, west and south of the city. Grandhome, Newhills, and Loirston are considered most appropriate for on-site provision of smaller transit sites with a net area of approximately 0.5 hectares providing six pitches on each site. Provision at the remaining locations will take the form of a commuted sum (equivalent to 15 affordable units) as set out in the Local Development Plan Supplementary Guidance.

2.3.3 The Council has one permanent Gypsy/Traveller site at Clinterty. £1.8m has been identified through Council funds and £2.775m has been sought through the Scottish Government’s capital funding programme for Gypsy/Traveller accommodation to carry out capital works to this site. If the funding is approved, the site will be demolished and rebuilt to ensure it meets current and future needs of Gypsy/Travellers.

2.4 Rapid Rehousing Transition Plan (RRTP)

2.4.1 The strategic housing priorities in this SHIP are aligned and consistent with the priorities detailed in the LHS and the Council’s RRTP.

2.4.2 The RRTP is also embedded in the Aberdeen City Health and Social Care Partnership's Housing Contribution Statement which forms part of the Strategic Plan.

2.5 Child Poverty Action Plan Report

2.5.1 The Local Outcome Improvement Plan 2016-26 has been adopted as the local Child Poverty Action Plan for the years 2019-22. The SHIP links with the Child Poverty Action Plan and recognises that investment in the provision of affordable housing can reduce the costs of living which can directly impact on child poverty.

2.6 Buy-Back Policy

2.6.1 Aberdeen City Council will, under certain circumstances, purchase ex-council properties sold under the Right to Buy legislation, subject to certain criteria. Each application is judged on an individual case by case basis. All types, sizes and location of property are considered including multi storey, adapted and sheltered properties.

2.6.2 There are several reasons why the council might buy back a property, these are:

- An identified strategic need for this type and size of property; and
- Purchasing the property would demonstrate good asset management and represent value for money for the council.
- Properties are in areas designated for regeneration or demolition.
- The owner meets the criteria within the Scottish Government's Home Support Fund (Mortgage to Rent Scheme).
- Ownership consolidation where re-acquisition returns the block to full or majority Council ownership.
- Specialist accommodation such as fully wheelchair adapted properties or designated as amenity housing.

2.6.3 112 properties have been purchased through the buy-back scheme between 2019/20 and 2021/22.

3. Aberdeen City SHIP 2022 – 2027

3.1 The Aberdeen City Affordable Housing Programme details a range of affordable housing projects including RSL and Council Social Rent. It also includes RSL mid-market rent, and LAR Housing Trust mid-market rent as well as Low-Cost Home Ownership (LCHO) which are properties that housing developers will deliver directly.

3.2 In order to monitor the deliverability of projects, the council meets on a regular basis with the Scottish Government and/or RSLs to ensure projects are

progressing and to try to resolve any development constraints that arise which are slowing down or preventing delivery.

3.3 Officers of the council are also consulted on planning applications which presents opportunities to inform developers to contact RSLs at an early stage to discuss the affordable housing requirements. This is helpful because many of the projects coming forward in the SHIP are reliant on Section 75 Agreements being completed. Many of the RSLs in Aberdeen do not have the financial capacity to compete with developers to acquire sites for their own use, therefore the SHIP is reliant on Section 75 Agreements to deliver affordable housing.

3.4 Projects have been placed in the actual year they could start if resources were available.

4. Prioritisation

4.1 Projects submitted have been assessed using the following criteria:

- The extent the projects help to achieve the priorities in the LHS.
- The tenure of projects, with preference given for those with social rented housing.
- Preference given to those projects which reflect the housing need and demand for that area.
- Preference given to developments that provide specialist accommodation including wheelchair accessible and housing with supported accommodation.
- Planning consent is in place and the site is owned by the developer.
- The site is in the Local Development Plan to ensure there will be no delays due to departures from Planning.
- The project can be delivered immediately subject to availability of resources.

5. Consultation

5.1 Aberdeen City Council, with the involvement of its key partners via the SHIP Working Group has prepared this SHIP submission. The SHIP illustrates how the council and its RSL partners will seek to deliver the city's affordable housing investment needs and priorities identified in the Aberdeen City Local Housing Strategy 2018-2023 over a rolling 5-year programme. The SHIP Working Group is the Council's key working group that is responsible for development of the SHIP and the ongoing review of new and current projects through collaboration with Scottish Government via quarterly meetings.

5.2 The RSLs who form part of the SHIP Working Group are:

- Castlehill Housing Association
- Grampian Housing Association
- Hillcrest Housing Association
- Langstane Housing Association
- Osprey Housing
- Places for People
- Sanctuary Housing Association

5.3 In addition to the SHIP Working Group, the Council consults with the Affordable Housing Forum whose members include developers, RSLs and Planning Officers.

6. Resources

6.1 Through the Affordable Housing Supply Programme, the Scottish Government has confirmed the Resource Planning Assumptions (RPA) from 2021/22 – 2025/26. However, for planning purposes, the 2025/26 RPA has been used as the basis of funding for the final year of this SHIP period.

Year	2022-23	2023-24	2024-25	2025-26	2026-27	Total
Allocation(m)	£16.026	£15.981	£16.037	£16.302	£16.302	£80.648

6.2 The Affordable Housing Supply Programme will seek to maximise the delivery of affordable housing through all available housing streams. Partners will continue to investigate and implement new and innovative delivery mechanisms.

6.3 The delivery by the RSL sector is predicated on partnership working with house developers. The co-ordination of these developments with availability of grant funding will continue to be a significant challenge and will need to be carefully managed to ensure the deliverability of the programme.

6.4 Discretion to Reduce Council Tax Discount on Second Homes and Long-Term Empty Properties

6.4.1 Local authorities have the discretion to reduce or retain the Council Tax discount on second homes and long-term empty properties. Aberdeen City Council uses this power, and the additional income is retained locally and used as grant funding for Aberdeen City Council for the provision of new-build affordable social housing.

6.4.2 Income received and paid up to 31 March 2021 is shown below.

	£
Income received	22,808,176
Paid/Committed	20,876,528
Available Balance (at 31.3.21)	1,931,648

6.4.3 The Council Tax on second homes and long-term empty properties provided an income of £1.973m in 2020/21. Based on current void rates in both the private and public sector, projected annual income is assumed to be around this figure, but shall be closely monitored every year and assumptions adjusted accordingly. These funds are disbursed by the City Growth & Resources Committee to support the delivery of affordable housing.

6.5 Section 75 Affordable Housing Contributions

6.5.1 Section 75 agreements are provided through Section 75 of the Town and Country Planning (Scotland) Act 1997 and are negotiated through the planning process. Housing developers may, on occasion, be required to make a financial contribution towards affordable housing rather than delivering affordable housing on the specific site to which the planning permission applies.

6.5.2 Such agreements to date have provided an income as detailed at 6.5.3. These payments are linked to completions on site therefore it is difficult to accurately predict the total to be collected during 2022/23.

6.5.3 Section 75	£
Income received	13,138,229
Interest received	204,597
Total Received	13,342,826
Grants previously paid to RSL	3,620,991
Grants previously paid to ACC	8,055,517
Grants committed to ACC	1,561,042
Set aside (advertising)	5,000
Available Balance (at 31.3.21)	100,276

6.5.4 The funding comes with a requirement to be spent within five - seven years of receipt and must be held in an interest-bearing account. Aberdeen City Council has utilised all funds received up until February 2020. There is therefore no likelihood that any money would have to be repaid to developers, permitting Aberdeen City Council to disburse further grant up until February 2025.

6.6 Local Authority Funding

6.6.1 The council is significantly investing in the delivery of affordable housing using funding from a variety of sources including Council Tax second homes and long-term empty properties detailed at 6.4 above, Developer Obligations detailed at 6.5 above, Council Housing Revenue Account – Capital from Current Revenue and Council Borrowing from Public Works Loan Board. These sources of funding alongside grant which may be available through the Affordable Housing Supply Programme will enable the council to deliver its ambitious new build programme.

7. **Wheelchair Accessible Housing**

7.1 Guidance issued by the Scottish Government states that local authorities must set a realistic target for the delivery of wheelchair accessible housing across all tenures. The first step of this process is to include a position statement in the SHIP that provides details of:

- What the current evidence base is regarding the requirement for wheelchair accessible housing, including any information gaps/further work required with plans to address identified need across all tenures.
- The intended approach to increase this provision and how it will be included within the LHS and Local Development Plan.
- The number of affordable wheelchair accessible homes the local authority plans to deliver over the next 5 years.

7.2 Evidence Base

7.2.1 The Housing Needs and Demand Assessment 2017 shows Aberdeen City Council has 516 wheelchair accessible properties in specialist accommodation (including sheltered and very sheltered) and 293 in 'mainstream' housing.

7.2.2 The Housing Needs Assessment Team (HNAT) assess and prioritise applicants with particular needs for Council housing. The table below shows the number of applicants and their housing requirements, including those who need fully wheelchair accessible accommodation. It shows that 1,255 people require ground floor accommodation, 102 require level access and 65 require full wheelchair accessible design.

	1 bed	2 bed	3 bed	4 bed	5 bed	Total
Ground Floor	993	152	83	21	6	1,255
First Floor	59	58	69	20	4	210
Level access	65	35	11	4	1	116
Wheelchair access	26	26	10	1	2	65
Able for stairlift	0	4	3	0	0	7
Community Alarm recommended	16	6	0	0	0	22
Extra Bedroom	0	33	37	22	3	95
Other or multiple recommendations	977	164	94	36	7	1,278
Total	2,136	478	307	104	23	3,048

7.2.3 In 2020/21 there has been a reduction in the number of applicants applying for accessible housing. There has been a 7.8% reduction in applications for those requiring ground floor accommodation, falling from 1,361 to 1,255; 14% increase for those applying for level access, rising from 102 to 116. The number of people applying for fully wheelchair accessible housing has remained relatively stable, showing only a 2% reduction from 67 to 65 applicants. This demonstrates the ongoing requirement for accessible housing. It should be noted that the response to the pandemic and Covid-19 restrictions may have had an impact on the number of housing applications received during 2020/21.

7.2.4 The Council and its partners are committed to reducing waiting lists for accessible housing by working with the design team to ensure that the needs of those who are currently on the housing waiting lists for wheelchair accessible housing are met through the Affordable Housing Supply Programme.

7.2.5 There is robust information on the supply and demand for the Council's wheelchair accessible housing. Work is ongoing to establish the supply and demand for other sectors. Aberdeen City Council are working with registered social landlords, developers, and Disabled Person's Housing Service (DPHS) to establish a baseline. This work is being overseen by the Independent Living & Specialist Provision Strategic Group that delivers and monitors the Aberdeen City Local Housing Strategy's Joint Delivery Action Plan in relation to specialist provision housing.

7.3 Approach to increase provision

7.3.1 It is widely recognised that whilst new build housing is designed to meet Housing for Varying Needs Standards this does not always translate to wheelchair accessible housing.

- 7.3.2 Aberdeen City's Health and Social Care Partnership's Strategic Plan identifies the challenges of an ageing population and the desire to support people in a community setting. To meet these challenges an adequate supply of good quality accessible housing needs to be in place. The Housing Contribution Statement that underpins the role that housing plays was refreshed in 2018/19 and can be accessed here: <https://www.aberdeencityhscp.scot/globalassets/governance/housing-contribution-statement-2019.pdf>. The next iteration of the Strategic Plan is under development. An innovative approach will be adopted to ensure that housing's contribution forms an integral part of the plan. Joint consultation is underway to determine strategic priorities and actions and the refreshed document is due to be published by April 2022.
- 7.3.3 The intended approach is to increase the overall provision of wheelchair accessible properties and is articulated in the Local Housing Strategy 2018 – 2023. This sets a 15% target for delivery of wheelchair accessible social rented housing.
- 7.3.4 The target for wheelchair accessible housing in affordable housing is in place and engagement with private developers will continue, to encourage an increased provision of wheelchair accessible housing across all tenures. Scotland's Fourth National Planning Framework Position Statement states our policies should reflect our diverse housing and accommodation needs, including the housing needs of older people and disabled people. We will work with developers to encourage more wheelchair accessible homes through National Planning Framework 4.
- 7.4 Number of wheelchair accessible homes
- 7.4.1 The LHS identifies an affordable housing target with a minimum 15% being fully wheelchair accessible.
- 7.4.2 The Council plans to deliver 2,000 new homes, which could deliver over 300 accessible properties. The current programme takes account of the needs of disabled people. The two sites at Smithfield and Manor Avenue which have already been completed has provided 44 houses and 16 flats that have been designed with a ground floor bedroom and accessible shower room. Phase one at Wellheads has delivered 67 units designed to housing for varying needs standards (Category B). Further sites at Craighill, Kincorth and Kaimhill will have at least 15% of the homes as fully wheelchair accessible which will significantly increase the numbers of wheelchair accessible homes across the city.
- 7.4.3 RSL partners are also encouraged to deliver a minimum 15% as fully wheelchair accessible where this is possible.

7.4.4 Based on the 15% target, there is the potential to provide 520 specialist provision properties which includes a commitment for 212 wheelchair accessible properties and 40 specialist provision properties for people who require supported accommodation through the SHIP by the council and RSL partners by 2026/27.

7.4.5 In relation to the private sector, the Council will make the case for greater numbers of accessible homes to be delivered during the consultation on National Planning Framework 4 (NPF4). Engagement with private developers will continue to encourage an increased provision of fully wheelchair accessible housing in the private sector, in line with the requirements of NPF4.

8. SHIP Summary

8.1 The SHIP 2022 – 2027 has the potential to provide up to 5,030 new affordable homes which will deliver significantly more units than are suggested in the affordable housing supply targets identified in the Local Housing Strategy. This will significantly help meet housing need and demand across the city.

8.2 Table 1 - Years 2022/3 – 2026/27

8.2.1 This table shows there is the potential to complete 5,030 affordable units during this period. If all the projects were to go ahead there would be a requirement for grant subsidy of £251.106m. Through the Affordable Housing Supply Programme, the Scottish Government has confirmed the Resource Planning Assumptions from 2021/22 – 2025/26. However, for planning purposes, the 2025/26 RPA has been used as the basis of funding for the final year of this SHIP period.

Year	2022-23	2023-24	2024-25	2025-26	2026-27	Total
Allocation(m)	£16.026	£15.981	£16.037	£16.302	£16.302	£80.648

8.2 Tables 2 & 3

8.2.1 These tables show potential projects which may be able to claim from the Housing Infrastructure Fund. One potential project at Greenferns has been identified.

8.3 Table 4 - Affordable Housing Projects Funded or Supported by Sources other than the RPA/TMDF Budget

8.3.1 This table shows there are no affordable housing projects to be funded completely out with the RPA.

8.4 Table 5.1- Council Tax Raised on Empty and Second Homes

8.4.1 The council continues to raise considerable funding for affordable housing through reducing the Council Tax discounts on empty and second homes and by applying the premium levy on long-term empty homes. The Council Tax income on second homes and long-term empty properties provided an income of £1.973m in 2020/21. These funds have committee approval to be disbursed to the council house new build programme.

8.5 Table - 5.2 Affordable Housing Policies (AHPs) Contributions

9.5.1 As part of Section 75 Agreements, developers can make a commuted payment in lieu of the provision of affordable housing. This funding is used to provide grant for affordable housing to RSL and Council projects. In 2020/21 a total of £0.106 was received. These funds have committee approval to be disbursed to the council house new build programme

9. Council Approval of SHIP

9.1 The SHIP and the associated spreadsheets 2022/23 – 2026/27 are recommended for approval by the City Growth & Resources Committee on 03 November 2021.