
Report to Council

Date of Meeting: 27 June 2013

**Subject: Strategic Housing Investment Plan and Local Programme
2013/18**

Report by: Director of Services to Communities

1.0 Purpose

- 1.1. The purpose of this report is to seek approval of the Strategic Housing Investment Plan (SHIP) which is due to be submitted to the Scottish Government by 28 June 2013. This lays out the framework for affordable housing development over the next five years, setting out investment priorities to achieve the outcomes set out in the Clackmannanshire Housing Strategy.

2.0 Recommendations

- 2.1. It is recommended that Council approve the Strategic Housing Investment Plan, including the 5 year programme of housing sites in the Strategic Local Programme subject to further reports to Council on individual projects.

3.0 Background

- 3.1 Local Authorities have, in recent years, been invited by the Scottish Government to prepare an annual Strategic Housing Investment Plan (SHIP) detailing key housing development priorities in their area. The SHIP should ensure that affordable housing development is targeted to support the priorities in the Housing Strategy (approved by Council on 20 December 2012).
- 3.2 The Strategic Local Programme (SLP) is an important part of the SHIP, detailing the development sites proposed for the delivery of additional affordable housing over the next five years. This includes the Council's own resources and the funding made available through the Scottish Government's Affordable Housing Supply Programme (AHSP).
- 3.3 Revised guidance for the SHIP and SLP was issued by the Government on 25 April 2013. Authorities are now being asked to draw up programmes over a 5 year period, covering 2013/14 to 2017/18, to be submitted by 28 June 2013. The Government will aim to issue Strategic Agreements for delivery of the proposed SLP by the end of September 2013.
- 3.4 The SHIP sits alongside other Council statutory and priority planning documents and seeks to accommodate their collective challenges. In particular, the draft Local Development Plan, which is currently being finalised.

4.0 Housing Need and Demand

4.1 The Housing Need and Demand Assessment (HNDA), approved by Council in December 2010, provides key research to inform the LDP and Housing Strategy. The HNDA builds a picture of projected growth in housing need and demand over the next 10 years, showing that we need to provide an additional 5,724 properties in Clackmannanshire over that period.

4.2 Of the 5,724 additional homes it was considered that 4,546 should be aimed at being affordable and the vast majority of these affordable homes (75%) should be for social housing.

To meet these figures, annually, Clackmannanshire requires an additional 454 affordable homes. This breaks down to: 320 social rent; 134 intermediate cost such as low cost home ownership or mid market rent.

The SHIP contributes to this substantial challenge by including a budget to buy or build over 250 properties over the next 5 years.

4.3 Specific analysis of the profile of current and future need and demand shows that a focus is required in the communities of Alloa and Sauchie, with shortfalls also evidenced in Tullibody. The Council will use its Planning powers to influence private sector commitment to maximise affordable housing where possible. The nature of the demand is varied, but generally favours;

- An emphasis on social rented housing;
- Recognition of additional demand for low cost affordable housing such as mid-rent and low cost home ownership;
- Smaller properties for 1 and 2 person households, to suit younger households and also to accommodate the ageing population of the future;
- An improved supply of larger family housing;
- Small targeted numbers of accessible particular needs housing for older and disabled households throughout Clackmannanshire.

5.0 Funding

5.1 As part of additional capital investment in housing decisions, taken by the Scottish Government, the AHSP allocation has increased three times since the SLP was submitted last year, bringing the total 'new money' allocation for affordable housing to 2015 to £2.675 million.

5.2 To allow forward planning to 2017/18, the Scottish Government has set out the following provisional predicted minimum annual Resource Planning Assumptions for Clackmannanshire:

2013/15	£2.675 million
2015/16	£1.245 million
2016/17	£0.955 million
2017/18	<u>£0.651 million</u>
Total	£5.526 Million

The development programme is balanced across three methods of delivery / funding.

Acquisitions (off the Shelf Purchase)

- 5.3 The previous SHIP and SLP were reported to Committee on 23 August 2012, proposing a programme of purchasing existing properties to make best use of the £1.521 million 'new monies' available to increase the local affordable housing supply. It was agreed that off the shelf units could be purchased in priority central locations, based on an average acquisition and upgrade cost of approximately £55k per unit. After agreement by the Scottish Government this programme has commenced.

New RSL / Council Construction

- 5.4 A benchmark subsidy level has been set by the Government (as in previous years) at a maximum of £30k per unit for Council and £42k for Registered Social Landlords. An additional £4k per unit is available for 'greener standards', which deliver highly energy efficient and sustainable properties.
- 5.5 The Affordable Housing Supply Programme is supported by a contribution from the Housing Revenue Account (HRA). The HRA Business Plan includes funding of £6.25 million over this 5 year programme (£1.25m per annum).

Alternative Financial Models

- 5.6 As a means of maximising the purchase power of Council and Scottish Government resources, officers have undertaken some "soft" market research in respect of innovating sources of funding and delivery. It has become apparent from this exercise that a number of UK pension funds have significant investment sums available for the delivery of affordable housing. As part of this process, the Council has held preliminary discussions with a national institutional investor who is looking to invest in substantial affordable housing development within Clackmannanshire. The project has the support of the Scottish Government Financial Innovation Unit and in terms of the rates of funding, these are more competitive than the rates available through traditional funding mechanisms such as Public Works Loan Board Levels.
- 5.7 This particular investor has delivered similar investments across the UK, seeking to minimise the Government grant funding required to progress developments with Councils, or RSLs, via a joint venture. The result of this funding would deliver a greater number of units, more quickly, as well as providing work and local employment opportunities. The funding model can also be utilised to unlock affordable housing contributions in respect of stagnated sites within the Clackmannanshire LDP. Whilst this particular investor is producing financial projections to minimise the grant contribution from the public sector, it is likely that an OJEU procurement process will have to be undertaken to secure legally compliant delivery. In approving this report, it is proposed such a process will be undertaken and a further report will be presented to Council on the specific offer(s).

Summary

- 5.8 The delivery of affordable housing in this programme falls heavily on delivery from the Council's HRA. In order to develop a more balanced programme, the Council will continue to look at innovative funding mechanisms and work with local RSLs and Developers to increase and improve their financial contribution. This will reduce the pressure on the HRA contribution over the course of the 5 year development plan.

6.0 Development Programme

- 6.1 A provisional development programme, requiring Council approval, was submitted to the Government in April and further consideration of the sites and resources available has now resulted in the amended programme set out in detail in the SHIP at appendix 1.
- 6.2 The Government will expect slippage programmes in the main, to come from pipeline projects. To assist with the identification of suitable sites for slippage, we are proposing to continue to operate a 'shadow programme' where Council can approve sites in principle. These can then be brought forward if required and if feasible. The full development programme, including slippage sites, is summarised in the Strategic Local Programme 2013-2018 at Appendix 2.
- 6.3 All the sites listed in the proposed 5 year development programme were scored against criteria to compare site potential. The development proposals, which are based on the priorities evidenced from the HNDA are featured in the 5 year investment programme detailed in Appendix 2 include;
- Acquisition of existing properties : 40 properties purchased by the Council for HRA social rent by March 2014, focussed upon much needed single person and some targeted family housing.
 - Fairfield, Sauchie - 18 newbuild units on the Council owned site prioritised for family housing adjacent to existing open space, delivered late 2014/15.
 - Primrose Street, Alloa - potential for up to 60 town centre 1 and 2 bed flats as part of a wider partnership regeneration of the area including commercial and retail facilities. This development contributes to the vitality of the town centre and is considered a high priority to deliver both accommodation and commercial regeneration to the town centre. Initial decisions with the developer lead officers to be optimistic that the acquisition of good value completed units is possible. An RSL needs to partner this investment and initial discussions have commenced with a potential organisation. Key to this project going forward is a successful bid to the Scottish Government's regeneration fund, the first stage commencing 28 June, 2012. The Council intends to support this project as a priority regeneration objective.
 - Earlsfield (Alloa Park) - possible innovative mid rent and social rent proposal in partnership with institutional investors and the private sector which will deliver a range of house types in area of substantial need. The current proposals show such demonstrable VFM that this site is being promoted ahead of those on the shadow programme. The procurement options need to be considered for this site and other potential sites within area. If this is not concluded other sites will be brought forward.
 - Former Community Centre, Tillicoultry - proposals at this site are currently being evaluated as part of the Capital Stimulus Initiative tender exercise. Subject to 5.6 (Innovative Financial Models) this site is earmarked for social housing in Year 5.
- 6.4. The Strategic Housing Investment Programme (SHIP) confirms that, in addition to the provision of new social rented housing, other initiatives to increase affordable housing supply are being explored. This includes the option to participate in a further phase of the National Housing Trust (NHT) initiative for mid market rent housing, which will be considered for Clackmannanshire in the coming year and again any firm proposal will be reported during the coming financial year.

6.5. Risks associated with the development programme include;

- All units costs at this early stage are indicative and based upon known prices of recent developments and where off the shelf acquisition is concerned indicative sales, costs, full cost plan and feasibility work will be completed on a project by project basis
- Timescales given are subject to change and are indicative at this time. All sites in the plan are assessed against a range of criteria including 'deliverability'
- Work with the private sector, where land or future investment are not entirely within Council control will be fully assessed for legal and financial risk as projects progress.

7.0 Sustainability Implications

- 7.1. The supply of affordable housing is a central contributor to the Council's commitment to reduce carbon emissions. The project at Alva will provide 48 carbon zero homes to gold energy standards. Every attempt will be made to negotiate enhanced home energy standards with prospective developers for all new affordable homes. The Council will also pursue the inclusion of renewable technology where feasible in the developments it supports.
- 7.2. Overall the delivery of more affordable housing is a central plank to the sustainability of a thriving and vibrant Clackmannanshire.

8.0 Resource Implications

8.1. Financial Details

The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate.

Yes ☒

- 8.2. Finance have been consulted and have agreed the financial implications as set out in the report.

Yes ☒

- 8.3. The funding for affordable housing is set out in full in the accompanying SHIP and Strategic Local Programme. This highlights the Affordable Housing Supply Programme allocation from the Scottish Government, which is £5.526m over 5 years:

2012/15	£2.675 million
2015/15	£1.245 million
2016/17	£0.955 million
2017/18	£0.651million

The allocation for future years is indicative at the moment. These are likely to increase once annual budgets are confirmed.

- 8.4. In addition, the SLP assumes an HRA contribution of £6.25m from 2013 to 2018 and this has been approved in the HRA Capital Plan approved by Council in February 2013. The SLP identifies a slightly greater contribution of £7.53m which, over the life of the plan, is anticipated will be reduced by a RSL becoming involved.

8.5. Staffing

There are no direct staffing implications and all are assumed within existing resources. Any additional staffing required for the developments will be included in the direct project costs.

9.0 Exempt Reports

9.1. Is this report exempt? Yes ☐ (please detail the reasons for exemption below) No ☒

10.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box ☒)

The area has a positive image and attracts people and businesses	<input checked="" type="checkbox"/>
Our communities are more cohesive and inclusive	<input checked="" type="checkbox"/>
People are better skilled, trained and ready for learning and employment	<input type="checkbox"/>
Our communities are safer	<input checked="" type="checkbox"/>
Vulnerable people and families are supported	<input checked="" type="checkbox"/>
Substance misuse and its effects are reduced	<input type="checkbox"/>
Health is improving and health inequalities are reducing	<input checked="" type="checkbox"/>
The environment is protected and enhanced for all	<input checked="" type="checkbox"/>
The Council is effective, efficient and recognised for excellence	<input checked="" type="checkbox"/>

(2) **Council Policies** (Please detail)

The SHIP helps to deliver the priorities identified in Clackmannanshire's Housing Strategy 2012-17, approved by Council on 20 December 2012.

11.0 Equalities Impact

11.1. Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? Yes ☒ No ☐

12.0 Legality

12.1. It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes ☒

13.0 Appendices

13.1. Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix 1: Strategic Housing Investment Plan (SHIP) 2013- 2018.

Appendix 2: Summary Strategic Local Programme

14.0 Background Papers

14.1. Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes ☒ (please list the documents below) No ☐

Housing Need and Demand Assessment - 2010

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CLACKMANNANSHIRE COUNCIL

STRATEGIC HOUSING INVESTMENT PLAN 2013 - 2018

Draft - Subject to Council Approval

draft

1.0 Introduction

- 1.1 The Strategic Housing Investment Plan (SHIP) sets out the priorities for housing investment, following on from the priorities set out in Clackmannanshire's Housing Strategy (CHS), and keeping in mind the distinct goals of the strategy:
- Creating a more effective housing system, and
 - Tackling social justice issues, such as the effects of poverty, age and disadvantage.
- 1.2 To create an effective housing system and tackle social justice issue, we need to build additional new housing, offering choice of tenure and promoting mixed communities. As public finance is limited, it is essential to look at new ways of funding affordable housing with little or no public subsidy.
- 1.3 The future population of Clackmannanshire will be older, and have fewer larger households. To cater for this changing demographic, smaller, more accessible houses need to be built. In addition the older population in social housing is increasingly being replaced by younger, particularly single households.
- 1.4 This SHIP details the affordable housing units programmed for delivery over the next 5 years, from 2013 to 2018. The SHIP is subject to constant review to take into account changes in finance, development constraints and changing priorities. It is a working tool to enable the council to direct affordable housing, while forming the basis for more detailed programme planning.

1.0 Clackmannanshire Housing Strategy

- 2.1 The Clackmannanshire Housing Strategy, was passed by Council in December 2012. The key focus of the SHIP is to reinforce the eight priority areas and outcomes identified in the Strategy:
- **New Housing Supply** - Quality, affordable housing is maximised
 - **Best Use of Existing Housing** - The housing we already have is optimised and effective in providing choice and meeting need
 - **Homelessness** - Homelessness is reduced and homeless and potentially homeless households have access to effective and appropriate housing option
 - **Support for Independent Living** - Those requiring assistance to live independently at home have access to effective housing support
 - **Specialist Housing** - People have access to specialist or adapted accommodation where there is an assessed need
 - **Energy Efficiency and Fuel Poverty** - Energy efficiency is improved and fuel poverty and carbon emissions are reduced across all tenures
 - **Improving Neighbourhoods and Communities** - Organisations and partnerships working with communities will improve the quality of life for all households
 - **Housing Investment** - New, improved and innovative funding opportunities will ensure a flow of funds to achieve essential housing priorities.

Strategic Priorities

- 2.2 The Housing Strategy states the overall priorities for activity and specific actions targeted for housing investment include:
- Developing innovative and flexible models for cost effective new housing,
 - Maximising the amount of housing, including affordable housing,
 - Optimising the Council's newbuild programme,
 - Working with housing associations to deliver new affordable housing,
 - Promoting and increasing low cost home ownership schemes,
 - Promoting strategic development sites,
 - Maintaining a programme to bring private sector empty homes into use,
 - Maintaining a programme to purchase existing housing for social stock,
 - Increasing the supply of temporary and interim accommodation through newbuild and off the shelf purchase,
 - Delivering specialist housing in appropriate new developments,
 - Using Council land and assets to provide additional affordable housing,
 - Using income from reduction in council tax discounts to provide additional affordable housing.
- 2.3 In addition to the listed projects meeting the priorities in the Strategy, they also need to be deliverable. An evaluation matrix has been developed, using a set of criteria to measure the strategic fit and viability of each site. The emphasis for development is deliverability. Sites with lower scores may still be classed as deliverable during the course of the five year SHIP if it is considered that constraints identified can be resolved in a reasonable timescale.

Our Corporate Strategy: Taking Clackmannanshire Forward

- 2.4 The SHIP provides detailed resources in order to support our corporate aim to provide Better Housing and Environment, in particular building new Council Houses and working with partners to maximise the availability of affordable housing.

3.0 New Housing Supply Targets

- 3.1 The HNDA shows the need for 454 affordable and 188 private houses each year for the next 5 - 10 years. However, in the current economic climate, this level of housing provision annually is not considered to be realistic or achievable. In view of this, a more modest supply target of 173 new private and 31 affordable homes annually has been set, based on what the Land Audit figures say is achievable.
- 3.2 High volumes of affordable housing as part of private development are unlikely to be provided in the coming years, as private house building in general has fallen. Clackmannanshire's affordable housing programme was around 60 per annum at its peak. This would suggest that the need for affordable housing will continue to be greater than supply over the course of the CHS and the Local Development Plan.

- 3.3 In addition to available Government funding, the Council is actively pursuing new, innovative models of housing provision in order to fill this gap left by reduced investment, including embracing new financial models, using land to best effect and actively seeking effective partnerships.

General Needs

- 3.4 There is a need for both small, single person homes and large family houses. The social sector has less than 200 large houses of 4 or more bedrooms and we need additional houses of this type to meet the needs of larger families. There are growing numbers of small, single households (especially young people) who have limited income and need suitable affordable housing. Our research shows that 7 out of 10 people under the age of 35 cannot afford to buy or rent on the open market.

Specialist Housing

- 3.5 The Council will continue to provide an element of particular needs housing on suitable sites. Most recently, the Dalmore Centre in Alva was redeveloped by the Council to provide 9 amenity properties.
- 3.6 The Joint Commissioning Plan for Older People is currently out for consultation by the Stirling and Clackmannanshire Housing, Health and Social Care Partnership. The document focuses on shifting the balance of care for older people away from reliance on care home and hospitals, to supporting older people to stay in their own homes.
- 3.7 The housing contribution contained in the Joint Commissioning Plan links to the Housing Strategy's key outcomes:
- Those requiring assistance to live independently at home have access to effective housing support,
 - People have access to specialist or adapted accommodation where there is an assessed need,
 - Organisations and partnerships working with communities will improve the quality of life for all households,
 - Improve current referral processes and information sharing between services
 - Define the need for specialist housing and agree best way to supply gaps in provision,
 - Deliver specialist housing on appropriate new housing developments,
 - Introduce a housing options service.

4.0 Partnership Working

- 4.1 There is continued emphasis on partnership working to deliver the SHIP. We are working with other services to deliver the Council new build programme and are working with Hadden Construction and the Scottish Futures Trust (SFT) to deliver National Housing Trust (NHT) houses for mid market rent. Ochil View Housing Association will act as management and maintenance agents for the properties.

- 4.2 The Council, in partnership with private developers and Paragon and Link Housing Associations, has approval for the Scottish Government Greener Homes Innovation Scheme. This was approved by Council in May 2013 , and will provide 48 new, affordable, high quality, highly energy efficient housing on Council land in Alva.
- 4.3 Ochil View Housing Association has taken the decision to cease actively developing in the immediate future. The Council is building to increase its own stock but will continue to explore RSL partnership working to encourage a range of investment in affordable housing.

5.0 The Planning Context

- 5.1 Any new housing development should address the needs of the people of Clackmannanshire, regardless of tenure. The key mechanism for this is the planning system. We are working alongside planning colleagues to create a mix of housing sizes and tenures with the aim of providing housing opportunities for all and helping to prevent further market failure.
- 5.2 The proposed Local Development Plan is currently under consideration and includes provision for the increase and delivery of affordable housing, which is supported by the Housing Needs and Demand Assessment. The proposed Affordable Housing Policy (SC2), subject to full Council approval, includes that housing proposals for 20 or more homes, or over 1 hectare, will be expected to include a range and choice of house types, tenures and sizes, including affordable housing.

6.0 Particular Policy Initiatives

Bring empty homes back into use

- 6.1 Together with Falkirk and Stirling, the Council has invested in an empty homes officer, who will facilitate the Forth Valley Empty Homes Project. The project will tackle the issue of empty homes directly, and aims to bring around 20 properties back into use in the first year.
- 6.2 The reduction of the council tax discount given to second homes and long term empty dwellings from 50% to 10% came into effect from 1 April 2012, a total of £97,621, collected in 2012/13, will be used to invest in affordable housing.
- 6.3 £75,000 has been awarded from the Scottish Government to fund an empty homes loan scheme in Clackmannanshire. In addition to the funding, a further £25,000 will be invested by the Council. The scheme will offer owners of empty properties a grant and interest free loan to renovate their property. In return, the property will be used for affordable, private renting for a period of 5 years.

Purchase Existing Housing for Social Stock

- 6.4 Around £2.24 million is to be used for acquisition of existing properties. Just over £0.8 million in Government subsidy and £1.4 million from the Housing Revenue Account budget. The initiative aims to provide around 40 extra properties for social rent.

- 6.5 The Council has maintained its commitment to make off the shelf purchase a means of delivering units, however, in order to provide a balanced program and maximise opportunities, this commitment has been marginally reduced.

Local Authority Mortgage Scheme

- 6.6 As a measure to address the shortage in supply of affordable housing in Clackmannanshire, and to help the housing market and the local economy in general, the Council supports the development of a Local Authority Mortgage Scheme (LAMS).
- 6.7 The scheme is aimed at first time buyers who can afford to enter the housing market but are struggling to come up with the 25% deposit typically required by lenders. The indemnity will be in place for a fixed 5 year period for each mortgage granted under the scheme.

Greener Homes

- 6.8 The Greener Homes Innovation Scheme is a £10 million Fund which has sought to attract bid applications that offer new approaches to the delivery of energy efficient affordable housing using innovative modern methods of off-site construction.
- 6.9 The Scottish Government is seeking to support a wide range of proposals that offer new approaches to the funding and delivery of affordable housing. Bids are expected to be: Quality sustainable, greener homes, that could be either new build or conversion. They are required to have the potential for replication to transform the way affordable housing can be delivered in future and offer value for money taking into account rent levels reflecting the intended user of the home.
- 6.10 A bid for the Alva school site was approved by the Government as meeting this criteria and was approved by Council on 16th May 2013. The land to facilitate the development will be transferred to a private sector partner at nominal value.

7.0 Update and Future Investment Priorities

Resources

- 7.1 The resource planning assumptions, which give an indication of the level of resources being allocated by the Government, are set out for the next 5 years are as follows:

2013/14/15	£2.675 million
2015/16	£1.245 million
2016/17	£0.955 million
2017/18	<u>£0.651 million</u>
Total	£5.526 million

- 7.2 The Council and its partners will, as indicated in the Housing Strategy, pursue a range of ways to deliver affordable housing within the level of available finance.
- 7.3 The Council has already committed for 25 new builds at the former Dalmore Centre site in Alva and the site at the Orchard in Newmills, Tullibody which have recently been completed at a cost of £1.878 million.
- 7.4 One of the key priorities for the Council is the provision of temporary homeless accommodation, vital to addressing the Strategy key action that no homeless applicants are required to live in B & B accommodation. The development at Hallpark will help to achieve that by providing 25 one and two bedroom flats, due to complete next year, for an investment of £1.716 million.
- 7.5 The HRA funding is already included in the 5 year HRA Capital Plan approved in February, 2013 at Council.

8.0 Affordable Housing Supply Programme

- 8.1 The proposed Strategic Local Programme is contained in the tables at the back of this SHIP. This includes the following initiatives:

A. Off-the-Shelf purchase

- 8.2 This is the purchase of good value/quality second hand housing for rental.

B. Primrose Street, Alloa

- 8.3 In order to support delivery of this Primrose Street site, in Alloa town centre, the Council intends to bid for the Scottish Government's £40 million Regeneration Capital Grant Fund, which is aimed at transformation of long term disadvantaged areas. The bid process centres upon projects which will deliver large scale positive improvements to deprived areas and which can engage and involve local communities. One of the projects, is in Alloa town centre, at the newly demolished privately owned Primrose Street site, which sits adjacent to the Council's Speirs Centre.

- 8.4 In addition to the 60 flatted dwellings, retail space and additional commercial premises will complement existing investment in rail transport and be a final part of the jigsaw to redevelop Alloa Town Centre. Initial discussions with the owner developer reflect good value average acquisition costs for social rented units.

B. Fairfield, Sauchie

- 8.5 The site is vacant and in Council ownership with capacity for up to 18 new council houses. This site is one of a number of potential housing sites within the Council's wider property asset management plan. This is ideally situated to deliver quality new Council owned family housing adjacent to existing open space.

C. Earlsfield, Alloa (Alloa Park)

- 8.6 There have been initial meetings with the site developer and Scottish

Government Innovation Unit proposing delivery of affordable housing via a pension fund investment model. The model could deliver affordable housing at well below government subsidy levels and at much reduced borrowing and construction costs.

Initial discussion with the funder and developer reflect good value lease costs with low grant funding levels social rented units.

The proposal is in the early stages however, though the same model has already delivered a commitment to 10,000 affordable houses in Wales. The Council would be keen to pursue such a model in order to deliver additional affordable housing in an innovative way, if the financial model proves advantageous.

8.7 **Former Community Centre, Tillicoultry**

The Council owned strategic opportunity sites at the former Tillicoultry Community Centre and former Tullis factory in Tullibody (see below) are under consideration for development through a Local Asset Backed Vehicle approach with a private developer partner aimed at generating investment and capital. This 'capital stimulus initiative' uses the Council land value as the lever which could potentially include an element of affordable housing on each site at a reduced public subsidy level.

The Tillicoultry site is a possible mixed use development with the opportunity for around 30 affordable houses.

8.8 **Shadow Programme**

To assist with the identification of suitable sites for slippage, we are operating a **shadow programme**, where sites can be identified as possible options should the opportunity arise. These can be brought forward if required and if feasible.

8.9 **Alloa Road, Tullibody (Tullis Site)**

The 50 affordable units capable on this second 'capital stimulus initiative' site is subject to a current procurement process and the outcome will determine the nature of development. This could feasibly include either Council new build or mid market rent, depending on the outcome of tendering.

8.10 **Elm Grove, Alloa**

This site is owned by Ochil View Housing Association and was considered as part of the Bowmar Masterplan for area regeneration. It will be considered as an option for future years but is less viable currently because of the economic downturn and the need for a developer partner. As stated earlier, Ochil View are not actively developing new housing, although they have stated they would consider purchasing off the shelf from a developer.

8.11 **Branshill Park, Sauchie (former Forth Valley College site)**

In January 2012, planning approval was given on the former Forth Valley College site in Sauchie. A 7% affordable housing contribution was agreed on this site, or £300,000 (equivalent to 10 affordable homes). This contribution was negotiated taking into consideration wider requirements and constraints on this site.

8.12 Main Street, Sauchie

This site may be declared surplus and is identified in the LDP for future development but subject to a range of other potential development activity.

8.13 The Shore, Alloa

This is a residential brownfield redevelopment opportunity identified in the Local Development Plan, with some of the land in Council ownership. An element of affordable housing will be required on this site.

8.14 Stirling Street, Alva

It is the Council's intention to re-develop this town centre site, as part of the ongoing commitment to the regeneration of town centres. Up to 17 units for affordable housing could be provided on the site.

8.15 Sauchie West

This is a large site with a significant proportion of affordable housing earmarked through the affordable housing planning policy. There is currently 100 units in the shadow programme, although this figure is negotiable.

9.0 Units in Addition to Affordable Housing Supply Programme

9.1 National Housing Trust, The Glen, Coalsnaughton,

Following approval at Council in December 2011, Hadden Construction will join the Council and the Scottish Futures Trust in the National Housing Trust Initiative in Coalsnaughton. This will deliver 28 Mid Market Rent houses with the £2.9 million contribution from the Council's General Fund being underwritten by the Scottish Futures Trust.

9.2 In June 2013, The Scottish Futures Trust launched NHT 3 as well as an NHT Council variant, both aimed at delivering mid rent housing. The Council will therefore now consider its future commitment to the NHT model, as part of the programme set out in this report.

9.3 Greener Homes, Former Alva Academy

The Council, in partnership with private developers, Paragon and Link Housing Associations, has approval for the Scottish Government Greener Homes Innovation Scheme. This was approved by Council in May 2013 and subject to planning permission will provide 48 new affordable, highly energy efficient housing.

9.4 Increase in Homeless Accommodation

The Council's General Fund is purchasing, with a contribution from income received from the reduction in council tax discount for empty homes, the purchase of 50 units to reduce the use of B & B, delivering savings to the Council.

In addition, the Council is funding the refurbishment of 10 maisonettes in a block of flats at the Orchard in Tullibody. This will provide 18 bedsit units for temporary accommodation for homeless people.

10.0 Ensuring Equalities

- 10.1 An equalities impact assessment is carried out on each SHIP. The SHIP has no negative impact on the six equality groups, in fact it is likely that these groups will benefit from a positive impact.

11.0 Strategic Environmental Assessment

- 11.1 The SHIP is part of the CHS, which had a pre-screening as required by the Environmental Assessment (Scotland) Act 2005. Clackmannanshire Council as a "responsible authority" for the purpose of the Act, has determined that no SEA submission is required for this document. Specific environmental issues will be considered as part of the Local Development Plan process when planning applications for sites are submitted.

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MAIN PROGRAMME

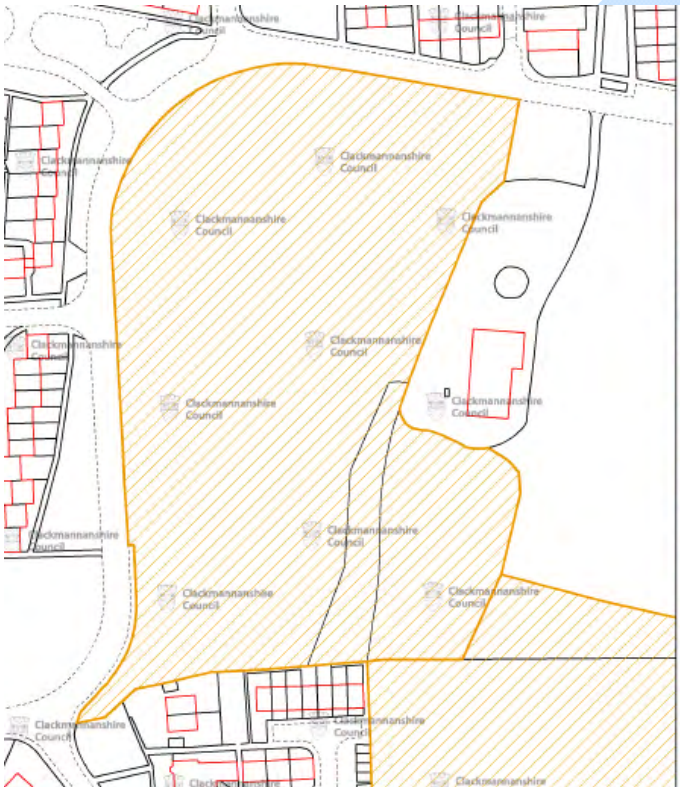
Reference H01 Primrose Street Alloa (Co-op)



Reference H09 Earlsfield, Alloa



Reference H10 Earlsfield, Alloa



Reference H20 Fairfield, Sauchie

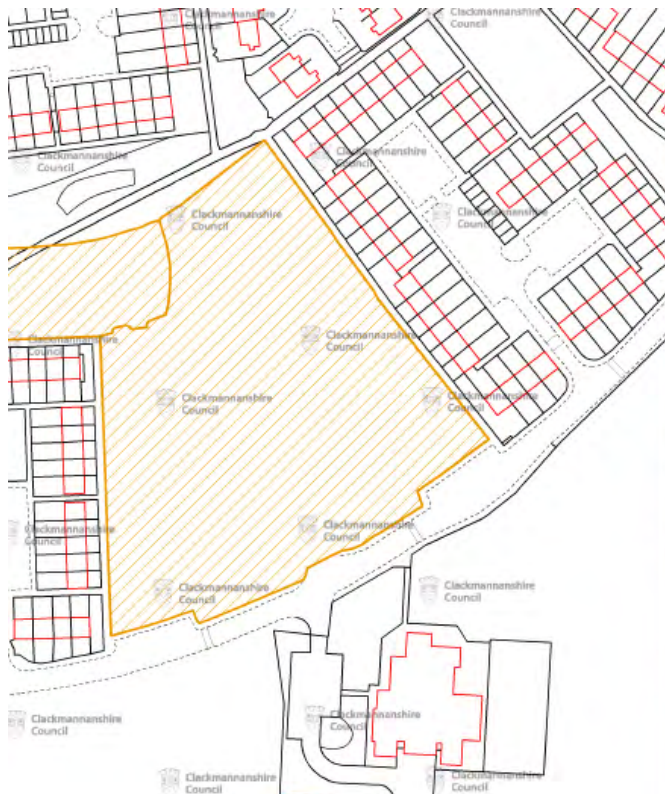


SHADOW PROGRAMME

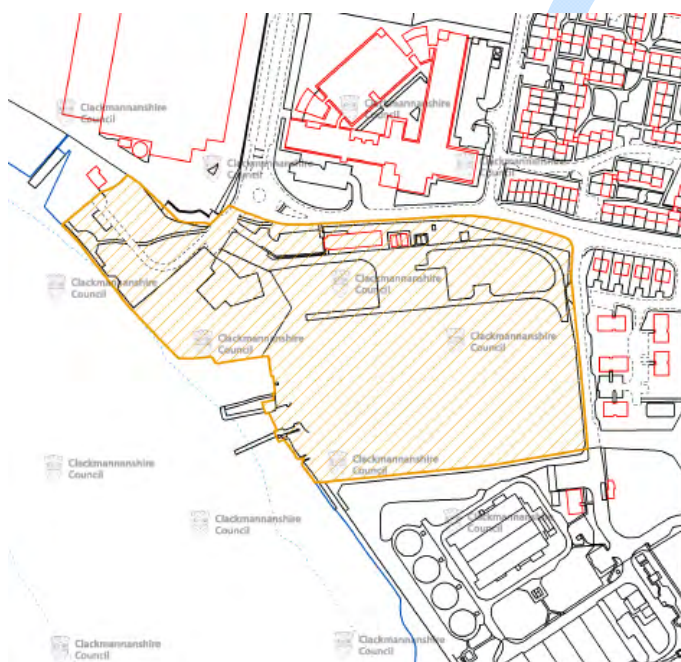
Reference H19 Sauchie West



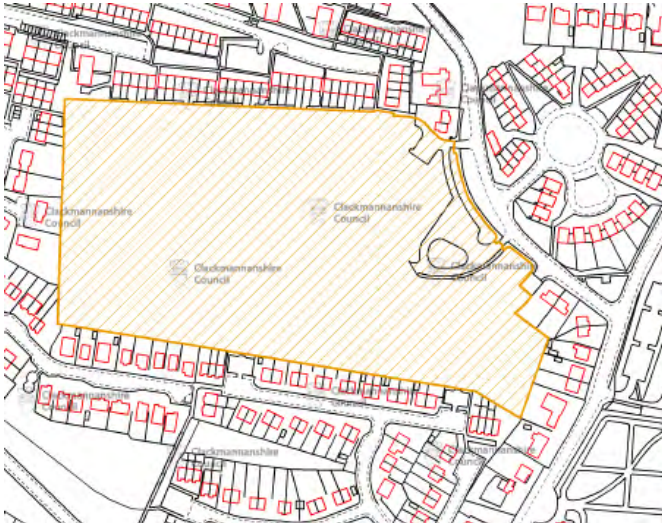
Reference H11 Elm Grove, Alloa



Reference H13 The Shore, Alloa



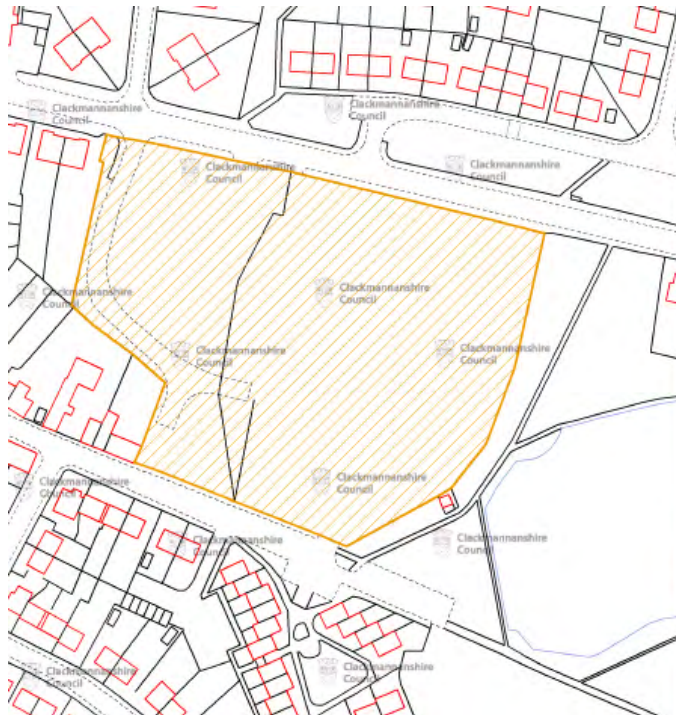
Reference H18 Branshill Park, Sauchie



Reference H22 Main Street, Sauchie



Reference H29 Alloa Road, Tullibody (Tullis)



Reference H44 Stirling Street, Alva



draft

STRATEGIC LOCAL PROGRAMME 2013-2018 : MAIN PROGRAMME **Appendix 2**

Site		Tenure			Start year					Completions year					Unit Cost £000	Grant/ Unit £000	HRA cost/ unit £000	RSL cost/ unit £000	Total Grant £m	Total HRA £m	Total HRA & Grant £m
		Soc Rent	MMR /LCO	Tot	13/ 14	14/ 15	15/ 16	16/ 17	17/ 18	13/ 14	14/ 15	15/ 16	16/ 17	17/ 18							
Years 1 and 2 2013/14 - 2014/15 Assumed Govt funding available £2.675m																					
Property Acquisitions	C	40		40	20	20				20	20				55	21	34	0	0.840	1.360	2.200
Primrose St, Alloa (Co-op) (H01)	RSL	30		30		30					30				75	42	0	33	1.260	0	1.260
Fairfield, Sauchie (H20)	C	18		18		18					18				120	30	90	0	0.540	1.620	2.160
Total yrs 1+2		88		88	20	68	0	0	0	20	68	0	0	0					2.640	2.980	5.620
Year 3 2015/16 Assumed Govt funding available £1.245m																					
Primrose St, Alloa(H01)	C	30		30			30					30			75	30	45	0	0.900	1.350	2.250
Earlsfield Alloa (H09 & H10)	D/C	25		25			25					25			110	20	0	0	0.500	0	0.500
Earlsfield Alloa	D/C		25	25			25					25			110	0	0	0	0	0	0
Totals yr 3		55	25	80	0	0	80	0	0	0	0	80							1.400	1.350	2.750
Years 4 and 5 2016/17 - 2017/18 Assumed Govt funding available £1.606m																					
Earlsfield Alloa	D/C	25		25					25					25	110	20	0	0	0.500	0	0.500
Earlsfield, Alloa	D/C		25	25				25					25	110	0	0	0	0	0	00	0
Former Comm Centre, Tilli (H49)	C	40		40				20	20				20	20	110	30	80	0	1.200	3.200	4.400
Totals yr 4 + 5		65	25	90	0	0	0	45	45	0	0		45	45					1.700	3.200	4.900
Total		208	50	258	20	68	80	45	45	20	68	80	45	45					£5.740	£7.530	£13.270

Figures are estimates

C: Council RSL: Registered Social Landlord

D: Developer

MMR: Mid Market Rent

Red: Planning s75 sites

STRATEGIC LOCAL PROGRAMME 2013-2018:				SHADOW PROGRAMME - POTENTIAL FUTURE SITES						
	Tenure			Unit Cost £000	Grant per Unit £000	HRA cost per unit £000	RSL cost per unit £000	Total Grant £m	Total HRA £m	Total cost £m
	Soc Rent	MMR	Tot							
Alloa Road, Tullibody (Tullis)	50		50	tbc	tbc	tbc	tbc	tbc	tbc	
Elm Grove, Alloa (H11)	20		20	tbc	tbc	tbc	tbc	tbc	tbc	
Branshill Park, Sauchie (H18)	7		7	tbc	tbc	tbc	tbc	tbc	tbc	
Main Street, Sauchie (H22)	22		22	tbc	tbc	tbc	tbc	tbc	tbc	
The Shore, Alloa (H13)	20		20	tbc	tbc	tbc	tbc	tbc	tbc	
Stirling Street, Alva (H44)	17		17	tbc	tbc	tbc	tbc	tbc	tbc	
Sauchie West (H19)	100		100	tbc	tbc	tbc	tbc	tbc	tbc	
Total	236		236							

Local Development Plan references are in brackets