

The background of the slide features a large, light blue outline of the City of Vancouver's coat of arms. The crest includes a crown at the top with four maple leaves, a shield divided into four quadrants (top-left: a ship, top-right: a beaver, bottom-left: a ship, bottom-right: a beaver), and a banner at the bottom with the motto 'CITY OF VANCOUVER'.

AGENDA ITEM

6

Strategic Housing Investment Plan 2016/2021

Falkirk Council

Title: Strategic Housing Investment Plan 2016-2021
Meeting: Executive
Date: 18 October 2016
Submitted by: Director of Corporate and Housing Services

1. Purpose of Report

- 1.1 The purpose of this report is to approve the Strategic Housing Investment Plan (SHIP) 2016-2021 for submission to the Scottish Government. The report also seeks agreement to progress actions to support the delivery of additional affordable housing projects.

2. Recommendations

2.1 The Executive is asked to:-

- 1) agree the Strategic Housing Investment Plan 2016-2021 for submission to the Scottish Government;**
- 2) authorise officers to enter into negotiations to purchase land at Abbots Road, Grangemouth and Blinkbonny Road, Falkirk from Children's Services for additional affordable housing, in line with independent valuations; and**
- 3) note that officers will adapt the Strategic Housing Investment Plan to maximise the supply of affordable housing locally and provide updates to Members on any changes.**

3. Background

- 3.1 A Strategic Housing Investment Programme (SHIP) is required to be produced and submitted to the Scottish Government biannually. The core purpose of the 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.
- 3.2 The SHIP is a core element of Local Housing Strategy (LHS). During the period of the LHS 2011-2016, a total of 652 affordable properties were built by Falkirk Council (338 homes) and local RSLs (314 homes), of which 208 are accessible (suitable for those with a disability or mobility problems). In addition, 243 properties were purchased by Falkirk Council through the "buyback" scheme.

- 3.3 The SHIP guides the application of Scottish Government and (other funding) for new affordable housing provided by Councils and Registered Social Landlords (RSLs). The SHIP provides the basis for the development of the Strategic Local Programme Agreement (SLPA) between Local Authorities and the Scottish Government. The SLPA sets out the programme of housing projects which will be funded over the next three years and is reviewed and updated annually to ensure delivery remains on track.
- 3.4 In line with Scottish Government guidance, potential projects for inclusion in the SHIP must be prioritised using a scoring methodology agreed by developing landlords, including Falkirk Council and RSLs. This methodology takes into account the following:
- strategic direction from the Falkirk Council LHS and assessment of housing;
 - project deliverability and funding required;
 - size, tenure and house type;
 - number of accessible units;
 - sustainability relating to energy efficiency.
- 3.5 Scottish Government guidance issued in July 2016 highlighted that the responsibility for identifying the level of housing adaptations needed and the level of funding required now sits with Health and Social Care Partnerships. The SHIP should therefore refer to the Partnerships and provide details of the process for identifying and funding adaptations.

4. Considerations

- 4.1 Table 1 provides details of Scottish Government Resource Planning Assumptions (RPA) for affordable housing grant. It is important to note that these are minimum grant assumptions which are subject to change. The table shows an overall funding shortfall of £14.35m. Discussions are ongoing with Scottish Government regarding the potential to secure additional funding to meet the shortfall. Changes to the programme or funding will be provided to Members through the annual SLPA review process.

Table 1: Funding from 2016 to 2020

	Scottish Govt. Affordable Housing Grant	Estimated Funding Bid	Annual Variance	Cumulative Variance
2016/17	£7,015,000	£9,307,229	£2,292,229	

2017/18	£5,612,000	£10,534,000	£4,922,000	£7,214,229
2018/19	£4,209,000	£8,231,000	£4,022,000	£11,236,229
2019/20	£2,806,000	£5,925,000	£3,119,000	£14,355,229

- 4.2 Table 2 provides details of all projects included in the SHIP, for the Council and RSL's and relates to the estimated funding required in Table 1 above.

Table 2: Projects for SHIP 2016 to 2021

Year	Project	Developer	No of Units	Scot. Govt Funding Bid
2016/17	Main Street, Stenhousemuir	Falkirk Council	18	£980,658
2016/17	Buy Backs	Falkirk Council	90	£2,250,000
2016/17	My Dub, Denny	Falkirk Council	16	£912,000
2016/17	Carrick Place, Tamfourhill, Falkirk	Weslo Housing Management	20	£1,386,571
2016/17	Stirling Street, Dunipace	Kingdom Housing Association	22	£1,540,000
2016/17	My Dub, Denny	Link Housing Association	30	£1,983,000
2016/17	Silk House, Falkirk	Weslo Housing Management	17	£255,000
Total			213	£9,307,229
2017/18	Haugh Street, Falkirk	Falkirk Council	8	£456,000
2017/18	Buy Backs	Falkirk Council	90	£2,250,000
2017/18	Abbots Road, Grangemouth *	Falkirk Council	13	£741,000
2017/18	Duke Street, Denny	Falkirk Council	19	£1,137,000
2017/18	Firs Park, Falkirk	Link Housing Association	38	£2,660,000
2017/18	Elm Drive, Falkirk	Link Housing Association	9	£630,000
2017/18	Corbiehall, Boness	Welso Housing Management	7	£490,000
2017/18	Main Street, Boness	Welso Housing Management	31	£2,170,000
Total			215	£10,534,000
2018/19	Buy Backs	Falkirk Council	90	£2,250,000
2018/19	Blinkbonny Road, Falkirk*	Falkirk Council	40	£2,280,000
2018/19	Woodend Farm Phase 1, Falkirk	Falkirk Council	33	£1,881,000
2018/19	Broomridge Farm Phase 1, Dennyloanhead	Kingdom Housing Association	12	£840,000
2018/19	Station Road, Whitecross	Weslo Housing Management	14	£980,000
Total			189	£8,231,000

2019/20	Buy Backs	Falkirk Council	90	£2,250,000
2019/20	Woodend Farm Phase 2, Falkirk	Falkirk Council	35	£1,995,000
2019/20	Broomridge Farm Phase 2, Dennyloanhead	Kingdom Housing Association	24	£1,680,000
Total			149	£5,925,000
2021/22	Woodend Farm Phase 3, Falkirk	Falkirk Council	20	£1,140,000
Total			20	£1,140,000
Overall Total			786	£35,137,229

Note: The projects identified with an * above i.e.: Abbots Road, Grangemouth and Blinkbonny Road, Falkirk will require purchase of land from Children's Services, based on independent valuation by the District Valuer

4.3 Pension Fund Update

The Executive agreed on 28 April 2015 proposals for the development of 62 units at Bellsdyke and 34 units in Redding. These projects were to be funded from a combination of Pension Fund investment in Social/ Affordable Housing, Scottish Government Affordable Housing Grant and a one off contribution from the Scottish Government Financial Innovation Unit. The Pensions Committee appointed Hearthstone PLC to manage the Pension Fund investment with their strategic partner Castle Rock Edinvar. Although the Bellsdyke site has been completed, Castle Rock Edinvar have advised that they are unable to deliver the site at Redding for social rented housing, using the pension fund model. They are currently exploring alternative sites. The Scottish Government have confirmed their commitment to the future delivery of pension fund projects.

4.4 Infrastructure Fund

The Scottish Government has also announced a new five-year Housing Infrastructure Fund with up to £50m available nationally in 2016/17. Eligible works include physical infrastructure generally required to start a housing project, such as roads. Priority will be given to those projects delivering affordable housing within the next five years. Falkirk Council has submitted a bid for three sites:

- north of Kilsyth Road, Banknock (planning reference M08);
- Kilsyth Road, Banknock (H07); and
- north of Glasgow Road, Dennyloanhead (H08).

All of the above projects relate to the M80/ A803 slip roads junction 17 upgrading. The total capacity of all three sites cannot be met unless the junction is upgraded.

For the upgrade to go ahead it requires Infrastructure Funding for all three sites. Council officers are also in discussions with the Scottish Government around funding from the SHIP for all three sites.

Without the Infrastructure Fund, it would only be possible to deliver the proposed 12 affordable units in Phase 1 of the Broomridge Farm development, as detailed in 4.2 above.

4.5 Shadow Projects for SHIP

In addition to the projects outlined above, additional “shadow” project proposals are regularly identified. Officers will continue to assess and evaluate these projects and, where applicable, progress potential additional funding considerations with the Scottish Government. Any changes to the SHIP will be advised to Members through update reports.

5. Consultation

- 5.1 Consultation on the development of the SHIP has taken place with other Council Services including Development Services and also with the Scottish Government and Registered Social Landlords.

6. Implications

Financial

- 6.1 Negotiations are underway with the Scottish Government on funding to deliver the affordable housing projects outlined above. The Scottish Government grant will cover approximately one third of the cost of a Council new build property, the balance will require to be met from the Council’s Housing Investment Programme and will form part of future years Housing Investment Programmes. The shortfall for RSL projects will be funded from their own financing arrangements.
- 6.2 The acquisition of sites at Abbots Road, Grangemouth and Blinkbonny Road, Falkirk will generate a capital receipt for the Council’s General Services Capital Programme. The site valuation will be determined independently by the District Valuer.

Resources

- 6.3 The SHIP will be managed from existing resources and therefore no additional resources will be required.

Legal

- 6.4 There are no legal implications.

Risk

- 6.5 Unforeseen development and funding constraints may restrict the number and size of proposed projects, reducing the number of affordable housing units delivered. This could impact adversely on meeting housing need.

Equalities

- 6.6 As the SHIP is a key element of the Local Housing Strategy, a full Equalities & Poverty Impact Assessment was carried out for the Local Housing Strategy 2011-16 and no significant equality issues were identified. An EPIA is currently underway for the Local Housing Strategy 2017-22.

Sustainability/Environmental Impact

- 6.7 As the SHIP is a key element of the Local Housing Strategy, a full Strategic Environmental Assessment was carried out for the Local Housing Strategy 2011-16. A screening of environmental impacts has also been carried out for the Local Housing Strategy 2017-22 and it has been determined that there is no likelihood of significant environmental impacts.

7. Conclusions

- 7.1 This report provides information on the Strategic Housing Investment Programme (SHIP) 2016-2021 and lists projects for inclusion in the SHIP.
- 7.2 There is an estimated funding shortfall of £14.35m and officers will continue to review and manage the SHIP to maximise the amount of available funding from the Scottish Government, in order to deliver the maximum number of locally available affordable houses.
- 7.2 The SHIP includes proposed Council projects at Abbots Road, Grangemouth and Blinkbonny Road, Falkirk. Affordable housing development at these locations will require the sites to be purchased from Children's Services. A resultant capital receipt for the Council's General Services Capital Programme will be generated.

Director of Corporate and Housing Services

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Date: 5 October 2016

APPENDICES

1. Strategic Housing Investment Plan

List of Background Papers:

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act 1973:

- None



Falkirk Council

Corporate & Housing Services



Strategic Housing Investment Plan 2016 to 2021



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1. Introduction

The Strategic Housing Investment Plan (SHIP) is prepared in line with the guidance provided by the Scottish Government (SG) and is influenced by housing supply targets set out in the Local Housing Strategy 2011-2016 (LHS) and Local Development Plan (LDP).

Account is also taken of the SG national commitment of over £3 billion during the next five financial years to fund the delivery of 50,000 affordable homes across Scotland.

This SHIP includes ambitious and innovative approaches, with increased partnership working with Registered Social Landlords (RSLs); cross Council working through the Pension Fund proposals and initiatives to deliver affordable housing with RSLs and developers by making use of the Affordable Housing Policy (AHP).

2. Purpose and Scope of the SHIP

2.1 Links to the Local Housing Strategy (LHS) 2011-2016

The core purpose of the SHIP is to set strategic investment priorities for affordable housing over a 5 year period to achieve the outcomes set out in the LHS 2011-2016. It reinforces:

- The Council as the strategic housing authority
- The importance of the outcomes and targets set out in the LHS 2011-2016
- The SG role to make housing investment decisions

There is an expectation that the SHIP will be directly influenced by the LHS. This SHIP has been developed from the findings of the LHS 2011-2016 and in consultation with key stakeholders. In general, the SHIP is the key document for identifying strategic housing projects to assist the achievement of the delivery of the SG's national affordable housing target.

The LHS is a statutory requirement under The Housing (Scotland) Act 2001 which places a responsibility on the Council to prepare an LHS which identifies housing needs in the area. It provides the strategic direction for tackling future investment in housing and related services and aims to increase the range of affordable housing options over the next five to ten years.

This SHIP will be delivered under the Local Housing Strategy (LHS) for the period 2011-2016. The annual LHS update was agreed at the Council's Executive on 16 August 2016.

The 6 outcomes contained in the LHS 2011-2016 are

- Best use is made of the existing and new affordable housing stock to address local needs
- Advice and information is provided on a range of affordable housing options in order to prevent homelessness
- People with disabilities are able to adapt their homes or have the information they need to make appropriate housing choices
- Housing support are provided to help people live independently
- The condition and sustainability of housing is improved and measures put in place to address fuel poverty
- All rented housing is managed effectively and efficiently

2.2 Links to Housing Need Demand Assessment

The Housing Need Demand Assessment (HNDA) was confirmed by the SG Centre for Housing Market Analysis (CHMA) as robust and credible on 2 August 2016. The development of the housing supply targets is now underway to define the key factors for housing need within the area. After agreement, the supply targets will be included in the LHS 2017-2022 and will contribute to the SG's goal of increasing housing supply.

Since the new supply targets have not yet been agreed by the SHG this SHIP uses the supply targets shown in Table 1 from the LHS 2011-2016. These targets were directed by the previous HNDA which was confirmed as robust and credible by CHMA on 5 September 2011 and are shown in Table 1

Table 1: Annual Area Supply Targets set out in the LHS 2011-2016

All tenure supply target	233
New build affordable housing: consisting of :	
New build	100
Making best use of existing stock	133

The key findings from the current HNDA are noted below and these will be used to develop housing supply targets for the LHS 2017-2022.

Key Findings from the current HNDA

- A shortfall of affordable housing of around 300 units period year over the period 2016-2021
- A requirement for 219 houses in the social rented sector
- Some housing need could be addressed through better use of existing housing stock which could involve people moving to alternative housing better suited to their needs by carrying out adaptations/alterations to the stock
- A demand for disabled adaptations in 2% of the housing stock (1,380 units)
- An all tenure need for between 300 and 510 units which are accessible for wheelchair users
- The population is expected to increase by 10% or 16,330 between 2012 and 2037
- The largest household type of one adult and no children is projected to increase by 32% by 2037
- The number of households is projected to increase by 16% or 10,979 households

Affordable Housing Supply Programme

2.3 The Affordable Housing Supply Programme (AHSP) in Falkirk is delivered via robust working relationships between the Council, developing RSLs and the SG Housing Supply Division.

At a strategic level, Housing Services meets on a 3 monthly basis with SG officials and RSL partners. The Housing Planning Liaison Group (HPLG) also takes place quarterly and consists of Falkirk Council Housing and Planning Officers.

The group reviews progress with meeting the HNDA, LDP, projects in the SHIP and new build private developments subject to affordable planning policy. It seeks to ensure that all affordable opportunities are explored for citizens of the area.

The Strategic Housing Group (SHG) is the Housing Market Partnership for the HNDA. Meetings takes place quarterly to discuss the SHIP, LDP, HNDA and other relevant housing related topics agreed by the group. Members of the SHG include housing, planning, social work and representatives from the voluntary sector, SG, Homes For Scotland and local RSLs.

Scottish Government Strategy

- 2.4 In March 2016, Ministers announced More Homes Scotland (MHS) as an overarching approach to support the increase in the supply of homes across all tenures incorporating a variety of existing and new initiatives. These include:
- A commitment of over £3 billion over the next 5 financial years to fund the delivery of 50,000 affordable houses accompanied by a 5 year Rural Housing Support Fund and support for City Deals
 - Delivery of more mid-market homes to build on the successful initiatives using guarantees and loans
 - Increasing the supply of private rented sector homes building on the use of guarantees to stimulate a thriving high quality sector
 - Supporting Home Ownership through the Open Market Shared Equity Scheme and the new Help to Buy (Scotland) scheme
 - Establishing a new Housing Infrastructure Fund to provide loans and grants to allow partners to unlock strategically important housing sites which will increase the scale of housing delivery
 - Reviewing the planning system to focus on improving planning processes to support the delivery of good quality housing.

SHIP Resourcing

- 2.5 Table 2 shows the Resource Planning Assumption (RPA) provided by the SG for the period 2016-2017 to 2019-2020. From 2017-18 the figures represent minimum grant assumptions which are subject to change.

Table 2: RPA Funding from 2016-2020

	SG grant (£m)
RPA 2016-2017	£7.015
Minimum RPA 2017-2018	£5.612
Minimum RPA 2018-2019	£4.209
Total	£16.836
Minimum RPA 2019-2020 (outwith SLP period)	£2.806

Delivery Constraints

- 2.6 The Council is keen to focus on a realistic and pragmatic programme that can be delivered within the timeframes of the SHIP. This document is therefore intended as a working tool, which is designed to inform investment decisions, rather than proposing a set of aspirations. Therefore measures have been taken to mitigate development constraints which have been identified at an early stage in the process.

The methodology used to develop the SHIP also takes account of potential delivery constraints e.g.: planning issues. This ensures the projects included within the SHIP have the greatest opportunity to be delivered.

2.7 Consultation

Tri-partite meetings take place with the Council's Corporate & Housing Services, SG and RSLs who are developing projects. These meetings demonstrate commitment from all partners to successful project completions and ensure that potential issues are addressed timeously.

Consultation also takes place on the development and agreement of the SHIP methodology.

A wide ranging consultation was also carried out as part of the LHS 2011 to 2016 consultation. This included focus groups, questionnaires, articles in the local press and radio and stakeholder events.

In addition, an extensive consultation was also carried out with older people and agencies working with older people to develop the Older People Plan. This consultation included questionnaires, focus groups and presentations to Tenant and Resident Forums.

Falkirk Council Housing ensures that consultation is embedded in their on-going work with RSLs and developers. Discussions take place routinely to discuss updates on current projects or to explore the potential for new affordable housing projects.

2.8 Energy Efficiency Opportunities

The scoring methodology used in the development of the SHIP, explores energy efficiency issues. This is based on the SG Resource Technical Handbook 2011 Domestic Sustainability which notes the specified level of sustainability for a dwelling. The three main standards are:

- Bronze or Bronze Active
- Silver or Silver Active
- Gold

This SHIP aims to deliver 15 projects to Silver or above standard and 9 projects to Bronze Standard. The ability to deliver Gold Standard is restricted due to the additional costs of building to a higher standard specification and associated funding constraints.

2.9 Provision of Adaptations

The Public Bodies (Joint Working) (Scotland) Act 2014 established the legal framework for integrating health and social care in Scotland. The Act requires each National Health Board (NHS) and Council to delegate some of their statutory functions and associated budgets, to their Integration Authority. The Integration Authority will be responsible for the planning and delivery of the related services using the entire delegated budget.

Private sector disabled adaptations are a mandatory housing function which must also be transferred under the Act.

In Forth Valley, two Health and Social Care Partnerships (HSCP) have been established. One covers the Falkirk area with the other covering Stirling/ Clackmannanshire.

The HSCP brings together local councillors, NHS Board members and senior staff from the relevant partner organisations along with carers, service users and third sector representatives, to oversee the work of the Partnerships. This will ensure the delivery of a number of key local and national outcomes.

Falkirk was selected by the SG to participate in one of the 5 pilot sites across Scotland to provide advice on the implementation of the National Adaptations Working Group recommendations. This is progressed through the Adapting for Change project which emerged from the earlier Change Fund project. It includes representation from National Health Services (NHS) Forth Valley, Social Work Adult Services, Housing Services, RSL's and ihub health and social care (formally the Joint Improvement Team).

A project is underway between NHS Forth Valley, Falkirk Council Housing and Adult Services Social Work to streamline processes for adaptations. This project has developed:

- Mapped pathways to adaptations and
- Developed definitions for adaptations (minor, moderate, major and major complex).

As part of the Adapting for Change project work is on-going to finalise:

- Rolling out the complex cases panel to make decisions on major complex adaptations across all tenure. This has been developed and to date piloted on private sector disabled adaptations
- Finish testing the adaptations' assessment tool based on a model developed with ihub health and social care
- Training in relation to carrying out disabled assessments based on the above
- Performance outcomes for monitoring disabled adaptations taking account of national work across all pilots through ihub health and social care

3 Falkirk Council's Commitment

3.1 Buy Back Scheme

The Council introduced a buy back scheme in 2013 buying back ex-council properties that were

sold under Right to Buy in order to increase the amount of social rented housing in the area. The scheme made a commitment to spend £5 million per annum for 3 years.

In 2015, a further commitment was made to increase funding to £6 million per annum over the three financial years 2015-2016 to 2017-2018. This funding aims to buy back c90 former Council properties each year. Executive agreed on 20 October 2015 to widen this commitment to include the purchase of houses with 3 or more bedrooms.

Table 3: Buy Back Statistics

Years	Number of properties bought
2013-2014	69
2014-2015	77
2015-2016	97
Total	243

Source : Falkirk Council

The SG provides a grant of £20,000 per property to purchase former Council properties. In 2015-2016, the average cost of a buy back was £65,000 with the remaining £40,000 paid for by the Council. However, it is significant to note, that from 1 April 2016 the land and buildings transaction tax has resulted in an additional 3% surcharge being payable to SG on all properties valued at over £40,000.

3.2 Affordable Housing Policy (AHP)

Falkirk Council's policy for affordable housing ensures new housing developments of 20 or more units make a contribution towards affordable housing. This assists the Council to achieve diversity of house types and tenures to create integrated communities. The types of affordable housing covered are:

- Social rented housing
- Mid-market or intermediate rented accommodation
- Shared equity
- Subsidised low cost sale
- Entry level housing for sale (unsubsidised)

The table below demonstrates the percentage requirement for affordable housing in the Council area.

Table 4: Percentage Affordable Housing Requirement

Percentage requirements	25%	15%
Housing settlement areas	Larbert /Stenhousemuir/Rural North Polmont/Rural South	Bo'ness Denny /Bonnybridge Falkirk Grangemouth

Source: Falkirk Council Revised Supplementary Planning Guidance Note

Although the Council has a preference for the provision of affordable housing in the form of socially rented housing by the Council or RSLs, it will consider any of the options from the above list as contributing to meeting affordable housing need. The final decision on provision may be dependent on local market circumstances.

Early discussions will take place between the Council and private developers to determine the specific requirements, likely funding availability and appropriate delivery mechanism. A sequential approach will be applied to the delivery of affordable housing:

- On-site provision
- Off-site provision
- Commuted sum payment

Table 5 shows sites which are subject to the AHP which may be considered during the period of the SHIP 2016-2021.

Table 5: Sites subject to the AHP programmed to come forward in 2016-2021 period

Sub-Area	Number of Sites	Potential Number of AHP Units
Bo'ness	3	46
Bonnybridge/ Denny	6	292
Falkirk	4	88
Larbert/Stenhousemuir /Rural North	1	28
Polmont/Rural South	7	309
Total	21	763

Source: Development Services

Pension Fund

3.3

The Forth Valley Pension Committee working across Falkirk Council, Stirling Council and Clackmannanshire Council made a decision to appoint Hearthstone PLC to manage a £30 million investment in social/affordable Housing. £15 million of this investment will be used for social housing, with the remaining £15 million invested in affordable housing.

Hearthstone's strategic partner in these proposals is Castle Rock Edvinar (CRE). This agreement included proposals for the development of 62 units at Bellsdyke, Larbert and 34 units at Overton Crescent, Redding. The Bellsdyke site has been completed however CRE have advised that they are unable to deliver the site at Overton Crescent.

Other viable options are now being explored to deliver alternative sites. Both Falkirk Council and the SG remain committed to the delivery of the agreed pension fund projects.

4 Planned Investments

- 4.1 Appendix 1 outlines the planned programme of affordable housing projects and includes projects in all sub-areas within the Falkirk area. If all projects reach successful conclusion there is potential to deliver an additional 786 units. From these 786 units, it is expected that an additional 162

(21%) will be delivered to an accessible standard to provide for the changing needs within the household or different needs of a new household. All projects will consist of a variety of types, tenure and bedroom sizes.

- 4.2 The projects have been scored using a methodology developed in discussion with RSLs and Council Housing team. This demonstrates partnership working between the SG, the Council, RSLs and private developers.

The previous methodology has been reviewed to ensure that it is transparent, easy to follow and fit for purpose. In order to develop the methodology, Falkirk Council undertook research with 9 other Councils to identify strengths and weaknesses and to recommend best practice from each Council. The SG SHIP Guidance was also used to influence the development of the new methodology.

The methodology takes account of:

- The outcomes contained in the LHS 2011-2016
- Areas of high demand as identified by the HNDA
- Deliverability
- Bedroom sizes
- Tenure and house type
- Number of accessible units
- Funding requirement
- Sustainability relating to energy efficiency

- 4.3 The programme also includes a new innovative project for the My Dub site in Denny, which has an affordable housing contribution of 46 units. This project will be developed as a partnership approach between the Council, Link Housing Association and the developer. It has the potential to provide a range of social, mid-market rent and privately owned properties on the one site. The development of this approach is being used for the first time by the Council and demonstrates the joint commitment from the Council and Link Housing Association to deliver affordable housing in the area, using innovative and ambitious solutions to address housing need.

5 Funding

- 5.1 The SHIP is primarily underpinned by a combination of SG Affordable Housing Grant. The table below details the current indicative level of grant and shows an overall funding shortfall of £14.35m. These are however minimum grant assumptions which are subject to change. Discussions are ongoing with Scottish Government regarding the potential to secure additional funding to meet the shortfall. In the absence of additional SG funding, the shortfall will require to be met from Council and RSL funding or alternative sources of finance, if available.

Table 6: Funding from 2016 to 2020

5.2

	Scottish Govt. Affordable Housing Grant	Estimated Funding Required	Annual Variance	Cumulative Variance
2016/17	£7,015,000	£9,307,229	£2,292,229	
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2019/20	£2,806,000	£5,925,000	£3,119,000	£14, 355,229

Other potential sources of funding to support the delivery of the SHIP include:

- Empty and Second Homes Council Tax
- Empty Homes Loans Fund
- Developer Contributions
- Housing Infrastructure Fund

6 Equalities

The Equality Act 2010 provides a range of protection for nine protected characteristics which include age, religion and belief, race, disability, sex, sexual orientation, pregnancy and maternity, marriage and civil partnership, and gender reassignment.

Falkirk Council strives to ensure there is equality of opportunity and the LHS and SHIP plays a significant role in promoting the equalities agenda. A comprehensive Equalities Impact Assessment was undertaken for the LHS 2011-2016 and for this SHIP. These reflect any implications for the protected characteristics. In addition, evidence on the needs of different communities and equalities groups has been collected as part of the HNDA process which underpins the LHS and the SHIP.

An Equalities and Poverty Impact assessment has been completed which identifies no negative impacts for any of the protected characteristics. The increase of affordable housing units in the Council area should have a positive impact on all the protected characteristics.

7 Strategic Environmental Assessment (SEA)

A SEA for the LHS 2011-2016 was prepared and in preparation for the LHS 2017-2022 a pre-screening SEA was sent to SEA Gateway in September 2015 with confirmation being received in October 2015 that a full SEA would not be necessary for the LHS 2017- 2022.

8 Summary

The SHIP is influenced by housing supply targets set in the LHS and LDP. It considers constraints in public expenditure and takes account of the SG policy set out in Homes Fit for the 21st Century

and UK government Welfare Reforms. It demonstrates the potential commitment to the delivery of 786 affordable housing units in the area by the Council, SG, RSL's and private developers.

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Projects for SHIP 2016-2021

Year	Project	Developer	No of Units	Scottish Gov Funding
2016/17	Main Street, Stenhousemuir	Falkirk Council	18	£980,658
2016/17	Buy Backs	Falkirk Council	90	£2,250,000
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2016/17	Silk House, Falkirk	Weslo Housing Management	17	£255,000
Total			213	£9,307,229
2017/18	Haugh Street, Falkirk	Falkirk Council	8	£456,000
2017/18	Buy Backs	Falkirk Council	90	£2,250,000
2017/18	Abbots Road, Grangemouth	Falkirk Council	13	£741,000
2017/18	Duke Street, Denny	Falkirk Council	19	£1,137,000
2017/18	Firs Park, Falkirk	Link Housing Association	38	£2,660,000
2017/18	Elm Drive, Falkirk	Link Housing Association	9	£630,000
2017/18	Corbiehall, Boness	Welso Housing Management	7	£490,000
2017/18	Main Street, Boness	Welso Housing Management	31	£2,170,000
Total			215	£10,534,000
2018/19	Buy Backs	Falkirk Council	90	£2,250,000
2018/19	Blinkbonny Road, Falkirk	Falkirk Council	40	£2,280,000
2018/19	Woodend Farm Phase 1, Falkirk	Falkirk Council	33	£1,881,000
2018/19	Broomridge Farm Phase 1, Dennyloanhead	Kingdom Housing Association	12	£840,000
2018/19	Station Road, Whitecross	Weslo Housing Management	14	£980,000
Total			189	£8,231,000
2019/20	Buy Backs	Falkirk Council	90	£2,250,000
2019/20	Woodend Farm Phase 2, Falkirk	Falkirk Council	35	£1,995,000
2019/20	Broomridge Farm Phase 2, Dennyloanhead	Kingdom Housing Association	24	£1,680,000
Total			149	£5,925,000
2021/22	Woodend Farm Phase 3, Falkirk	Falkirk Council	20	£1,140,000
Total			20	£1,140,000
Overall Total			786	£35,137,229

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