

South Ayrshire Council

**Joint Report by Depute Chief Executive and Director of Education
and Director of Housing, Operations and Development
to Cabinet
of 26 November 2024**

Subject: Strategic Housing Investment Plan (SHIP) – 2025/26 to 2029/30

1. Purpose

- 1.1 The purpose of this report is to seek Cabinet approval for the content of the draft Strategic Housing Investment Plan (SHIP) for submission to the Scottish Government.

2. Recommendation

2.1 It is recommended that the Cabinet:

- 2.1.1 approves the Strategic Housing Investment Plan (SHIP) as detailed in Appendices 1 and 2 for onward submission to the Scottish Government; and**
- 2.1.2 delegates authority to the Depute Chief Exec and Director of Education and Director of Housing, Operations and Development to amend and finalise this document based on feedback received from the Scottish Government.**

3. Background

- 3.1 Each year, the Scottish Government requests that local authorities, in their strategic capacity, outline the new supply of affordable housing requirements for their area. The Strategic Housing Investment Plan (SHIP) sets out the Council's affordable housing investment priorities and outlines how the Government's ambitions will be delivered locally. The current SHIP for South Ayrshire was approved by Cabinet on 31 October 2023.
- 3.2 In August 2023, Cabinet also approved the Council's Local Housing Strategy 2023-2028 (LHS). As part of developing the LHS, and in consultation with partners, a target of 135 new affordable homes per year was agreed. This target is likely to be exceeded this year with a projected 176 new affordable homes being delivered for social rent in South Ayrshire with projects at Mainholm and St Ninians completing.
- 3.3 In May 2024, South Ayrshire received its Resource Planning Assumption which sets out indicative grant funding for the immediate fiscal year and assumed grant for the future years. This was reduced by 24% from previous years allocations and is

assumed at £9.954 million pound per year. This has required Officers to engage with our RSL partners and involved stakeholders to reprofile the S.H.I.P noting the effect reduced funding will have on development opportunities. Despite the reduction from national government, the plan if all developments proposed are delivered, will continue to exceed the targets set within the Local Housing Strategy.

- 3.4 Along with the newly set housing supply target of 135 units per year, a wheelchair housing target was also set. The target for wheelchair accessible homes is a new requirement for the LHS and S.H.I.Ps. Based off data in the Housing Needs and Demand Assessment and along with consultation with relevant stakeholders, the Wheelchair Accessible Target was set at 20 units per year. In the first year of this new target, 5 fully accessible homes have been handed over with more to be completed as the year progresses.
- 3.5 Guidance from the Scottish Government indicates that the SHIP should overestimate the planned housing delivery over the life of the document. This is to ensure that resources can be redistributed within South Ayrshire should there be slippage in the local or national programme. Due to the success of the programme, South Ayrshire has received additional funding in financial years 22/23 and 23/24 due to over delivering against the plan.
- 3.6 In September 2024, the Scottish Government also confirmed that the subsidy rates awarded under the Affordable Housing Supply Programme would be changing. The subsidy would change from £83,584/ £88,260 per unit for local authorities and £91,182/ £97,027 for RSL developments, to £87,763/ 92,673 for local authorities and £95,741/£101,878 for RSLs, a 5% increase on previous rates. Developments will also be eligible to receive enhanced subsidies for meeting additional quality measures, such as installation of net zero heating systems or other property enhancements. Our programme seeks to achieve high standards on the homes we build and maximise as much grant funding opportunities as possible.
- 3.7 Officers have also been undertaking an extensive study into the housing need and demand within our rural communities. This piece of work last conducted in 2019 and whilst not yet concluded has begun to highlight the level, location and type of housing required to meet the current and future needs within our rural communities. As such, Officers are now exploring how we can utilise other funding streams, such as Key Worker funding as well as working with private developments looking to access rural housing grant funding to promote new initiatives. There is also the addition of new proposed developments within rural areas contained within the SHIP and as well as delivery timescales.

4. Proposals

- 4.1 Period 2025/26 to 29/30 will see a total of 742 affordable homes delivered throughout South Ayrshire. The current financial year 2024/25 is also included below for context.

Year	Units on Site
2024/25	258
2025/26	135
2026/27	267

Year	Units on Site
2027/28	202
2028/29	115
2029/30	23

4.2 The Scottish Government requests that Local Authorities plan for unexpected delays or constraints that may emerge. Therefore, we have over-programmed and included a 'Shadow Programme' with a potential of 362 units. The Shadow Programme is shown within the SHIP document.

4.3 It is proposed that the Cabinet approves the draft SHIP for South Ayrshire and associated table attached to this report as Appendix 1. For ease of reading, the tables are available in a more accessible format attached as Appendix 2.

5. Legal and Procurement Implications

5.1 Delivering the SHIP will require the conclusion of Section 75 planning agreements and application of the Council's Affordable Housing Policy for certain sites. This will be done in partnership by the Council's Planning, Legal and Housing teams.

5.2 There are no procurement implications as further reports will require approval from the Cabinet before work on individual sites proceeds.

6. Financial Implications

6.1 This SHIP will determine the local allocation of the Affordable Housing Supply Programme (AHSP) for the period 2025/26 to 2029/30.

6.2 The SHIP projects overspend in South Ayrshire's Affordable Housing Supply Programme funding in, 2025/26, 2026/27, 2027/28, 2028/29, 2029/30. The Scottish Government have indicated that South Ayrshire may be able to attract additional grant funding from underspends in other local authority areas, but this will not be confirmed until later in the financial year. In the event that not enough additional funding is available, the Council and its partners may be required to 'front fund' some projects from borrowing until grant become available. Cabinet will be kept informed through the Housing Capital Programme updates throughout the year.

6.3 The SHIP also outlines the Council's contribution to the affordable housing development programme from a proportion of Council Tax income generated from Second Homes and Commuted Sums.

6.4 The uncommitted funds in these two accounts are £671,527.88 and £0 respectively with a further breakdown available in Appendix 1 under the Investment Programme section. Proposed use of these funds towards individual projects will be presented to Cabinet on a site-by-site basis.

6.5 The SHIP has no direct financial implications for the HRA Business Plan as it is a strategic document. Any proposed Council new build projects will be assessed against the HRA Business Plan to ensure viability prior to presentation to the Cabinet.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 New risk(s) has/ have been identified and assessed in line with the Council's risk management process as follows: an inability to achieve our target could see affordable housing grant being reallocated to other parts of Scotland. These will be managed within existing operational activities and reference to the status of mitigations will be available through the Risk Register.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 Rejecting the recommendations may have financial implications and impact on the reputation of the Council by failing to increase the supply of affordable housing and make best use of available Scottish Government subsidy. This subsidy would be diverted to other Local Authorities if South Ayrshire cannot commit to delivery of the SHIP.

8.2.2 Rejecting the recommendations may result in increased pressure on the availability of affordable housing in the local area.

8.2.3 Rejecting the recommendations may result in the Council failing to make best use of available land to meet local housing need.

9. Integrated Impact Assessment

9.1 An Integrated Impact Assessment (IIA) has been carried out on the proposals contained in this report, which identifies potential positive and negative impacts and any required mitigating actions. The IIA is attached as Appendix 3.

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - The Scottish Government Gateway has been contacted regarding this plan, and it has been determined that an SEA will not be pursued and the implications for the environment will not continue to be monitored. This is because the South Ayrshire Local Development Plan has been subject to, and guided by, a substantial SEA process at each stage of its development.

11. Options Appraisal

11.1 An options appraisal has not been conducted in relation to the subject matter of this report. However, sites in preferred locations and those more likely to be developed within the next 5 years have been prioritised within the SHIP.

12/

12. Link to Council Plan

12.1 The matters referred to in this report contribute to key commitments and priorities set out in the Council Plan 2023- 28. With regards to improving our Places and Spaces, ensuring South Ayrshire is a good place to Live, Work and Learn as well as having and achieving a sense of Civic and Community Pride.

13. Results of Consultation

13.1 There has been no public consultation on the contents of this report however, public consultation as part of the Local Development Plan process has identified many sites detailed within the SHIP.

13.2 Consultation has taken place with Councillor Martin Kilbride, Portfolio Holder for Buildings, Housing and Environment, the contents of this report reflect any feedback provided.

13.3 Local members have been consulted on proposed sites in their wards.

13.4 Consultation has taken place with the More Homes Division of the Scottish Government and Registered Social Landlords operating in South Ayrshire. Both the Scottish Government and RSLs are supportive of the SHIP with a view to maximising affordable housing delivery across South Ayrshire.

14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Depute Chief Executive and Director of Education and Director of Housing, Operations and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Submission of the Strategic Housing Investment Plan (SHIP) in draft format (subject to final clearance) to the Scottish Government	1 December 2024	Service Lead- Housing Strategy and Regeneration

Background Papers **Report to Cabinet of 29 August 2023 - [Local Housing Strategy 2023 to 2028](#)**

Report to Leadership Panel of 26 October 2021 - [Housing Need and Demand Assessment 2021-2026](#)

Person to Contact **Chris Carroll – Service Lead, Housing Strategy and Regeneration**
County Buildings, Wellington Square.
Phone 01292 272020
E-mail chris.carroll@south-ayrshire.gov.uk

Date: 18 November 2024

Strategic Housing Investment Plan

2025/26 – 29/30





**The Strategic Housing Investment Plan (SHIP)
2025/26 – 2029/30 sets out the strategic
investment priorities for affordable housing over
the next five years**

Contents

Introduction	4
Strategic Priorities	5
Partnership Working & Governance	6
Investment Programme	7
Deliverability	7
2nd Home Council Tax Fund	7
Developer Contributions	8
Prudential Borrowing	8
Infrastructure Fund	8
Progress on Previous SHIP 2022/23 – 2026/27	9
Investment Priorities	10
Second Hand & Empty Homes Buy Backs	11
Energy Efficiency and Fuel Poverty	11
Empty Homes	12
Older People and independent Living	13
Rural Needs	13
Wheelchair/Specialist Provision	15
Housing to 2040	16
Equalities	17
Rapid Rehousing Transition Plan	17
Child Poverty Action	18
Strategic Environmental Assessment (SEA)	18
Shadow Programme	19
Appendix A – Strategic Housing Investment Plan timetable	20

Introduction

The Strategic Housing Investment Plan (SHIP) 2025/26-2029/30 sets out the strategic investment priorities for affordable housing over the next five years that will achieve outcomes set out in the Local Housing Strategy and HNDA.

The SHIP is based on the Resource Planning Assumption (RPA) confirmed by the Scottish Government in May 2024 as part of the Affordable Housing Supply programme (AHSP) and subsidy rates outlined in October 2024.

The Council has forecast, in consultation with the Scottish Government, that funding for affordable housing development in South Ayrshire will equate to £49.77m between April 25– March 2030. Local Authorities are encouraged to carry-forward limits of guaranteed assumptions for 2025/26 – 2027/28 be set at 80%/60%/40% of the current year RPA.

The Affordable Housing Development projects identified for the RPA period 2025/23 to 2029/30 are detailed in Appendix 1. The nature of development means that unexpected delays or constraints may emerge, therefore we have over-programmed to include additional potential projects in our “shadow programme” to take forward in the event of project slippage.

This “shadow programme” of alternative sites is detailed in appendix 2. Further council approval will be required before any of these projects are taken forward.

All Council led projects that meet the criteria outlined within the SHIP will be formally approved by the Council to determine housing mix and type.



Strategic Priorities

South Ayrshire Council's Local Housing Strategy 2023 - 2028 makes special mention to housing supply and making sure that new build developments meet the local needs as far as possible and that the existing stock in the local authority area – whether public or private- is used as efficiently as possible. This is achieved by:

- Setting the housing supply targets
- Making best use of existing stock
- Rural Housing
- The Private Rented Sector (PRS)
- Build to Rent (BTR)
- Mid-Market Rent (MMR)
- Self-Build/Custom Build

The overarching priority of the Housing Supply theme in the LHS 2023 – 2028 is that “People across South Ayrshire can find a good quality home that they can afford, that meets their needs and is in an area where they feel safe and connected”. In order to achieve this priority, a target of 135 units of affordable housing are built or acquired per year to meet need. The LHS 2023 – 2028 supports the delivery of these 135 units per year with the following actions;

- Consider innovative ways to increase the housing stock and ensure any new approaches/sites are supported and incorporated within the LDP.
- Implementation and annual review of the Strategic Housing Investment Plan (SHIP) in collaboration with key stakeholders.
- Promote South Ayrshire's assets to private housing developers to encourage the progression of new builds sites.
- Work with a range of partners to identify opportunities to progress housing developments on identified brownfield sites which are currently financially unviable.
- Lobby the Scottish Government for a greater level of subsidy to meet valuations in higher demand areas allowing us and to increase our housing stock within areas where we have a higher applicant to let ratio.

The SHIP tables in appendix 1 outline how this overarching priority is met by South Ayrshire Council and its partners.

South Ayrshire Council has developed a Housing Need and Demand Assessment (HNDA) 2022-2027. The key findings within the HNDA informed the Local Housing Strategy of need for wheelchair accommodation, see below for further details. The LHS 2023 – 2028 identified a need for 20 units of affordable wheelchair accommodation per year to be developed along with stakeholder consultation.

The LHS acknowledges that many tenants in social housing are dependent on housing benefits and under pressure from the impact of welfare reform and rising living costs. Therefore, to ensure homes are affordable, rent levels for new build properties will be set on or below the Local Housing Allowance.



New build properties will aim to be cheaper to heat by investing in new heating systems as well as investigating innovative methods to keep homes warmer for longer. Some of these methods currently being explored by the council are outlined overleaf. These methods will help the council meet outcomes set out within the Council's Climate Change and Sustainable Development Strategy.

Partnership Working & Governance

The council is committed to supporting our partners to deliver affordable housing developments within South Ayrshire. The following key stakeholders have influenced the SHIP:



South Ayrshire Council Services (Planning, Asset Management, Housing Operations, Finance and the Health and Social Care Partnership)

Ayrshire and from all tenures.

Liaison meetings have taken place between South Ayrshire Council, RSL partners and the Scottish Government. These meetings discussed investment in the delivery of affordable housing in South Ayrshire over the next five years and agreed approaches for achieving the aims set out in our Local Housing Strategy.

As well as the online survey, meetings were held with our partner organisations to concentrate on different areas split into theme groups that were; Placemaking, Prevention, Provision and Integration and Health Homes and Fuel Poverty. The theme group meetings then informed the LHS, and a final draft was made available for consultation on the Council's website and circulated to partners and publicised on social media platforms.

Informal internal meetings are also regularly held with RSL partners to discuss current individual affordable housing developments and future development opportunities.

HNDA consultation

The development of our recent HNDA took place during the COVID-19 pandemic therefore opportunity to contribute was limited. However South Ayrshire Council sought to take a collaborative approach to developing the HNDA and the following methods were used to seek views on key issues;

The Council adopts a collaborative approach in the preparation of the SHIP not only with its partner RSL's but also the Health and Social Care Partnership. Discussions have taken place to confirm housing demand and location preference to enable support requirements.

- The housing market partnership met regularly throughout the production of the HNDA with representation from relevant services.
- A joint Housing and HSCP workshop was held to provide an opportunity for staff to discuss how we can work together.
- Another joint Housing and HSCP workshop was held for young people with experience of homelessness and complex needs as well as professionals working with this group
- A workshop involving professionals delivering services to minority communities was held
- Wider public consultation took place in July and August 2021 on the consultative draft of the HNDA.

The co-ordinator for Housing Policy & Strategy and Councillor Martin Kilbride, Portfolio Holder for Buildings, Housing and Environment have regular meetings in preparation of this SHIP. Consultations on developments have also been carried out with the community where they are to be delivered.

If any project becomes delayed or non-viable, the Council will work with RSL partners and the Scottish Government to ensure that new homes are delivered by accelerating other projects within the SHIP.

LHS

Our LHS was developed through early consultation with an online survey promoted on our social media platforms as well as distributed to our partners. The survey closed on October 2023 and received 177 responses with representation throughout South

Investment Programme

On the 10th September 2024, the Scottish Government wrote to South Ayrshire Council to confirm that the Resource Planning Assumption (RPA) for 2024/25 was £9.954m

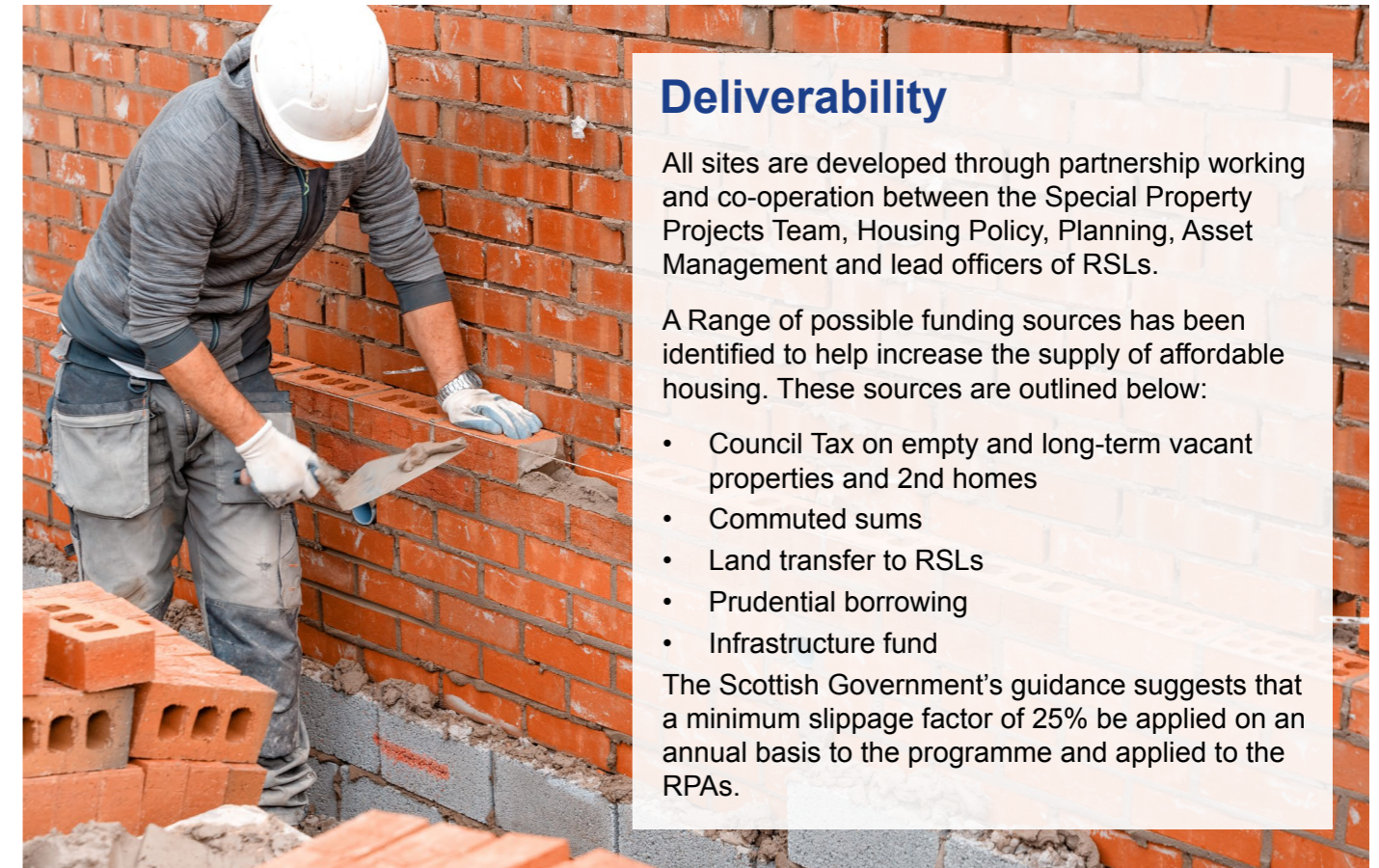
The national resources available for future RPAs will depend on future budget decisions by the Scottish Government. However, South Ayrshire Council have been advised to work on the assumption that the RPA's beyond 2024/25 will be at least1

2025-26	2026-27	2027-28	2028-29	2029-30	Total
£9.954m	£9.954m	£9.954m	£9.954m	£9.954m	£49.77m

This equates to £49.77m over the five-year period.

This funding will be made available on the basis of subsidy rates set by the Scottish Government of £87,763/ £92,673 per unit for local authorities and £95,741/£101,878 for RSL developments

¹<https://www.gov.scot/publications/affordable-housing-resource-planning-assumptions-to-councils-2021-2022-to-2025-2026/>



Deliverability

All sites are developed through partnership working and co-operation between the Special Property Projects Team, Housing Policy, Planning, Asset Management and lead officers of RSLs.

A Range of possible funding sources has been identified to help increase the supply of affordable housing. These sources are outlined below:

- Council Tax on empty and long-term vacant properties and 2nd homes
- Commuted sums
- Land transfer to RSLs
- Prudential borrowing
- Infrastructure fund

The Scottish Government's guidance suggests that a minimum slippage factor of 25% be applied on an annual basis to the programme and applied to the RPAs.

2nd Home Council Tax Fund

There is £672,527.88 currently uncommitted from the second homes council tax fund for 2024/2025. It is proposed that these funds are utilised for an affordable housing development that has been identified in Coylton. This development would provide 13 affordable housing units in an area of high housing demand.

If progression with the affordable housing site at Coylton were not to proceed the uncommitted sums would be held to then be used for a future affordable housing development when identified.

Developer Contributions

In terms of developer contributions, it is the Council’s stated preference within the affordable housing policy that affordable housing contributions should be made on-site, in whole or in part.

This preference meets identified affordable housing needs and supports the development of mixed, sustainable communities across South Ayrshire.



However, where an on-site contribution is not possible there are other flexible alternatives (in no priority order):

- The Delivery of unsubsidised affordable housing units on-site;
- Payment of a commuted-sum in lieu of on-site affordable housing;
- Provision of a plot on off-site land.

Each site will be considered on it’s own merits in line with a range of priorities, including deliverability, housing mix, the needs of partners and priorities identified in the HNDA and LHS.

The balance of Commuted Sums as of 31st March 2024 is £0. In August 2023, a paper was submitted to cabinet to request to utilise the full amount of Commuted Sums from 2023 (£183,687.76) for the new build development Affordable Housing – Riverside Place, Ayr. Following the approval of this paper, the balance of Commuted Sums is £0.

Prudential Borrowing

The Council, in accordance with it’s Housing Revenue Account (HRA) Business Plan, is committed to specific prudential borrowing of:

Financial Year	Borrowing (Millions)
2024/25	£81,361
2025/26	£19,929
2026/27	£22,989
2027/28	£31,621
2028/29	£25,069

As projects reach design conclusion and are approved by elected members, borrowing levels may vary to support new housing delivery.

In the previous financial year 2023-24, 97 units were completed. This current financial year will see 258 units either completed or on site by the end of 2024-25.

Infrastructure Fund

The Scottish Government has introduced an Infrastructure Fund to support projects where the scale and nature of infrastructure costs would prevent it from being supported through the Affordable Housing Supply Programme. The Scottish Government is keen to see development of a number of pipeline sites that are capable of bringing forward housing within the next 5 years. Sites that are applicable have been detailed in Appendix 1 to support completion within the Scottish Government’s timescales. The Council will work with developers and their agents to support any planned application to the Infrastructure Fund.

Progress on Previous SHIP

2023-24 Completions						
Project	Sub area	No. Units	Developer	Specialist Provision	Subsidy Required	Progress
Greenan Phase 4	Ayr	6	RSL – WOSHA		£432,000	Completed end of 2023
Second Hand Market Purchases Phase 9	Throughout South Ayrshire	37	Council	General	£1,665,000	Buy back of ex local authority properties throughout South Ayrshire completed in early 2024
Monkton	Monkton	22	Irvine Housing Association	General		Completed Late 2023
Mainholm	Ayr	35	Council	General		13 units 2nd August 2023, 8 units 30th august 2023, 8 units 30th august February 2024 14 units.
2024-25 Progress						
Project	Sub area	No. Units	Developer	Specialist Provision	Subsidy Required	Progress
Second Hand Market Purchases Phase 10	Throughout South Ayrshire	30	Council		£1,350,000	Ex Local authority properties are sourced regularly on the open market and through private purchase. Phase 10 will complete in March 2024
Mainholm Phase 1	Ayr	69	Council	Amenity Units		Due for completion Late 2024
Mainholm Phase 1	Ayr	91	Council	Amenity Units		Due for completion Early 2025
Riverside Place	Ayr	33	Council	General		On site currently, next handover of units due 2025/26
Ayrshire Housing Open Market Purchasing	Throuhgout South Ayrshire	10	Ayrshire Housing	General		properties are sourced regularly on the open market and through private purchase. Phase 10 will complete in March 2024
Croft Road	Tarbolton	25	Ayrshire Housing	General		Started on Site Jan 2024 Due for completion November 2024

Investment Priorities

The Local Housing Strategy (LHS) emphasises the importance of establishing investment priorities that will align with the Scottish Governments Affordable Housing Target.

To synchronise the SHIP and LHS priorities we aim to achieve an increased supply of social rented housing in high priority areas that have been identified in the HNDA 2022-2027 which also makes note of plans to address rural developments. The HNDA 2022-2027 has identified a net existing need figure of 1,328 households. Additionally, an increase of the provision of easily adaptable and wheelchair accessible new build housing, and housing for specific needs on site-by-site basis in partnership with the Health and Social care partnership and RSL's.

The Scottish Government published its vision for Scotland's housing over the next 20 years. In this vision, it sets a target of 100,000 affordable homes promised by 2031/32 and makes specific support for development in rural and island communities, helping to stem rural depopulation by examining modern methods of construction and other building that involves new technology to assist challenges in rural areas.

The number of affordable homes delivered in South Ayrshire will be of the size and type to coordinate with the HNDA 2022-2027. Each development identified in the SHIP will be assessed on a case-by-case basis for size and type.

Second Hand Market Purchases – Council Buy Backs

South Ayrshire Council operates a very successful "Buy Back" scheme where the council can purchase ex-local authority properties that meet strategic objectives.

Purchasing ex-local authority properties is an economical and carbon friendly way of increasing council housing stock and ensuring a warm energy efficient and affordable home with a Scottish Secure Tenancy for a household on our waiting list.

The Buy Back scheme also allows the council to progress with retrofitting blocks of flats with energy efficiency measures by increasing the ownership within the block.

The SHIP details the number of properties to be bought back in the next three phases of Second-Hand Market Purchases. Subsidy levels for these have recently changed to a tiered approach to subsidy shown below.

Property Purchase Price	Scottish Government Grant
Up to £80,000	£40,000
£80,001 - £99,999	£45,000
£100,000 or >	£50,000

A breakdown of where properties have been purchased via the buyback scheme shows 121 properties have been brought back into Council ownership from 2019/20 with 5 completed to date in 2024/25.

	Ayr	Prestwick	Troon	Maybole	Girvan	Annbank	Dundonald	Tarbolton	Mossblown	Coylton	Total
2019/2020	14	3	0	1	1	1	1	0	1	0	22
2020/2021	15	2	0	0	0	0	0	0	0	0	17
2021/2022	12	1	0	0	0	0	0	1	0	0	14
2022/2023	17	1	2	1	2	1	0	0	1	1	26
2023/2024	27	1	1	1	4	0	0	1	1	1	37
2024/2025	5	0	0	0	0	0	0	0	0	0	5
Total	90	8	3	3	7	2	1	2	3	2	121

Energy Efficiency and Fuel Poverty

The Scottish Government has set a target of 2045 for Scotland to reach net zero, with interim targets of 75% by 2030 and 90% by 2040. For buildings, this will include the introduction of a 'New Build Zero Emissions from Heat Standard' which will be introduced from 2024. This will require all new builds to have zero emissions heating systems. The new standard will lead to a ban on gas and oil boilers in new builds.

The net zero target requires all buildings across Scotland to reach net zero by 2045. This will include all buildings built before 2024.

In conjunction with the above objectives, the 'Housing to 2040' vision document recently issued by the Scottish Government encourages all social housing to be net zero by 2024.

All projects proposed in the SHIP will help to tackle fuel poverty and ensure that heat is affordable for residents by increasing energy efficiency and reducing the amount of energy required to heat the home and aims to meet outcomes set out within the Councils Climate Change and Sustainable Development Strategy, Outcome 3.1 Homes and Communities are energy efficient, environmentally sustainable and fuel poverty is minimized.

The Council are currently investigating measures that could be taken to reduce carbon missions and progress towards net zero with our new build sites at Mainholm and Riverside. These measures include:

- Enhanced floor and roof insulation
- Enhanced air tightness
- Mechanical Ventilation with Heat Recovery (MVHR)
- Triple glazed windows
- Air Source Heat Pumps (ASHPs) to houses
- Exhaust Air Heat Pumps (EAHPs) to flats
- Underfloor heating
- Enhanced rainwater goods
- Waste Water Heat Recovery (WWHR) to bath/shower water

Each of these measures will be taken under consideration and

applied to new build sites where appropriate.

The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 Act establishes a new two-part definition whereby a household is considered fuel poor if:

- after housing costs have been deducted, more than 10% (20% for extreme fuel poverty) of their net income is required to pay for their reasonable fuel needs; and
- after further adjustments are made to deduct childcare costs and any benefits received for a disability or care need, their remaining income is insufficient to maintain an acceptable standard of living, defined as being at least 90% of the UK Minimum Income Standard (MIS).

It is estimated that 35% of all households in South Ayrshire are experiencing fuel poverty. This is approximately 18,000 households. This can impact the health of children, as children in cold homes are twice as likely to suffer from breathing problems as well as influencing their ability to thrive in their education. Health issues may prevent them from attending school and a lack of warm space preventing them from completing homework.



Empty Homes

A long-term empty property can be detrimental to the environment and attract anti-social behaviour. South Ayrshire Council has a specific Empty Homes Strategy for tackling this issue and has a close working relationship with the Scottish Empty Homes Partnership in bringing empty properties back into use to alleviate homelessness and increase the number of affordable homes.

19 properties were brought back into use during 2023/24 with direct involvement from the Empty Homes Officer. The Empty Homes Strategy sets a target of 20% of Long term Empty Properties to be returned to use by the end of the strategy 2023. Since 2017, 107 empty properties have been brought back into use. In April 2023, Council Tax records showed 716 private sector properties were recorded as empty homes. The pandemic slowed progress meaning that to date 15% of empty homes have been brought back into use. The Empty Homes Strategy is due to be approved in 2025 with an ambitious target for bringing back long term empty properties.

The length of time a property has been empty before being brought back into use varies. The majority of properties are empty between 1 and 5 years.

Length of time a property had been empty before being brought back into use 2023-24

Duration as Empty	No. of Properties
Less than a year	7
1-2 Years	6
2-5 Years	6
5-10 Years	0
10+ Years	0

The Empty Homes officer will implement several strategies to bring long term empty properties back into use. This can include; Advice about renting, advice about selling, providing an empty homes loan, issuing a VAT reduction letter, purchasing the property through the council’s buy back scheme or using the matchmaker scheme to find a suitable buyer. Details of the number of properties back into use over the last three years and the methods used are shown in the table below

Properties brought back into use and methods used 2020 – 2023

Financial Year	No. of properties brought back	Methods used							
		Advice about renting	Advice about selling	Empty Homes Loan	Sold via Buy Back Scheme	Sold via Matchmaker scheme	VAT reduction Letter	Motivation	Social Letting Service
2020-21	6		1		5				
2021-22	14	2	2		5	1	3	1	
2022-23	16	1			11	1	2	1	
2023-24	19	4	3		8	1	3	2	1

The Council is due to revise it’s Empty Homes Strategy and will explore further options to bring long term empty properties back into use such as;

- Sweat Equity
- Compulsory Purchase Orders
- Grant Funding

The Empty Homes officer has also recently created strong links with the newly formed Social Letting Service. Moving forward, more properties will be brought back using this method.

Older People and independent Living

South Ayrshire has an ageing population, and it estimates that 27% of households will be over the age of 75 by 2037. Therefore, we will work to address the housing and support need of older people by working in partnership with the Health and Social Care partnership.

Helping older people to remain independent in their own home for as long as possible is a key element in our approach to ‘independent living’. Aids and adaptations are offered to help older people and people with disabilities in South Ayrshire by supporting them to live safely, comfortably, and independently at home.

Provision of housing for older people is a main priority in our new build programme. Specifically built and designed properties are being developed and integrated within developments to provide balanced communities.

Housing Adaptations helping people to remain independent in their own home for as long as possible is a key element in our approach to ‘independent living’ identified in the LHS. This can involve the adaptation of people’s homes to meet their needs, reviewing people’s housing options and exploring specialist accommodation.



Rural Needs

28% of South Ayrshire population live in rural areas or remote small towns. Appropriate housing is key to ensuring our rural communities remain sustainable and residents can meet their current needs as well as their future aspirations.

South Ayrshire Council’s Local Development Plan (LDP) notes that we will give support to “development in rural areas which supports prosperous and sustainable communities while protecting and improving the environment”. Housing development outside existing developments should primarily involve:

- Reusing existing buildings and replacement housing,
- Infill development within existing clusters or groups of housing, and housing to meet rural business requirements.

The Council are currently undertaking an intensive Rural Housing Study with Arneil Johnston to understand the hidden demand in some of our rural areas and what type of housing is required in these

areas. Findings will be presented in late 2024 and will allow us to engage with relevant partners to deliver housing in key rural areas.

While the rural housing study will help to inform the SHIP and help achieve strategic objectives set out in Housing to 2040, the council are keen to engage with any partners in the interim. We are currently in discussions with a private developer who is keen to engage in the rural housing fund and housing enablers to develop amenity type accommodation in Dailly. The development is not formed enough to include in the SHIP at this stage, however the Council will continue to engage with the developer and the Health and Social Care Partnership throughout the development.

The council are also engaging with the Health and Social Care Partnership to utilise the Rural Housing Key worker’s fund. This will allow us to fill vacancies that are difficult to fill due to the lack of accommodation in rural areas. The council will update on this fund through the SHIP in the coming years.

Wheelchair/Specialist Provision

New social housing developments in South Ayrshire have been enhanced by adopting a “lifetime homes” approach to new build properties. Meaning houses are built to achieve Housing for Varying Need standard and incorporate accessibility features from the outset. These properties are designed to be adaptable over time to accommodate an individual or family’s changing needs (which could include the need for a wheelchair). Within our current new build properties at least 12% are suitable for wheelchair users.

In addition, South Ayrshire Council is keen to explore opportunities to develop new-build specialist accommodation that also allows the care needs of older people and people with disabilities to be met on site. One such ‘core and cluster’

development is planned in Fort Street Ayr, and the authority will work with the Health and Social Care Partnership to identify opportunities for development in the years to come. (Info on fort street)

the current HNDA (2022 – 2027) has identified an estimated 1810 wheelchair users in South Ayrshire. The previous HNDA (2016 – 2020) estimated 1,850 wheelchair users in South Ayrshire, which proves a degree of continuity.

The HNDA (2022 – 2027) has provided an estimate of unmet housing need among wheelchair user households in South Ayrshire as 353 households. The table below, shows the unmet housing need of wheelchair user households as discussed in the HNDA.

Household type	Estimated households, 2018, as per Table 3.a	Calculation	Unmet need
Number of households using a wheelchair all the time	314 households	Assume 19% (all of those in EHS requiring adaptations and accommodation unsuitable)	60 households
Number of indoor only user households	154 households	Assume 25.6% (all of those in SHS requiring adaptations and accommodation unsuitable)	39 households
Number of outdoor only user households	1,342 households	Assume 19% (all of those in EHS requiring adaptations and accommodation unsuitable)	254 households
Estimated unmet housing need among wheelchair user households in South Ayrshire in 2018			353 households

Table 2. Estimate of unmet housing need among wheelchair user households in South Ayrshire, 2018

The LHS 2023-2028 set a target of 20 units of affordable wheelchair accessible housing per year. This number is to be annual reviewed through this SHIP as well as an annual review of the contribution that private developers will have in the delivery of wheelchair accessible housing.

In terms of demand for housing, we work closely with the Integrated Joint Board to identify specific needs and through Council and RSL new build seek to address the needs of wheelchair users through the AHSP. In addition, all social housing developed as part of the AHSP meets Housing for Varying Needs, and as such can be adapted to meet the needs of households with disabilities.

If wheelchair accessible housing targets cannot be met from public sector housing developments alone, the council will consider introducing a percentage wheelchair accessible housing policy for private market housing developments in LDP3, based on the findings of the HNDA and the deliberations informing the LHS. The Council have proactively engaged with Health and Social Care Partners to deliver new build developments that help us achieve our strategic aims with respects to specialist provision and wheelchair accessible housing. Below are some examples of recent developments that have been delivered under the Affordable Housing Supply Programme.

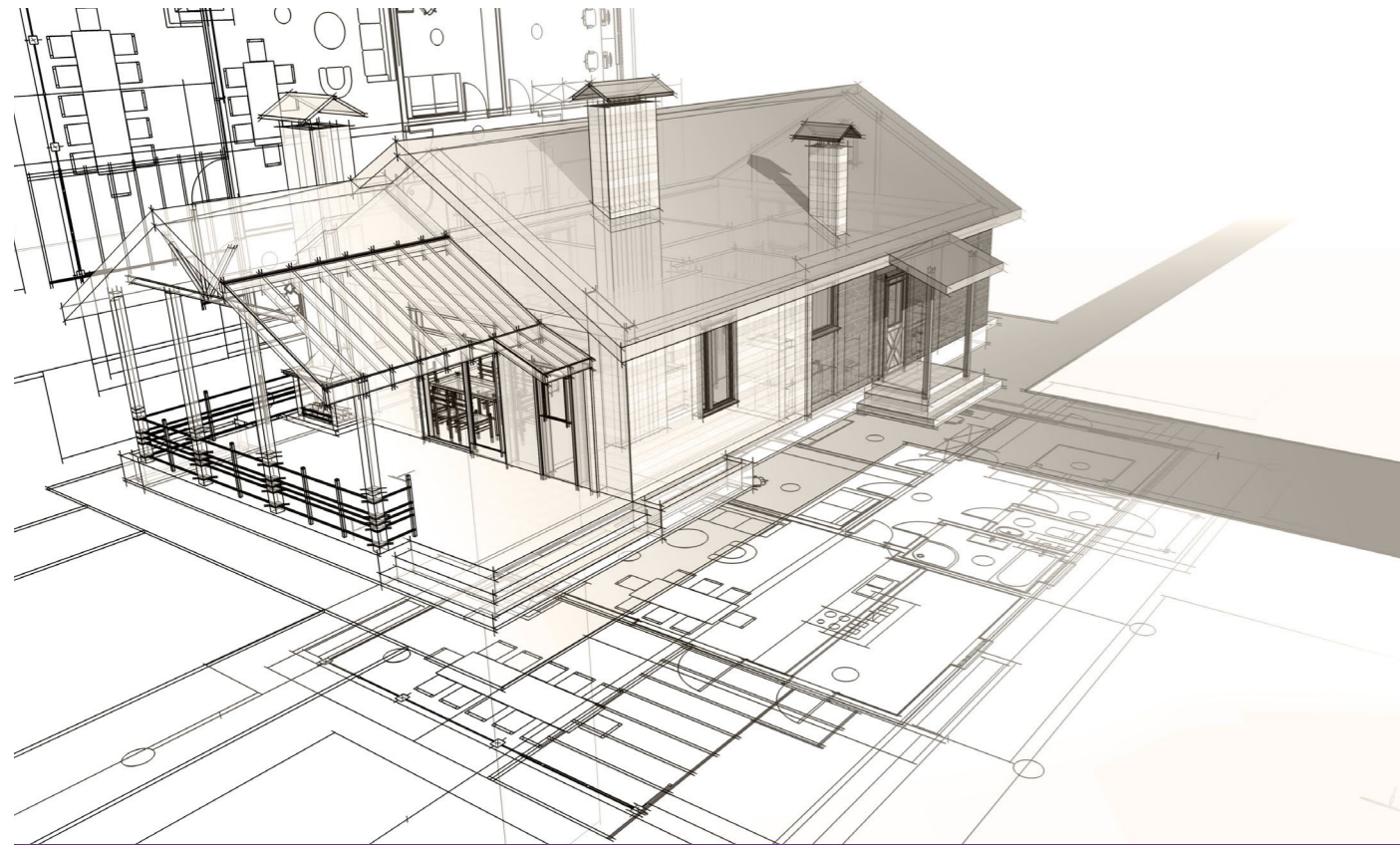


Fort Street

Fort Street Ayr was developed with the Health and Social Care Partnership to deliver 12 1-bedroom units with one unit being utilised by support provider Enable. This allows a staff member to be located in the development to provide support and assistance to residents living within the development with learning difficulties.

Mainholm & Tarbolton

Our recent developments at Mainholm and Tarbolton are examples of where the council are striving to meet wheelchair accessible housing. Mainholm boasts 21 amenity bungalows as well as 4 3- bed fully wheelchair accessible units and 1 2 bed wheelchair units due for completion at the end of the financial year. The development at Tarbolton has 2 3 -bedroom wheelchair accessible units, one of which was allocated to a family who had previously been in unsuitable living conditions.



Housing to 2040

The Scottish Government have recently published their Housing to 2040 strategy that outlines the vision for housing over the next 20 years. The strategy's vision describes what stakeholders wanted their homes and communities to look like in 20 years' time and is deliberately ambitious. The principles outline a guide to policy decisions might be formed in the future to make the vision a reality. The vision and principles have informed the Housing to 2040 route map.

The route map is divided into four main areas:

- Building more homes
- Increasing affordability and choice
- Making homes warmer using greener energy
- Improving the quality of all housing

Within this strategy, there are several key features that may have a significant impact on the council's new build programme and as such have an impact on the SHIP. These include:

- 100,000 more affordable homes by 2031/32, at least 70% of which will be for social rent.
- All new homes built by councils and registered social landlords to emit zero carbon by 2026.
- A housing standard to cover all new and existing homes, including agricultural properties and mobile homes.
- An accessible homes standard for new homes, giving disabled people more options and reducing the need for adaptations as people get older.
- Planning guidance that ensures amenities, including open space, are within easy reach of people's homes.

The council will continue to monitor guidance that comes from the Scottish Government in relation to this strategy and strive to achieve the outcomes set out in the vision, many of which are currently high priority in the current SHIP.

Equalities and Integrated Impact Assessments.

South Ayrshire Council is fully committed to the general principles of fairness and equality and seeks to apply these principles in all that it does as a community leader, service provider, education authority and employer.

In taking these actions forward regarding affordable housing development, our SHIP has been subject to a full Equalities Impact Assessment (EIA) to consider any potential issues with our programme.

Our EIA did not identify any negative impacts in the delivery of our Affordable Housing Development Programme. There were a number of positive impacts that were identified when undertaking the EIA, mainly;

- Affordable housing for those in lower incomes
- More energy efficient properties reducing housing running costs.
- Improving the health and wellbeing of new tenants where particular health related housing needs are met within individual housing development projects.
- Meeting the housing needs of people wishing to live in rural areas within individual rural based housing development projects.
- The SHIP may impact positively on deprivation and issues relating to poverty and social exclusion as it will help to increase the supply of affordable housing across South Ayrshire and therefore help to meet housing need.



Rapid Rehousing Transition Plan

South Ayrshire Council's Rapid Rehousing Transition Plan 2019-2024 (RRTP) recognises the important contribution new build development of affordable housing can play in meeting the needs of homeless households, either directly (being allocated accommodation in a new build property) or indirectly (new build accommodation freeing up other housing within existing stock through lets to transfer applicants). As part of its RRTP, South Ayrshire Council has set a target that 51% of all Council lets should be allocated to homeless households. Figures remain above the target of 51% set out by our RRTP, in 2023/24, 54% of lets were to homeless households.

South Ayrshire Council has recently finalised a review of Section 5 and nomination arrangements with the largest RSL operating in the local authority area. A target of 27% of lets to homeless households has been set and will be subject to regular review. All other RSLs operating in South Ayrshire are working towards an agreed target of 25% of lets to homeless households. RSL's continue to develop new build social housing locally and work with partners continues to achieve the set targets.

The majority of new build allocations made in 2023/24 were made to the Transfer List (72% of lets) with 12% of lets made to homeless households and 15% to those on the Housing List.

As such, the aims of the SHIP are consistent with those of the RRTP.

Child Poverty Action

South Ayrshire has the 12th highest child poverty levels in Scotland with 12.9% of children under 16 classified as living in absolute low-income families after housing costs. This equates to approximately 2,255 children.

Child poverty is most prevalent in the Ayr North and Girvan and South Carrick wards at 17.7% and 16.5% respectively and lowest in Ayr West where it is at 9.3%.

A whole system approach is developing within the Community Planning Partnership and third sector organisations to mitigate the impact of poverty on children’s lives in South Ayrshire, but the most effective long-term options for reducing child poverty sits within national government policies.

The Scottish Government have recently published a new strategy to tackle child poverty - Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026 (<https://www.gov.scot/publications/best-start-bright-futures-tackling-child-poverty-delivery-plan-2022-26/>).

In April 2023, the South Ayrshire Community Planning Partnership Board were provided with an update on South Ayrshire’s existing Child Poverty Action Plan. This report detailed progress made by services across the council and its partners in reducing Child Poverty. Housing has played a major role in doing so having been committed to the following actions;

- Deliver 1,000 new affordable homes by 2023
- Development of Team around the Family approach, along with other council services and external partners
- Double Glazing window improvement programme to 500 homes with low energy efficiency ratings
- Energy Efficiency projects to improve Housing quality in Public and Private Sector
- Extension to existing service – Ayr Housing Aid First Home Project
- Housing Support via Seascope & Ayr Housing Aid
- Implement new Pathways for Care Experienced Young People to source suitable housing without having to present as homeless

South Ayrshire Community Planning Partnership is currently in the process of developing a new Child Poverty Strategy to refresh and realign the child poverty action plan to better reflect national and local circumstances.



Shadow Programme

Potential Future Sites		
Project	No. Units	Developer
Barrhill	7	South Ayrshire Council
Daily	8	South Ayrshire Council
Dalrymple Street Girvin	6	South Ayrshire Council
Main Road Ayr	9	TBC
Galloway Avenue Ayr	24	Ayrshire Housing
Orient Cinema	30	Ayrshire Housing
Cairn School Maybole	25	South Ayrshire Council
Troon Lock Ups	15	South Ayrshire Council
Dundonald Modular Build	40	West of Scotland Housing Association
Glenparks	60	Ayrshire Housing Association
Waggon Road	9	Ayrshire Housing
South Harbour Street	40	Ayrshire Housing
New Stables Lane, Maybole	15	Ayrshire Housing
Afton Avenue	25	SAC
Buchan Road, Troon	30	SAC
Dalmilling, Ayr	25	SAC
Dunlop Crescent	10	SAC
Aldersyde Avenue, Troon	20	SAC

Strategic Environmental Assessment (SEA)

As the “Responsible Authority” in the terms of the Environmental Assessment (Scotland) Act 2005, the Council has a duty to determine whether policies will have significant environmental effects and therefore whether a full Strategic Environmental Assessment (SEA) is required.

To that end, applying the relevant criteria as set out in Schedule 2 of the Act, the Council carried out a pre-screening of the SHIP under Section 8(1) of the Act.

This pre-screening process found that the SHIP on its own is unlikely to have significant environmental impact. This assumes that decisions and options surrounding the environmental impact of housing development would be assessed through the Local Development Plan.

A pre-screening notification was submitted to the SEA Gateway on 17th August 2023 and no concerns were raised by the relevant Consultation Authorities.

Appendix A – Strategic Housing Investment Plan timetable

Site Name	Developer	Approval Year	Estimated Site Start Date	Estimated Completion date	Total Units	Site Starts						Site Completions						Housing Types				
						2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	General	Amenity	Supported	Wheelchair	
Mainholm, Ayr (Phase 1)	SAC	2022	26 Sep 2022	23 Oct 2024	69							69						59			10	
Mainholm, Ayr (Phase 2)	SAC	2022	15 May 2023	10 Feb 2025	91							91						77			14	
Riverside Place (Former High Rise)	SAC	2024	1 Dec 2023	15 Aug 2025	75	33							65					64			11	
Former St Ninians Primary School	SAC	2023	01 Jan 2024	01 Jun 2025	42								42					36			6	
Croft Road Tarbolton	AYRSHIRE HOUSNG	2023	19 Jan 2024	23 Nov 2024	25							25						21			4	
Second Hand Market Purchases SAC - ASHP - Phase 10	SAC	2023	01 Apr 2024	31 Mar 2025	30		30					30						30				
Ayrshire Housing Open Market Purchases 2024/25	AYRSHIRE HOUSNG	2023	01 Oct 2024	31 Mar 2025	10		10					10						10				
Manse Road Coylton	SAC	2023	1 Apr 2025	1 Oct 2026	13			13						13				11			2	
Green St	AYRSHIRE HOUSNG	2023	01 Apr 2025	1 Aug 2026	32										32			30	9		2	
Second Hand Market Purchases SAC - ASHP - Phase 11	SAC	2023	01 Apr 2025	31 Mar 2026	30										30			30				
Ayrshire Housing Open Market Purchases 2025/26	AYRSHIRE HOUSNG	2023	01 Oct 2025	31 Mar 2026	10								10					10				
West Sanghuar Rd	WEST OF SCOTLAND H A LTD	2025	25 Feb 2026	23 Mar 2028	100		50	50								10	50	50	85			15
Second Hand Market Purchases SAC - ASHP - Phase 12	SAC	2023	01 Apr 2026	31 Mar 2027	30				30								30	30				
Riverside Place (Former High Rise) Phase 2	SAC	2023	01 Apr 2026	31 Oct 2027	25												25	22			3	
Fenwickland Avenue Ayr	SAC	2024	1-Apr-26	31-Oct-27	5												5	5				
Corton (Phase 1)	TBC	2024	30 Jun 2026	20 Dec 2027	50												50	43			8	
Ayrshire Housing Open Market Purchases 2026/27	AYRSHIRE HOUSNG	2023	01 Oct 2026	31 Mar 2027	10										10			10				
Queens Terrace, Maybole	AYRSHIRE HOUSNG	2023	1 Jan 2027	1 Jan 2028	22												22	20	10		2	
McConnell Square Girvan	SAC	2025	1-Apr-26	31-Mar-27	25												25	21			4	
Arran Mall Ayr	SAC	2026	20 Mar 2027	20 Oct 2028	95				45								50	88			7	
Second Hand Market Purchases SAC - ASHP - Phase 13	SAC	2023	01 Apr 2027	31 Mar 2028	30					30							30	30				
Girvan North	TBC	2026	1 Apr 2027	1 Oct 2028	35												35	30			5	
Corton (Phase 2)	TBC	2025	30 Jun 2027	20 Dec 2028	50												50	43			8	
Ayrshire Housing Open Market Purchases 2027/28	AYRSHIRE HOUSNG	2023	01 Oct 2027	31 Mar 2028	10												10	10				
Low St Meddams Troon	Hannover Housing	2026	31-Mar-28	1-Oct-29	32													27			5	
Second Hand Market Purchases SAC - ASHP - Phase 14	SAC	2023	01 Apr 2028	31 Mar 2029	30					30							30	30				
Gallowhill Coylton	AYRSHIRE HOUSNG	2027	1-Apr-28	1-Nov-29	25						25						25	21			4	
Corton (Phase 3)	TBC	2026	30 Jun 2028	20 Dec 2029	50						50						50	43			8	
Ayrshire Housing Open Market Purchases 2028/29	AYRSHIRE HOUSNG	2023	01 Oct 2028	31 Mar 2029	10					10							10	10				
Ayrshire Housing Open Market Purchases 2029/30	AYRSHIRE HOUSNG	2023	01 Oct 2029	31 Mar 2030	10						10						10	10				
Kirkmichael Boylestone Road	AYRSHIRE HOUSNG	2024	1 Apr 2030	1 Apr 2031	13						13						13	11	5		2	
*Wheelchair target based on 15% planning assumption						Total on Site						Total Site Completions						Total House Types				
Total Units					1084	73	135	267	202	115	23	156	117	85	142	250	242	907	24	0	108	

SG Funding	SG Funding Current Year 24/25	SG Funding Year 1 (£) 25/26	SG Funding Year 2 (£) 26/27	SG Funding Year 3 (£) 27/28	SG Funding Year 4 (£) 28/29	SG Funding Year 5 (£) 29/30	SG Funding Total (£)
£5,767,296.00							
£3,803,072.00	£3,803,072.00						
£6,268,800.00		£2,089,600.00					
£3,510,528.00	£1,755,264.00						
£2,279,550.00	£1,139,775.00	£1,139,775.00					
£1,350,000.00	£1,350,000.00						
£200,000.00	£200,000.00						
£1,147,380.00		£1,147,380.00					
£2,917,824.00				£2,917,824.00			
£1,350,000.00		£1,350,000.00					
£200,000.00		£200,000.00					
£9,118,200.00			£2,279,550.00	£2,279,550.00	£2,279,550.00	£2,279,550.00	
£1,350,000.00				£1,350,000.00			
£2,089,600.00			£2,089,600.00				
£417,920.00				£417,920.00			
£4,179,200.00				£4,179,200.00			
£200,000.00				£200,000.00			
£2,134,594.00				£2,134,594.00			
£1,875,525.00			£1,875,525.00				
£7,940,480.00				£3,970,240.00		£3,970,240.00	
£1,350,000.00					£1,350,000.00		
£3,089,100.00				£3,089,100.00			
£4,179,200.00					£4,179,200.00		
£200,000.00				£200,000.00			
£2,824,320.00					£2,824,320.00		
£1,350,000.00						£1,350,000.00	
£2,425,675.00					£2,425,675.00		
£4,179,200.00						£4,179,200.00	
£200,000.00					£200,000.00		
£200,000.00						£200,000.00	
£1,261,351.00						£1,261,351.00	
Anticipated Spend	£8,248,111.00	£10,599,843.00	£11,041,795.00	£13,023,484.00	£13,258,745.00	£13,240,341.00	£61,164,208.00
Resource Planning Assumption	£9,954,000.00	£9,954,000.00	£9,954,000.00	£9,954,000.00	£9,954,000.00	£9,954,000.00	£49,770,000.00
	£1,705,889	-£645,843.00	-£1,087,795.00	-£3,069,484.00	-£3,304,745.00	-£3,286,341.00	-£11,394,208.00

Slippage 25% £62,212,500.00

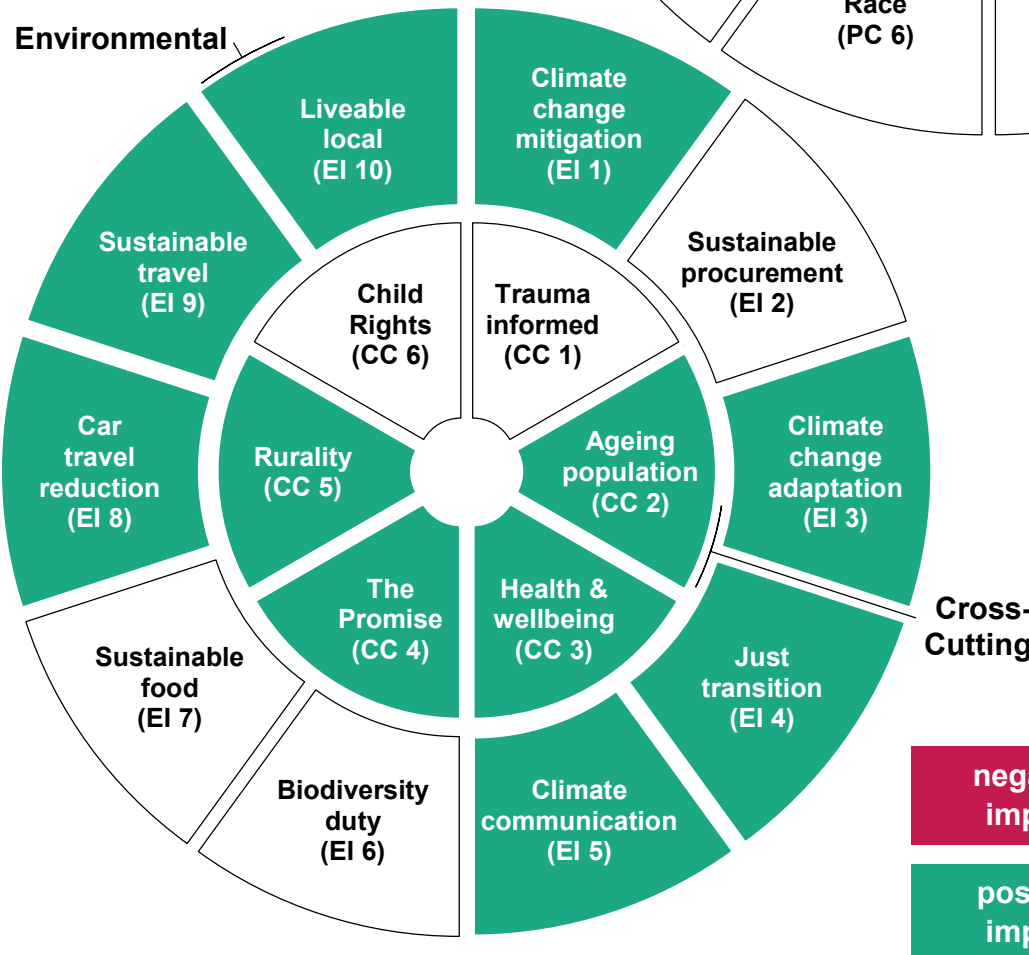
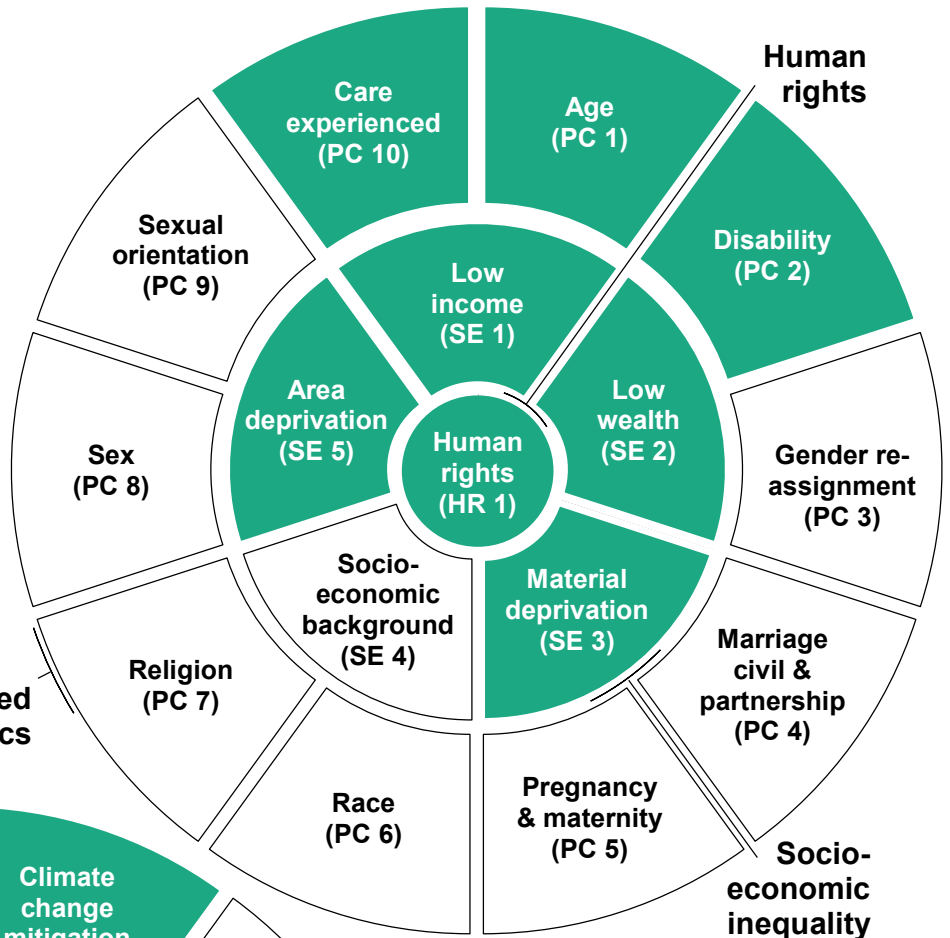
Integrated Impact Assessment Summary Report



The Strategic Housing Investment Plan
2025/26 -2029/30

Completed by:
Chris Carroll,
Service Lead - Housing Strategy
and Regeneration,
Housing Policy and Strategy

Date started: 25.10.2024



To be implemented on:
December 2024
Review date:
30/11/25
Oversight Panel:
Cabinet

negative impact	uncertain / not clear
positive impact	no impact / not applicable

Public sector equality duty

Eliminating unlawful discrimination, harassment, and victimisation?

As part of reporting on progress against the SHIP consideration has to be taken to ensuring that consideration is given to as many groups as possible. For example by ensuring that a wheelchair accessible target is incorporated supporting the provision of fully accessible homes for disabled tenants . Officers will require to report back to Govt on progress against targets set out within the SHIP tables.

Advancing equality of opportunity?

The SHIP aims to promote equality of opportunity in terms of provision of new build social housing which will benefit those most of Housing Need, but also as part of the grant award processes ensuring that contractors and developers are signed up to Fair Work First practices as well as provision of other community benefits

Fostering good relations?

Key to success of the SHIP relies on good positive relations between the various departments, services and developers involved in the delivery of the new build programme as well as ensuring positive relations with the communities we serve.

Consultation declaration

We confirm consultation has been carried out as part of this process.
