
NORTH AYRSHIRE COUNCIL

1 November 2022

Cabinet

Title:	Strategic Housing Investment Plan 2023 – 2028
Purpose:	To seek Cabinet approval of the Strategic Housing Investment Plan 2023 – 2028
Recommendation:	That Cabinet (i) approves the Strategic Housing Investment Plan 2023-2028 at Appendix 1 for submission to Scottish Government and (ii) gives delegated authority to the Executive Director (Place) and the Cabinet Member for Place to liaise directly with the Scottish Government in agreeing the North Ayrshire development programme and the rescheduling of projects as required.

1. Executive Summary

- 1.1 The Strategic Housing Investment Plan (SHIP) 2023 – 2028 sets out the priorities and locations for affordable housing investment by the Council and Registered Social Landlords in North Ayrshire over the next five years. The SHIP is based on projected Scottish Government grant funding provision for the Council and our partner Registered Social Landlords of £120.855m during the period 2023 – 2028 and represents Council investment of £84.773m.
- 1.2 It is proposed that delegated authority is assigned to the Executive Director (Place), in consultation with the Cabinet Member for Place, to liaise with the Scottish Government and agree the rescheduling of projects detailed in the SHIP, as required. Any additional projects that are not contained within the approved SHIP will require further Cabinet approval.
- 1.3 From a Council perspective, the SHIP reflects the previous commitment to construct 1,625 new build homes, including provision for 275 new homes to replace the Fullarton tower blocks, which are scheduled for demolition following re-housing of all tenants and 250 new units to support the Council's Estate Based Regeneration Programme.
- 1.4 The Council and its RSL partners have been monitoring the impact of both COVID-19 and ongoing global economic factors impacting supply chains, labour availability and materials costs affecting the construction industry, on the SHIP. It is clear that both issues have contributed to time and financial impacts, due to labour and material shortages and an increase in material costs. The SHIP includes the latest available estimates of the time and financial impacts of COVID-19 on the development programme.
- 1.5 The SHIP 2023 - 2028 will secure investment in a total of 1,652 properties across the six North Ayrshire social landlords currently active in housebuilding and will provide

sustainable, affordable, accessible, and high-quality homes which will contribute to the wider regeneration aims for the area. This will in turn secure employment and training opportunities for North Ayrshire businesses and residents and support the Council's Community Wealth Building Strategy. Members are invited to approve the SHIP at Appendix 1 for submission to the Scottish Government, as the Council's investment plan for new affordable housing in the area over the next five years.

2. Background

- 2.1 The Strategic Housing Investment Plan (SHIP) 2023 – 2028 sets out the priorities for affordable housing investment in North Ayrshire over the next five years to support the outcomes in the Local Housing Strategy. The Plan is prepared in accordance with Scottish Government guidance and includes details of individual development projects to be taken forward over its five-year lifespan (see Appendix 1).
- 2.2 The plan supports the Council's historic commitment to develop 1,100 new build Council homes. In June 2018, the demolition of the Fullarton tower blocks in Irvine was approved. The SHIP makes provision for the replacement of all 275 of these homes within the Irvine locality.
- 2.3 In January 2019, the Estate Based Regeneration Programme was approved. To assist the delivery of this programme, the SHIP includes provision for 200 units as an indicative replacement for any selective demolition of particularly low demand stock.
- 2.4 Programme revisions to date include the addition of a further 50 new units towards the Estate Based Regeneration Programme, bringing the total to 250. These projects take the total investment in Council developments to £165.361m during the period 2023 - 2028 and represents Council investment of £84.773m.
- 2.5 The Scottish Government has committed to providing North Ayrshire Council with grant funding for the Council and our RSL partners of £63.005m from April 2022 to March 2026. The funding levels beyond March 2026 are not currently known and have therefore been estimated for planning purposes, based on trend assumptions. The Scottish Government benchmark grant rates are subject to annual inflation in line with the Scottish Social Housing Tender Price Index. For new build Council developments funding levels have been estimated for projects not yet at tender stage at benchmark rates plus annual inflation which was 8.3% for 2021/22 and has been assumed at 8.6% for 2022/23 and 3.7% for 2023/24. The Council will seek grant funding above these levels in accordance with Scottish Government guidance on a site-by-site basis, as required. The RSL funding rates have been included as requested by each developing organisation and will be subject to Scottish Government authorisation.
- 2.6 The SHIP is based on total projected Scottish Government grant funding provision of £120.855m for the Council and our RSL partners during the period 2023 - 2028. In accordance with Scottish Government guidance, the Council has over committed the funding within the SHIP by approximately 25% to ensure that the allocation is spent, and to provide the opportunity for North Ayrshire to absorb slippage from other local authority areas. For this reason, a significant portion of the funding is allocated during the second and third years of the SHIP.
- 2.7 The Council and its RSL partners have been monitoring the impact of both COVID-19 and ongoing global economic factors impacting the SHIP. It is clear both have contributed to time and financial impacts, due to labour and material shortages and an increase in material costs. The SHIP includes the latest available estimates of the time

and financial impacts on the development programme.

- 2.8 An additional £32.762m is required to support the Council's developments set out within the SHIP to offset rising rates of inflation and ensure that the costs associated with the introduction of new legislation which requires the installation of Zero Direct Emissions heating systems and Electrical Vehicle Charging Points can be met. The Council is also enhancing the building fabric for all new homes to reduce the need for heating. This additional expenditure alongside estimated additional grant of £13.933m, will be considered within the review of the HRA Business Plan to be presented to Council in February 2023 as part of the 2023-24 HRA Budget and rent setting.
- 2.9 For any projects noted within the SHIP, Cabinet is asked to delegate authority to the Executive Director (Place), in consultation with the Cabinet Member for Place, to liaise with the Scottish Government and agree the rescheduling of projects as required. This is of particular importance where deliverability is delayed or acceleration is possible due to emerging challenges or opportunities that require to be addressed. Any additional projects that are not contained within the SHIP will require Cabinet approval.

Strategic Priorities

- 2.10 The SHIP is based on a series of guiding principles for housing provision, taken from the Local Housing Strategy.
- 2.11 In order to prepare the SHIP, the Council invited site nominations from its partners. No new sites were nominated for the SHIP 2023 however three RSL partners introduced buy back programmes. 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, and the available grant funding spent, by accelerating other projects.
- 2.12 In terms of ongoing governance, senior officers monitor the progress of the new build programme monthly through the SHIP Project Board.

Demand

- 2.13 Demand figures have been obtained from the North Ayrshire Housing Register (NAHR). House size and type priorities have also been informed by the NAHR. The Housing Need and Demand Assessment (HNDA) sets the housing estimate for the period 2022-2027 as 2,330 new units, either in the social rented sector, or, in the case of strong economic recovery, split across all tenures. Housing supply targets will be set out in the emerging Local Housing Strategy.
- 2.14 Figure 1 plots SHIP completions against net gain from 2022 to 2028. The 'net gain' columns indicate the additional homes available per locality following completion of the developments, minus the strategic demolitions set out in the SHIP.

Figure 1: SHIP Actual & Projected Completions 2022-2028 & Net Gain 2022-2028



2.15 The Council allocates funding to each developing organisation from the Scottish Government Resource Planning Assumption (RPA). Figures 2 and 3 show the proportion of stock held by each developing organisation, and the share of funding per developing organisation.

Figure 2: Proportion of stock held in North Ayrshire per developing organisation (%)

Developer	North Ayrshire Stock
NAC	13,135
CHA	2,329
Riverside (IHA)	1,710
Cairn (ANCHO)	657
Trust	287
Link	0
Total	18,118

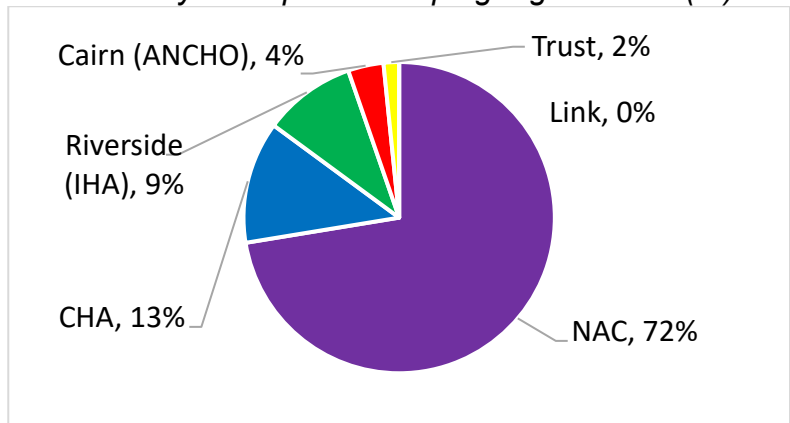
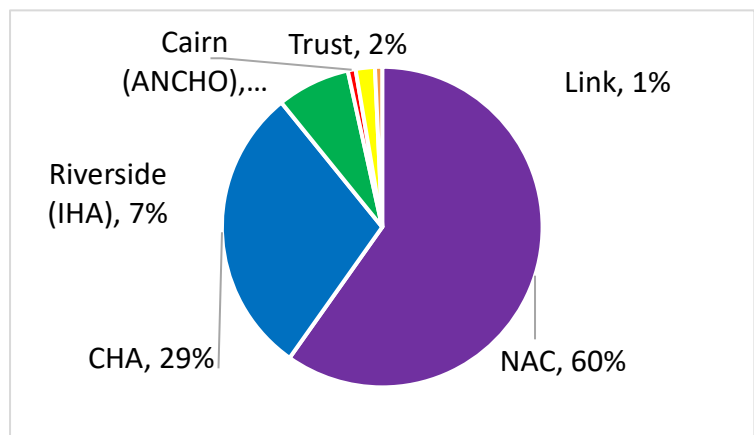


Figure 3: Proportion of funding per developing organisation (%)

Developer	Completions in SHIP 2023 - 2028
NAC	988
CHA	485
Riverside (IHA)	122
Cairn (ANCHO)	13
Trust	32
Link	12
Total	1652



2.16 An indicative size mix (Table 1) for new developments across North Ayrshire has been prepared based on North Ayrshire Housing Register (NAHR) intelligence to meet existing and future housing need.

Table 1: Indicative mix by bedroom size

No of Beds	Three Towns	Arran	Garnock Valley	Irvine / Kilwinning	North Coast	North Ayrshire
1	14%	14%	10%	15%	14%	14%
2	60%	54%	56%	56%	63%	57%
3	15%	20%	20%	15%	15%	16%
4+	11%	12%	14%	14%	8%	13%

Specialist Accommodation

- 2.17 Analysis of the NAHR, and projected future demographic trends signifying an ageing population, indicate that at least 25% of all new build homes should be designed for older people (i.e., amenity housing or sheltered housing).
- 2.18 Following a review of North Ayrshire’s Housing Allocation Policy in 2019, the age restriction for the allocation of amenity housing was removed. This allowed allocation of amenity homes to younger people with an accessible housing requirement, promoting independent living. Currently, 79% of applicants for amenity housing are aged over 51. The Council will continue to monitor the availability of housing for older people to ensure that their needs can be addressed through the affordable housing supply programme.
- 2.19 In order to promote independent living, the Flatt Road development site in Largs was used as an exemplar for assistive technology. Features can be included within the sheltered housing complex and supported accommodation where required to support tenants’ individual needs.
- 2.20 The Council’s Housing Service and Health and Social Care Partnership (HSCP) worked together over the last five years to consider a model for Extra Care Sheltered Housing. The vision was to create safe, affordable homes for tenants who require additional support with extra services to promote independent living, such as assistance with meals or welfare checks, to be available for tenants for an additional fee. Following development of the outline model, demand analysis was undertaken by the HSCP in 2021 alongside engagement with other areas in Scotland where similar housing models operate. At that time, it was determined that there was not sufficient demand to integrate the model into a new sheltered housing complex and there are challenges in sustainable funding to operationalise the model. The Council has, however, incorporated flexibility into some new build sheltered housing complexes to allow this model to be reconsidered in future, with minimal investment should the HSCP choose to develop this further.
- 2.21 To ensure need is met now and in the future, the Local Housing Strategy 2018 – 2022 set a target for all tenures, with at least 7% of all new build stock being fully wheelchair accessible. This will be reviewed in the next LHS (due for renewal in early 2023) and the future Local Development Plan following Scottish Government guidance for local authorities on the setting of targets to support the delivery of more wheelchair accessible housing.
- 2.22 The SHIP will support the Health and Social Care Partnership to meet specialist housing need through dedicated projects using the jointly developed supported accommodation model, and as part of a wider site mix on other developments, a further emerging area being explored is how the SHIP can support those with more complex care needs. The latest SHIP includes provision for 25 supported accommodation housing units at two

different locations.

Child Poverty and Improving Health and Wellbeing

- 2.23 North Ayrshire's Local Child Poverty Action Plan and Report 2020/21 recognises that the instance of child poverty within North Ayrshire is one of the highest in Scotland and acknowledges the role that access to good quality and affordable housing has in combating inequality. All new build Council family homes have study space and private gardens.
- 2.24 The Council is also considering ways in which young people can access construction related learning and training opportunities. The North Ayrshire Local Employability Partnership Delivery Plan 2022 – 2026 sets out the intentions to help people of all ages to gain skills for employment. It will prepare people for employment, training, education and/or volunteering, with the aim of increasing qualification levels and job prospects as well as reducing unemployment. Officers from Housing and PMI will work alongside Education colleagues to determine how our housebuilding programme can support the Council's ambitions to encourage more young people into training and employment.

Island Development

- 2.25 On Arran, the Council's development of 34 units at Brathwic Terrace, Brodick completed during June 2022. In addition, Trust Housing Association is currently in discussions with a local landowner to develop 26 new homes in Brodick. These developments, alongside work with communities on the island, are anticipated to support investment to encourage economic growth. Similarly, 18 new homes have recently been completed on Cumbrae through the SHIP as part of a second phase of the successful St Beya Gardens site. It is hoped that these developments will help to address local housing need, support key employment and enable people to remain on the islands. Work is ongoing to determine housing need on Arran at a town / village level, through analysis of the North Ayrshire Housing Register and further contact with applicants. Consideration is also being given to commissioning independent research with a particular focus on housing's role in supporting the local economy. The outcome of this work will be reported to Cabinet in due course, alongside any proposed action.

Buy Backs

- 2.26 Bringing empty homes back into use supports regeneration; it is a strategic priority within the current LHS and will continue to be a priority in the future. It also supports the Council's Regeneration Delivery Plan. In recognition of this, a target has been set to purchase at least five second hand or empty properties during each financial year of the new SHIP, subject to the availability of Scottish Government Grant.

Sustainability & Safety

- 2.27 Council officers are seeking to maximise the incorporation of energy efficiency measures and renewable technologies within the new build programme. The developments within the SHIP will benefit from a range of sustainable measures, for example solar photovoltaic panels, small scale district heating schemes, and passive design measures to minimise space heating demand. The exact package of measures will be determined through assessment of opportunities on a site-by-site basis.
- 2.28 Following a revision to national Building Standards, all new build social housing properties with planning applications submitted on or after 1 March 2021 require to be

fitted with fire suppression systems. In advance of this legislation, and in recognition of the safety benefits of fire suppression systems, the Council has installed fire suppression systems in all new build housing proposals which reached technical design stage after October 2019.

Regeneration

- 2.29 The provision of affordable, modern and well-designed homes that meets residents' needs is one of nine strategic priorities within the Council Plan 2019 - 2024.
- 2.30 The Council, along with its strategic partners, continues to explore the site and area specific opportunities to secure maximum regeneration benefits, supporting the ambitions of the Council's Regeneration Delivery Plan to drive forward development on strategic regeneration sites, including town centres. Our town centres continue to be of strategic importance as the economic and social focus points of North Ayrshire. The Council has acquired the former King's Arms public house in Irvine Town Centre and will redevelop the site into six amenity flats to address local housing need and encourage town centre living. Other town centre projects include: the redevelopment of the former Largs Police Station and adjacent former St Colm's Place Sheltered Housing Complex; the development of the former Springvale depot in Saltcoats; the redevelopment of former sheltered housing complexes at Afton Court and Caley Court in Stevenston; and the redevelopment of the Irvine High Flats. Regeneration Project 1d in Ardrossan and the unallocated regeneration blocks will also be utilised to further support North Ayrshire regeneration.
- 2.31 The SHIP also includes the provision of funding for 250 units to assist the delivery and funding of Housing's Estate Based Regeneration Programme. Most of this investment is anticipated to be replacement for any selective demolition of stock. The regeneration units included within the SHIP will allow Housing Services to continue the implementation of the Estate Based Regeneration Programme, as well as support a review of our assets in relation to our EESSH2 and zero emissions targets to consider further redevelopment opportunities.

Community Wealth Building

- 2.32 Effective use of community benefit clauses in development contracts, and partnership work with colleagues in Economic Development to support local construction and supply chain companies to bid for this work, can secure many of these jobs for our local people and support the Council's Community Wealth Building Strategy. The Council has undertaken a review of our Dickson Drive, Irvine house building pilot and will utilise this to inform a second project with Building Services to construct a number of new homes at Ayrshire Central, Irvine.
- 2.33 The Council is also currently developing a pilot model for employability by offering training and employment opportunities obtained through community benefits from Housing Services maintenance and investment contracts to our Housing First tenants, supporting some of our most complex support cases to sustain housing and employment. The delivery of the SHIP, alongside investment in land and asset maintenance, plays a key role in community wealth building.

Affordability

- 2.34 The Council is committed to ensuring rent levels are affordable. Many tenants in social housing are partly or fully dependent on benefits and are under increasing pressure from

the impacts of Welfare Reform and rising living costs. The Scottish Housing Regulator has intimated that social landlords will be expected to keep rent increases to a minimum. To ensure homes are affordable, the Council and all RSL partners will be expected to set rent levels on new build homes at or below the Local Housing Allowance. North Ayrshire Council has an approved rent structure based on house size and type, with no additional charge for new build properties. Current rent levels are set below the Local Housing Allowance.

Key Achievements from 2021/22

- 2.35 During 2021/22, the Council's largest development to date at Flatt Road, Largs reached completion providing 123 units including a new sheltered housing complex, supported accommodation, amenity bungalows, general needs properties and homes suitable for wheelchair users. The site is serviced by a district heating scheme which provides heating and hot water to all residents. The redevelopment of Dalrymple Place, Irvine also completed providing 33 new sheltered and amenity homes. A further 18 units were completed at the St Beya Gardens, Millport development; 14 new homes were delivered at Springvale, Saltcoats; 50 units were created at Towerlands, Irvine; and the 34 new homes at Brathwic Terrace, Arran were all allocated by June 2022.
- 2.36 During September 2022 works concluded at the 79-unit St. Michael's Wynd, Kilwinning site which delivered supported accommodation, sheltered housing, general needs properties and accessible housing. The 29 new homes at the St. Colm's Place sheltered housing complex also reached completion during September 2022. The 16 units of supported accommodation at Caley Court, Stevenston are expected to complete during autumn / winter 2022. Work continues to develop 71 new homes at Irvine Harbourside which are expected to complete during early 2023.
- 2.37 The contractor has commenced work on site to deliver 12 new amenity flats at the former Largs Police Station. The completion date for this site has slipped by eight months due to analysis being undertaken to determine the most cost-effective heating option for future tenants. At Afton Court, Stevenston works are anticipated to commence on site during late 2022 to deliver six new amenity bungalows. Now that a contractor has been appointed, the timeline has been confirmed and this scheme will complete around six months later than previously anticipated.
- 2.38 Cunninghame Housing Association completed 76 units at Sharphill Phase 4 in Saltcoats and allocated their two new wheelchair accessible homes at Glebe Place. Work continues to develop 72 units at West Byrehill, Kilwinning and 24 units at Green Street, Saltcoats. Riverside Scotland continue works on site for 77 units at Tarryholme Phase 2, Irvine which is expected to complete in early 2023.
- 2.39 North Ayrshire's Resource Planning Assumption for the Council and our RSL partners during 2021/22 was £18.205m. During the year, a total of £20.641m was claimed, through obtaining slippage funding of £2.436m from other local authority areas. North Ayrshire Council and our RSL partners have been able to claim an additional £19.165m towards affordable housing in the area from slippage in other local authority areas in the six years from April 2016 to March 2022.
- 2.40 As a result of past success in accelerating projects and claiming additional funding year upon year to date, and also due to the slippage in some of the projects noted below, it is unlikely that North Ayrshire will be able to claim our full Resource Planning Assumption for the 2022/23 financial year. Discussions are ongoing with the Scottish Government to ensure that grant funding is maximised wherever possible.

Removal of Projects from the SHIP 2023 - 2028

- 2.41 Cunninghame Housing Association's Confidential sites 9 and 11 have been removed from the SHIP as they have been assessed as unviable. A block of 92 units named 'Unallocated CHA Block' has been added into the SHIP to provide CHA with capacity for future development while the association identifies suitable sites.
- 2.42 The Council's 'Unallocated Regeneration Block 2' is no longer required as the units have now been allocated to specific projects within the SHIP where additional capacity was identified.

Amendments to the SHIP

2.43 The following amendments have been made in this update of the SHIP:

- Following value engineering design work, the James Reid, Saltcoats site can accommodate 47 units (increased from 44 units), the Stanecastle, Irvine site can accommodate 31 units (increased from 28 units) and the James McFarlane, Ardrossan site can accommodate 19 units (increased from 18 units).
- The Ayrshire Central, Irvine site has been increased to 202 units from 171 units.
- Redevelopment Projects 10, 11b and 14 located in Irvine have now been named as Montgomerie Park, Irvine and can accommodate 189 units, increased from 168 units.
- The Laburnum Avenue, Beith site can accommodate seven units, increased from six.
- The Fullarton Street, Irvine site can accommodate 62 units, increased from the 54 units previously anticipated. The estimated project start and completion dates for this site have been adjusted by a year now that the timeline for the demolition of the high flats has been established.
- Glebe Place, Saltcoats has been reprofiled from 2024/25 to 2026/27 to enable the Council in assisting the Scottish Government to meet accommodation needs for Ukrainian Displaced People.
- Unallocated Regeneration Block 1 has been reduced from 49 units to 30 units; the other 19 units have been allocated to projects in the SHIP.
- Cairn Housing Association's Confidential Site 1 has reduced from 20 units to 9 units following site viability assessments.
- Cunninghame Housing Association's (CHA) Confidential Site 8 has been named as Garven Road, Stevenston and can accommodate 20 units, increased from 19.
- CHA's site at Harbour Road, Irvine has been reduced to 27 units from 29 units.
- Cunninghame Housing Association's phase 5 site at Sharphill, Saltcoats has been increased to 100 units from 82 units.
- Riverside are unable to deliver their development at 111 Bank Street, Irvine. Cunninghame Housing Association are currently reviewing site viability and this site has therefore remained within the SHIP.
- Trust Housing Associations Confidential Site 4 can now accommodate 26 units, increased from 20 units.

2.44 A number of North Ayrshire Council project timelines have experienced slippage due to the requirement for redesign and value engineering to offset increasing costs and whilst studies were undertaken to ensure that the introduction of Zero Direct Emissions heating and hot water systems provided value for money for tenants.

- 2.45 Some SHIP sites have been anonymised for reasons of commercial sensitivity, or as they require further work to ensure that they comply with the Council's Planning or Roads policies.

New Council Projects 2023 - 2028

- 2.46 The Council has included a three unit refurbishment of a property on Nelson Street in Largs and a further two unit refurbishment project in Irvine, a viability assessment is currently underway for this scheme and it has therefore been marked as confidential until this is complete.

New RSL Projects 2023 - 2028

- 2.47 Cunninghame Housing Association, Riverside Scotland and Trust Housing Association have included buy back programmes within the new SHIP.

SHIP Impact on North Ayrshire School Capacity

- 2.48 Officers from Housing, Planning and Education will continue to monitor emerging development to ensure any impact upon school capacity can be addressed or mitigated.

3. Proposals

- 3.1 It is proposed that Cabinet (i) approve the North Ayrshire Strategic Housing Investment Plan 2023-2028 for submission to the Scottish Government; and (ii) gives delegated authority to the Executive Director (Place) and the Cabinet Member for Place to liaise directly with the Scottish Government in agreeing the North Ayrshire development programme and the rescheduling of projects as required.

4. Implications/Socio-economic Duty

Financial

- 4.1 The financial implications arising from the projects included within the SHIP 2023 - 2028 have been assessed by each of the developing organisations, ensuring that the programme is fully deliverable within the timescales set out. The current HRA Business Plan includes a budget of £165.361m to deliver the North Ayrshire Council development projects set out within the SHIP, inclusive of Scottish Government funding. It is estimated that an additional £32.762m is required to support the Council's developments set out within the SHIP 2023-2028 to offset rising rates of inflation and ensure that the costs associated with the introduction of new legislation which requires the installation of Zero Direct Emissions heating systems and Electrical Vehicle Charging Points can be met. The Council is also enhancing the building fabric for all new homes to reduce the need for heating. This additional expenditure alongside estimated additional grant of £13.944m, will be considered within the current review of the HRA Business Plan prior to it being presented to Council in February 2023 as part of the 2023-24 HRA Budget and rent setting.

Human Resources

- 4.2 Council projects within the Strategic Housing Investment Plan will be delivered by North Ayrshire Council staffing and complemented by external expertise, where required.

Legal

- 4.3 The Town & Country Planning (General Permitted Development) (Scotland) Order 1992, Schedule 1, Part 12, Class 33, as amended, enables local authorities to carry out works, within their district, for the erection of dwellings so long as the development conforms with the Local Development Plan. The Council's House Building Protocol governs the design and consultation processes for such development to ensure that appropriate levels of design scrutiny and consultation are maintained. In 2019, it was agreed that all future Council housing developments progressed as permitted development will be required to obtain a 'Certificate of Lawfulness' from the Council's Planning Service. This will certify that each site within the SHIP has been considered against the full terms of the adopted Local Development Plan. Housing development proposals by the Council which do not fall within the scope of permitted development, including schemes which require an Environmental Impact Assessment (EIA) will require planning permission. Proposals over 0.5 hectares in area will require to be screened for the purposes of EIA.

Equality/Socio-economic

- 4.4 The provision of new social housing will have a positive impact on those who require specialist accommodation, older people, those who are homeless, or at risk of homelessness, and those for whom purchasing a home is not an affordable option. The benefits of new build housing in relation to health, wellbeing and educational attainment, are well documented. New housing will also support our island communities and their economies.

Climate Change and Carbon

- 4.5 New homes should have a low environmental impact, with the aim of reducing fuel use and associated fuel costs. All projects within the SHIP will be delivered in accordance with Building Standards regulations for energy efficiency. In addition, the

majority of the new projects incorporated into the plan will meet the Scottish Government's 'Greener Standard'. Innovative approaches to fuel efficient development will be considered on a site-by-site basis (e.g., Passivhaus design measures, biomass boilers, solar photovoltaic panels, smart technologies etc). New Council homes contribute significantly to the Council's Sustainability agenda. New housing is more energy efficient, better ventilated, and has higher levels of thermal comfort, which supports improved health and well-being.

Key Priorities

- 4.6 The provision of new affordable housing supports the Council Plan priority to provide affordable, modern and well-designed homes that meet residents' needs. It supports the ambitions of the Council's Regeneration Delivery Plan to drive forward development on strategic regeneration sites, including town centres. There is also evidence that children and young people can benefit from improved cognitive development and a reduction in behavioural issues through living in a more attractive, warmer, and better ventilated environment and the provision of new affordable housing also supports the Council Plan priority that children and young people experience the best start in life. New housing will also support our island communities and their economies.

Community Wealth Building

- 4.7 The Council's contractors are required to participate in the Council's Community Benefits Programme. The projects within the SHIP aim to deliver new employment opportunities for the area, including the provision of dedicated apprentice starts, graduate positions and the creation of local jobs. The project contractors also engage with local schools to provide health and safety presentations, undertake STEM activities, provide mock interviews, and host design competitions.

5. Consultation

- 5.1 The Council has taken a collaborative approach to the preparation of the SHIP, and the following stakeholders have been involved in the process:

- ANCHO in partnership with Cairn
- Cunninghame Housing Association
- Riverside (formerly Irvine Housing Association)
- Link Group Ltd
- Trust Housing Association
- The Scottish Government
- North Ayrshire Council Officers (Economic Growth, Education, Finance, Housing, Planning, Property Management and Investment, Active Travel & Transport, Roads, and the Health and Social Care Partnership).

- 5.2 Regular meetings are held with developing organisations, the Council and the Scottish Government as part of the SHIP governance process. The meetings will continue to be convened on a quarterly basis each year, to ensure that partners' requirements are identified, and the development programme delivered.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Fiona Ellis, Senior Manager, Housing Strategy and Development**, on 01294 324031.

Background Papers

0

North Ayrshire Council

Strategic Housing
Investment Plan
2023 - 2028



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Introduction

Purpose

The Strategic Housing Investment Plan (SHIP) 2023-2028 sets out the priorities for affordable housing investment in North Ayrshire over the next five years and outlines how the Council and its partners will deliver these priorities. The focus of the SHIP is to support the Scottish Government's Affordable Housing Supply Programme (AHSP) which delivers affordable housing for rent in North Ayrshire.

Environment

A Strategic Environmental Assessment (SEA) pre-screening questionnaire undertaken for the LHS confirmed that the development proposals within the SHIP have been scoped within the SEA for the [North Ayrshire Local Development Plan](#).

Strategic Policy Context

[Housing to 2040](#), Scotland's first 20-year housing strategy, was announced in March 2021. The strategy commits to providing around £16bn of investment to support the delivery of 100,000 new homes by 2032, with at least 70% of these being for social rent. The Scottish Government's Affordable Housing Supply Programme (AHSP) comprises a range of funding mechanisms to enable affordable housing providers to deliver homes in communities across Scotland to support local authorities' Local Housing Strategies. The Scottish Government has allocated Resource Planning Assumptions (RPAs) for the full five-year period of the current parliament to deliver the ambitious affordable homes target set out in [Housing to 2040](#).

The SHIP is an extension of, and aligns to, the [Local Housing Strategy 2018-22](#) (LHS). In preparing the SHIP, the Council has referred to the outcomes identified in the LHS, which support objectives of the [Council Plan](#).

The SHIP also aligns with the Council's [Economic Recovery and Renewal](#)

[Approach](#), which sets out how the Council, in conjunction with our residents, will recover and renew services by: building upon the outcomes of the Council Plan; committing to Community Wealth Building; and committing to a Green New Deal.

Equalities

In line with our Council Plan, fairness and equity is core to the Strategic Housing Investment Plan. We strive for a North Ayrshire where everyone has the same life chances to grow, prosper and have fulfilling and healthy lives. An Equality Impact Assessment has been undertaken for the SHIP. It found that there are no negative or discriminatory effect on any equality groups.

The provision of new social housing will have a positive impact on those who require specialist accommodation, older people, those who are homeless, or at risk of homelessness, and those for whom purchasing a home is not an affordable option. The benefits of new build housing in relation to health, wellbeing and educational attainment, are well documented.

Consultation and Collaboration

As the strategic housing authority, the Council is committed to supporting our partners to deliver affordable housing development within North Ayrshire. The Council adopts a collaborative approach in the preparation of the SHIP. The key stakeholders opposite have influenced the final programme.

In preparing the SHIP 2023-2028 the Council invited site nominations from its Registered Social Landlord (RSL) partners. All developments proposed were considered on their individual merits, with reference to the development priorities set out within the LHS and any known constraints.

Thereafter, the Council issued the draft SHIP to its partners to review the priorities of each individual site and assist in agreeing the wider plan. The Council will continue to monitor the development programme and any arising opportunities at quarterly meetings held with developing RSLs and the Scottish Government.

Council Officers monitor the impact of the new build programme on education facilities and other services through the SHIP Project Board.

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

Key SHIP Stakeholders



Local registered social landlord partners, including ANCHO, Cairn, Cunninghame Housing Association (CHA), Link Group Ltd, Riverside Scotland and Trust Housing Association



North Ayrshire Council internal departments, including Economic Growth, Education, Finance, Housing, Planning, Property Management and Investment, Active Travel and Transport, Roads, and the Health and Social Care Partnership



The Scottish Government

accelerating other projects within the SHIP.

Investment Priorities

The LHS indicates the importance of establishing clear investment priorities to meet the housing needs of local people, allow partners to identify projects, and ensure that the Scottish Government's goals for new affordable social homes are supported. To ensure maximum benefit is achieved from social housing investment, all projects must:

Consider their role in providing health benefits to tenants and supporting young people to maximise their educational attainment.



North Ayrshire's Local Child Poverty Action Plan and Report 2020/21 recognises that the instance of child poverty within North Ayrshire is one of the highest in Scotland.

Research undertaken by Shelter suggests children can benefit from improved cognitive development and a reduction in behavioural issues through living in a more attractive, warmer, and better ventilated environment. All new build Council family homes have study space and private gardens.

Developing the Young Workforce have launched an online Skills Academy to support school leavers and job seekers.

The North Ayrshire Local Employability Partnership Delivery Plan 2022 – 2026 sets out the intentions to help people of all ages to gain skills for employment. It will prepare people for employment, training, education and/or volunteering, with the aim of increasing qualification levels and job prospects as well as reducing unemployment.

We are committed to working alongside Education colleagues to determine how our housebuilding programme can support the Council's ambitions to encourage more young people into training and employment.



The Kings Arms located in Irvine Town Centre will be redeveloped to provide 6 new amenity flats



The Fullarton tower blocks in Irvine is a major regeneration project

Be attractive and have aesthetic value, to contribute to the regeneration of North Ayrshire, including its town centres.

The provision of affordable, modern and well-designed homes that meets residents' needs is one of nine strategic priorities within the Council Plan. Public sector investment can have a transformational impact within communities, and there are cumulative benefits through considering how this can be coordinated with developing partners and the private sector.

The Council explores site and area specific opportunities with partners to secure maximum regeneration benefits. This supports the ambitions of the Council's Regeneration Delivery Plan to drive forward development on strategic regeneration sites, including town centres. Town centre regeneration is a primary focus of the SHIP, with several projects completed to date within, or near, town centres.

The SHIP supports major housing led regeneration in North Ayrshire, an example being provision for the replacement of the 275 homes in the Fullarton tower blocks in Irvine which are scheduled for demolition. The SHIP also includes the provision of funding for 250 units to assist the delivery and funding of Housing's Estate Based Regeneration Programme (EBRP). This investment aims to provide new homes to replace any stock which requires to be demolished or reconfigured as part of the EBRP.

Be sustainable. Project design, building materials and component parts will maximise energy efficiency and reduce running costs. Design will also contribute to community stability and promote feelings of safety and inclusion.

The Council's [Environmental Sustainability & Climate Change Strategy](#) includes actions to achieve net-zero carbon emissions by 2030. The delivery of new housing has a key role to play in carbon reduction, climate change mitigation, and alleviation of fuel poverty.



Dickson Drive, Irvine

The Council and its partners will continue to consider innovative and sustainable approaches to heat and power, such as low carbon heat, solar photovoltaic panels and smart technologies. The Council recognises that a 'fabric first' approach to sustainability can provide benefits to tenants, in terms of reducing heating costs, and also benefit the environment, all of our homes are designed to minimise heat loss.

The Council completed two '[sustainable demonstrator homes](#)' within Dickson Drive, Irvine in 2020 to highlight best practice in design and innovation, ensuring benefits from sustainable technologies are maximised. The benefits are currently being assessed, and the findings will be shared with partners to inform future developments. To build



upon this, we are developing a 'sustainability shopping basket' to establish a standard suite of sustainability measures for each development and have committed to engaging a sustainability expert to ensure technology delivers low fuel costs for tenants whilst maximising energy efficiency and reducing carbon emissions.

All Council developments are planned using 'secure by design' principles. Also, in recognition of the safety benefits of sprinkler systems, the Council installed sprinklers in all new build housing proposals which reached technical design stage after October 2019, prior to the introduction of Building Standards legislation in March 2021.



Biomass District Heating Network at Flatt Road, Largs



Recognise local needs and aspirations and become an integral part of existing estates. Homes should be designed in such a way that they can be 'homes for life' and easily adapted to the changing needs of their occupants.

It has become clear from numerous development project consultation events carried out by the Council and its partners to date, that most local people express a preference for houses rather than flats. In some areas it may be appropriate to include flatted development, which will be assessed on a case-by-case basis.

In 2019, the updated North Ayrshire Housing Allocation Policy removed the age restriction for the allocation of amenity housing. The allocation of amenity homes to younger people with mobility requirements promotes independent living and 'homes for life'.

The Council and its partners recognise that bringing former social housing stock into ownership can assist with housing management and maintenance issues and increase housing available through the North Ayrshire Housing Register. Empty homes are detrimental to the local environment, often the target of antisocial behaviour and are more likely to fall into disrepair. Bringing empty homes back into use is a strategic priority within the current LHS and will continue to be a priority in the future. The second hand and empty homes buy back scheme can also assist the Council to deliver our Estate Based Regeneration Programme by acquiring homes in communal blocks or in areas identified for improvement through the scheme.



Before and after photographs of an empty home brought back into use

Maximise return on investment and value for money by considering build and lifetime maintenance costs.

As part of the tendering process we prepare a minimum specification for materials utilised in our new build developments to ensure that they align to our current lifecycle replacement and maintenance programmes. We have also developed a suite of standard house types to further assist with maintenance programmes and reduce project design costs.

The Council is committed to making efficiency savings through strategic procurement arrangements in the delivery of our new build affordable housing programme, to ensure value for money for our tenants. We have procured contractors for several SHIP projects through the HubSW, as part of a procurement strategy to achieve cost and time savings through economies of scale. The Council has also, with ten local authority partners, worked with Scotland Excel to develop a New Build Residential Construction Framework Agreement available for use by all Scottish local authorities and registered social landlords.

The LHS recognises that many tenants in social housing are on lower incomes and/or dependant on benefits. The Scottish Housing Regulator expects social landlords to be able to demonstrate affordability and engage meaningfully with tenants on rent increases. Therefore, to ensure homes are affordable, partners are expected to set rent levels on new build homes at or below the Local Housing Allowance.



Standard House Type: 3-bedroom ground floor living for wheelchair users

Involve the local community through consultation and wider action initiatives.

The Council and our partners engage with local communities when developing all new build development sites through the SHIP. For Council projects local residents are invited to review and comment upon the draft plan for the site. Thereafter the final plans are presented to the community and local residents are also invited to 'Meet the Builder' when a contractor has been appointed.

The Council's [Community Wealth Building Strategy](#) introduced a new model to develop resilient, inclusive local economies, with more local employment and a larger and more diverse business base, ensuring that wealth is locally owned and benefits local people. Through the SHIP, contractors are expected to participate in the Council (or partners') Community Benefits scheme, providing apprenticeships to young people, skilling up the local workforce and supporting economic growth. Homes for Scotland suggests there are 4.1 jobs created for every new home constructed. Effective use of community benefit clauses in development contracts, and partnership work with colleagues in Economic Development to support our local construction and supply

chain companies to bid for this work, can secure many of these jobs for our local people.

The Council is currently developing a pilot model for employability by offering training and employment opportunities obtained through community benefits from Housing Services maintenance and investment contracts to our Housing First tenants, supporting some of our most complex support cases to sustain housing and employment.

The Council also plans to undertake a review of our Dickson Drive, Irvine house building pilot and will utilise this to inform a second project with Building Services to construct a number of new homes at Ayrshire Central, Irvine.

Seek to continually improve, with lessons learnt and good practice shared across all partners. The Council regularly meets with the Scottish Government and our partner RSLs to review the progress of the SHIP and share good practice and lessons learned. The Council also holds 'lessons learned' meetings and undertakes tenant satisfaction surveys for each site.

All projects which meet the criteria outlined within the SHIP will be considered to be 'high priority'. In the case of developments by Registered Social Landlords (RSLs), the housing mix and type for each individual development site and the proposed rent levels for the new homes should be formally agreed with the Council prior to the submission of a planning application.

Projects from the SHIP 2022-2027 which have not yet completed have been included in the new 2023-2028 plan. Thereafter, the Council will prioritise all projects which are considered deliverable and meet the strategic goals outlined above.

Demand

Demand figures have been obtained from the North Ayrshire Housing Register (NAHR). House size and type priorities have also been informed by the NAHR.

The HNDA sets the housing estimate for the period 2022-2027 as 2,330 new units, either in the social rented sector, or, in the case of strong economic recovery, split across all tenures.

Housing supply targets will be set out in the new Local Housing Strategy which is currently being prepared.

Whilst there are 6,994 applicants on the NAHR, only 49% of these applicants (3,460) have a recognised housing need (NAHR, August 2022).

Location

A Sub Housing Market Areas (SHMA) is the widest area that a person would be willing to move to for new living accommodation for the purposes of strategic housing planning. North Ayrshire contains five SHMAs, these are:

Arran

Garnock Valley

Irvine/Kilwinning

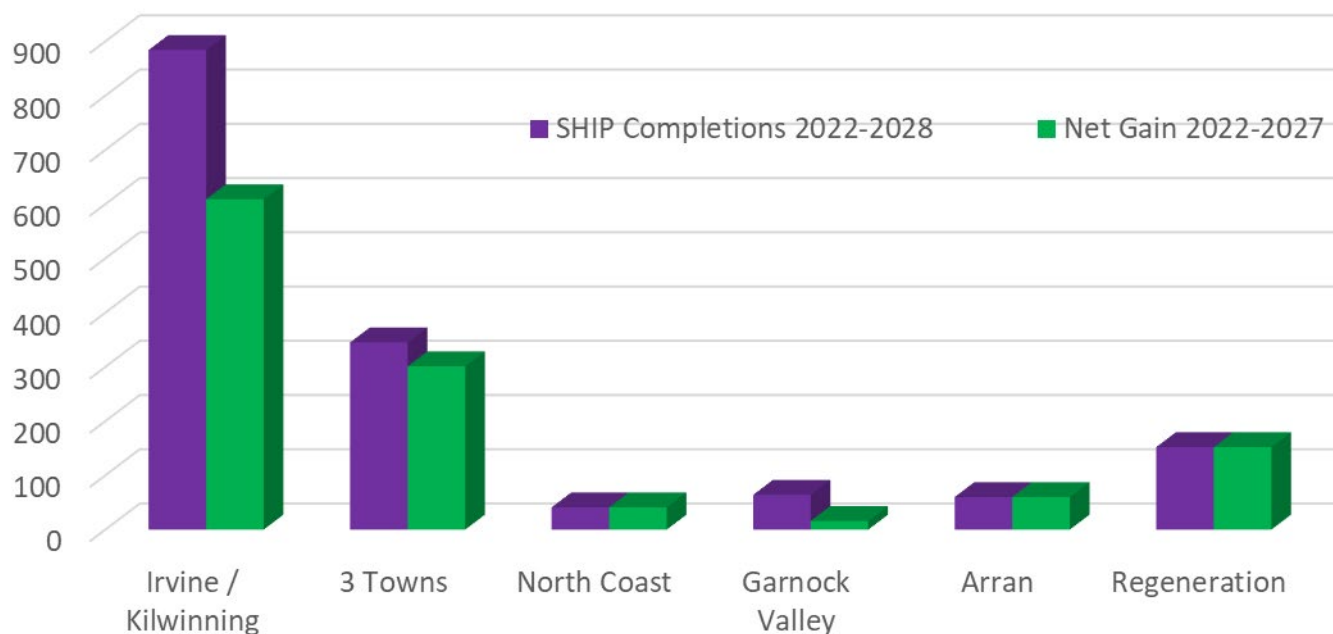
North Coast
(incl. Cumbrae)

Three Towns

The North Ayrshire Community Planning Partnership approach sets out six localities. The localities align to the SHMAs with the exception of the Irvine and Kilwinning localities which combine to form one single Sub Housing Market Area.

The total number of homes which will be developed over the lifetime of the SHIP have been plotted by SHMA in figure 1 below. These new supply figures illustrate the aspiration to plan for a growing population, and to seek continued investment in our housing stock to improve overall stock condition.

Figure 1: SHIP Actual & Projected Completions 2022-2028 & Net Gain 2022-2028



The 'net gain' columns indicate the additional homes available per locality following completion of the developments, minus the strategic demolitions set out in the SHIP.

To further inform demand for housing on the Isle of Arran, the Council has undertaken research to determine locality preferences for housing on the island.

Development is not the only policy intervention being explored by the Council. It would be very difficult for the Council and its partners to meet housing need only through investment in new homes.

Work to maintain and improve the condition of our existing social housing stock, provide aids and adaptations and improve the private rented sector are all intended to address the housing needs of the local population

Size

Analysis of the North Ayrshire Housing Register identifies demand trends for properties. House size has been identified by considering the minimum accommodation size suitable for the household; this is referred to as the 'strategic bedroom requirement'.

Table 1: % Applicants by Strategic Bedroom Requirement and SHMA

No of Beds	Three Towns	Arran	Garnock Valley	Irvine / Kilwinning	North Coast	North Ayrshire
1	60%	54%	56%	56%	63%	57%
2	14%	14%	10%	15%	14%	14%
3	15%	20%	20%	15%	15%	16%
4	7%	9%	6%	10%	5%	8%
5+	4%	3%	8%	4%	3%	5%

(Source: North Ayrshire Housing Register, August 2022)

The strategic bedroom need is used for planning purposes only. Generally, one-bedroom homes are found to be of lower demand. Two-bedroom homes are a more popular option for smaller households and are more flexible in meeting households' future needs. An additional bedroom can also provide study space, or space for home working.

An indicative size mix (Table 2) for developments across North Ayrshire has been prepared by uplifting the two-bedroom provision and reducing the one-bedroom, thus meeting tenant aspirations and providing flexibility in terms of property sizes as households change composition over time.

Table 2: Altered Demand by Bedroom Size (Reflecting Aspiration) and SHMA

No of Beds	Three Towns	Arran	Garnock Valley	Irvine / Kilwinning	North Coast	North Ayrshire
1	14%	14%	10%	15%	14%	14%
2	60%	54%	56%	56%	63%	57%
3	15%	20%	20%	15%	15%	16%
4	7%	9%	6%	10%	5%	8%
5+	4%	3%	8%	4%	3%	5%

This mix is intended as a guide only; each project will be considered on a site-by-site basis by the developing organisation, before being approved by the Council.

Specialist Housing Needs

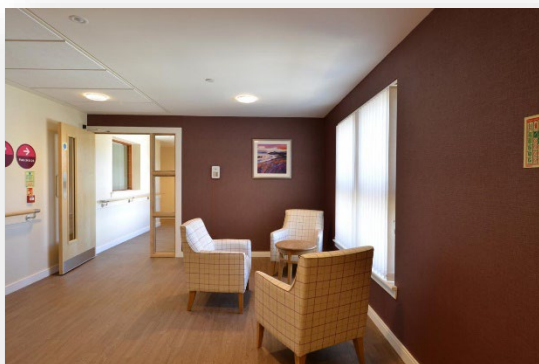
Housing for Older People

Analysis of the HNDA and the NAHR indicates a rising need for accommodation for older people. For this reason, the LHS sets a target of approximately 25% of all new homes to be suitable for older people (i.e., amenity housing and sheltered accommodation). It is anticipated that these homes will primarily comprise one and two bedrooms. In the 12 months from 1 September 2021, 70% of applicants allocated amenity housing were aged over 51. The Council will continue to monitor the availability of housing for older people to ensure that their needs can be addressed through the affordable housing supply programme.

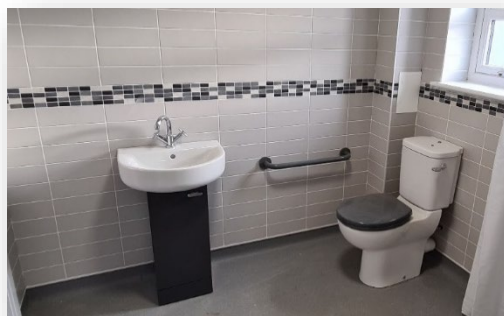
Alongside the new build programme, the Council will continue to deliver our Sheltered Housing Re-provisioning Programme, which includes £25m investment in the refurbishment of sheltered housing units out with the SHIP.



Glencairn House Sheltered Complex



Dementia Friendly Design



Wet Floor Shower Rooms with Contrasting Fittings as Standard



Visiting Service Rooms

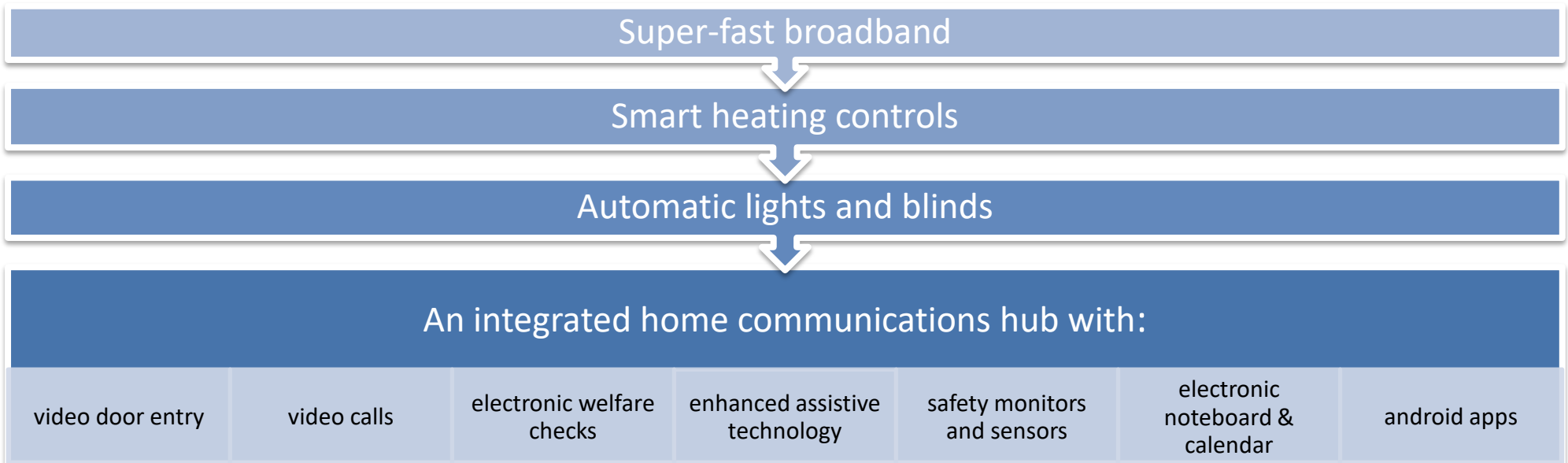
Extra Care Housing

Housing Services and the Health and Social Care Partnership worked together over the last few years to consider a model for Extra Care Sheltered Housing. The vision was to create safe, affordable homes for tenants who require additional support, with extra services to promote independent living, such as assistance with meals or welfare checks, to be available to tenants for an additional fee.

Following development of the outline model, demand analysis was undertaken by the Health and Social Care Partnership in 2021 alongside engagement with other areas in Scotland where similar housing models operate. At that time, it was determined that there was not sufficient demand to integrate the model into a new sheltered housing complex and there are challenges in sustainable funding to operationalise the model. The Council has, however, incorporated flexibility into some new build sheltered complexes to allow this model to be reconsidered in the future should the HSCP chose to develop this further.

Assistive Technology

In order to promote independent living, the Flatt Road development in Largs is being used as an [exemplar for assistive technology](#). Features that can be installed within the sheltered housing complex and supported accommodation, where required, to support tenants' individual needs include:



Wheelchair Accessible Accommodation

'Housing for Varying Needs', a national design guide, provides the following definitions which have been adopted by the LHS when describing the applicable specialist housing:



Ambulant Housing

Meets a wide range of specialist housing needs. The majority of demand is likely to be from the older age group, who have mobility problems, but who can walk with (or without) an aid. Some people in this group may occasionally use a wheelchair. Demand is not exclusive to the older age group; mobility issues can affect people throughout their lives, for various reasons.



Wheelchair User Housing

For people who use a wheelchair all or most of the time. The home will be level access throughout, have space for a wheelchair to circulate and access all rooms, a kitchen and bathroom that suits the occupant's particular needs and fittings and services that are within reach and easy to use. A wheelchair user may live alone, or with a carer or partner or be part of a family unit.



2 Bedroom Wheelchair User Bungalow

All amenity and sheltered housing in North Ayrshire should be built to an ambulant housing standard as a minimum. To ensure need is met now and in the future, the LHS sets a target for all partners to ensure at least 7% of all new build stock is fully wheelchair accessible. To date, 16% of new build homes delivered by North Ayrshire Council are suitable for wheelchair users. It should be noted that most demand for wheelchair user housing comes from those under 60 years old. In addition, we have a set of standard house types for our developments, which are of an accessible design to accommodate changing mobility needs.

In 2019, the Scottish Government issued guidance for local authorities on the setting of LHS targets to support the delivery of more wheelchair accessible housing, including the requirement for a private sector target. The Council will consider this during renewal of the LHS in late 2022, and the next Local Development Plan due to be published in 2023.

Occasionally it may be necessary to build larger specialist housing to meet the specific needs of individual households. Where this is being provided by an RSL, the Council will approve the proposals before a planning application is submitted.

Supported Accommodation

Officers within the Place Directorate and the Health and Social Care Partnership have developed a new supported accommodation housing model for implementation at various sites across North Ayrshire.

The focus is on maximising independence for adults within a homely setting, who require a higher level of support, and who are living with learning disabilities, or mental ill-health issues (all ages), or who are under 65 years and have physical disabilities. The new supported accommodation model can:



Supported accommodation at Bessie Dunlop Court, Dalry



The SHIP will support the Health and Social Care Partnership to meet specialist housing need through dedicated supported accommodation projects, and as part of a wider site mix on other developments. The SHIP makes provision for delivery of 25 supported accommodation housing units at two different locations in addition to the 37 homes already delivered.

Gypsy / Travellers

The Council has not identified any additional demand issues in relation to accommodation for gypsy / travellers. We will, however, review the condition of our permanent site at Redburn, Irvine in consultation with residents to identify any future maintenance and investment works.

When this review is complete, the Council will apply to the Scottish Governments Gypsy / Traveller Accommodation Fund to seek funding for any necessary renovation or improvements to our Redburn site.

Island Communities

The Council is committed to supporting our island communities. 18 new homes were completed on the Isle of Cumbrae during summer 2021. The site provided a mixture of general needs houses, amenity bungalows and homes for wheelchair users.

The Council also completed 34 new homes at Brathwic Terrace on the Isle of Arran during June 2022.

A 'Local Lettings Initiative' was introduced for Arran prior to the allocation of the new Council homes. The Local Lettings

Initiative gives additional priority to island residents and key workers.

Trust Housing Association is currently in discussions with a local landowner to develop 26 new units on Arran.

These developments, alongside work with communities on the island, are anticipated to stimulate investment in other infrastructure (transport, marine, digital) to encourage economic growth.

The Council will closely monitor demand for future affordable housing on the island.



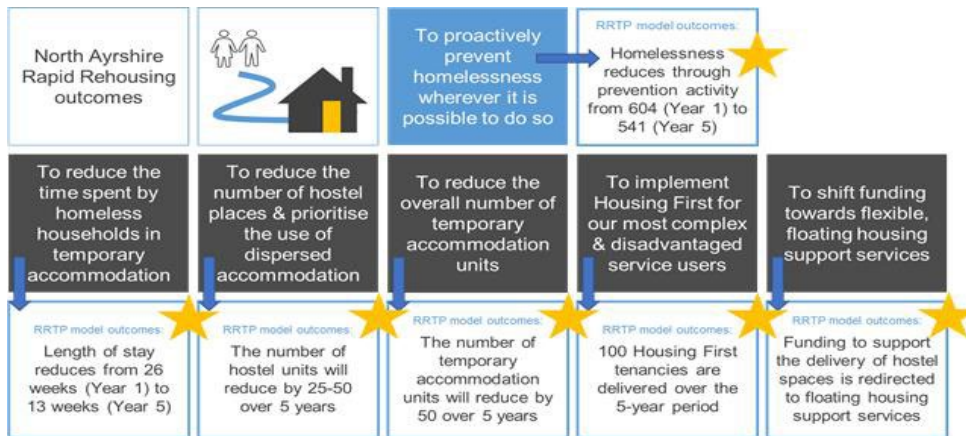
St Beya Gardens, Cumbrae

St Beya Gardens, Cumbrae

Brathwic Terrace, Arran

Homelessness

North Ayrshire Council's Rapid Rehousing Transition Plan 2019 – 2024 was approved in 2019. Our vision is *to reduce the time spent in temporary accommodation by enabling homeless households to access settled accommodation quickly and with the right support to sustain their housing outcome*. The North Ayrshire RRTP outcomes are:



The provision of new affordable housing through the Strategic Housing Investment Plan will continue to support the delivery of the Rapid Rehousing Transition Plan.

Alternative Models of Affordable Housing Delivery

Recognising that a suite of affordable housing solutions is required to meet the needs and aspirations of local people, the Council has embarked on two pilot projects aimed at the private housing sector.

The 'HOME (Home Ownership Made Easy)' project is based on a model devised by Scottish Futures Trust. This shared ownership housing option will provide households the opportunity to purchase a stake in a home. Two options are available, which have been named for the level of investment required to secure the HOME:

- The £5k HOME, aimed at first time buyers.
- The £40k HOME, aimed at owner-occupiers over 60 years who wish to downsize or secure more accessible housing.

The Council's 'BUILD' project will offer six fully serviced self-build plots for sale to individuals interested in this type of project.

Private Sector Property Condition

The Council's revised [Scheme of Assistance 2019](#) introduced a range of new measures to improve private sector housing condition, including:



A 'pre-tenancy support service' for landlords to aid the prevention of future property condition issues.



A 'missing shares scheme' to remove barriers where a property owner refuses to meet their common repair obligations.



Use of the Council's powers for Compulsory Purchase Orders (CPOs) where appropriate to acquire empty properties in poor condition, bringing them back into mainstream housing stock.

SHIP Funding Streams

<p>Affordable Housing Supply Programme</p> <p>The Scottish Government has committed to providing North Ayrshire with £63.005m funding for the Council and our RSL partners from April 2022 to March 2026 (see table 3 below). The SHIP is based on projected grant funding of £120.855m. Funding for Council projects not yet at tender stage has been assumed at benchmark plus annual Scottish Social Housing Tender Price Index inflation which was 8.3% for 2021/22 and has been assumed at 8.6% for 2022/23 and 3.7% for 2023/24. The Council will seek grant funding above these levels on a site-by-site basis, as required. The RSL funding rates have been included as requested by each developing organisation and will be subject to Scottish Government authorisation.</p>	<p>Reserves & Balances</p> <p>All developing organisations will utilise available reserves and balances to support the development programme.</p>	<p>Borrowing</p> <p>The majority of development funding is secured from borrowing. Private finance supports RSLs' development programme, and prudential borrowing supports local authority new build projects.</p>
<p>Affordable Housing Policy Developer Contributions</p> <p>The Council's previous Affordable Housing Policy (RES4), which required contributions to affordable housing provision from specified private developments within North Ayrshire, was removed within the new Local Development Plan (LDP2) which was adopted on 28 November 2019. Developer contributions, in the form of commuted sums, received through the application of the Affordable Housing Policy to date under the previous Local Development Plan, will be utilised to fund projects being delivered through the SHIP, when required.</p>	<p>Other Funding Sources</p> <p>The Council will consider utilising the Vacant and Derelict Land Fund to support the regeneration of SHIP sites, where strategically aligned to the Council's Regeneration Delivery Plan.</p>	<p>Council Tax on Empty & Second Homes</p> <p>Income received from the reduction in discount for empty and second homes in North Ayrshire is held in the Council's Affordable Housing Account. The Council provides grant funding to support the development of projects within the SHIP from the Affordable Housing Account, when required.</p>

To meet the requirement for 'slippage', in accordance with Scottish Government guidance, the Council has over committed the funding within the SHIP. The slippage requirement is to ensure that the allocation is fully spent even if delays or constraints emerge on other development sites, and to provide the opportunity for North Ayrshire to absorb slippage from other local authority areas.

Table 3: North Ayrshire Resource Planning Assumption per Annum 2022/23 to 2025/26

	2022/23	2023/24	2024/25	2025/26	Total
RPA	£15.692m	£15.648m	£15.702m	£15.963m	£63.005m

Planning and other Regulatory Matters

In 2014, the Council's Cabinet approved the House Building Protocol, to be used in all Council housing development projects that meet the criteria for permitted development. Class 33 of the Town and Country Planning (General Permitted Development) (Scotland) Order 1992, as amended, enables local authorities to carry out works, within their district, for the erection of dwellings so long as the development conforms with the Local Development Plan.

In 2019, it was agreed that all future Council housing developments progressed as permitted development will be required to obtain a 'Certificate of Lawfulness' from the Council's Planning Service. This will certify that each site within the SHIP has been considered against the full terms of the adopted Local Development Plan. Housing development proposals by the Council which do not fall within the scope of permitted development, including schemes which require an Environmental Impact Assessment (EIA) will require planning permission. Proposals over 0.5 hectares in area will require to be screened for the purposes of EIA.

Risks to delivering the SHIP

Whilst delivery of the SHIP programme has recovered following the temporary suspension of all projects on site in March 2020, this has had longer term implications. COVID-19 continues to have an impact on the construction industry.

Through our own experience and engagement with RSLs and other developers, development constraints or risks to delivery of the programme have been identified as:

- Building costs inflation and rising tender prices
- Shortages of materials
- Capacity within the building and development industry across the country
- Costs of infrastructure and ground remediation
- Delays to getting statutory utility consents in place
- Workforce interruptions related to COVID-19

The Council and our partners will continue to work closely to monitor and actively manage these risks through the period of the SHIP.

Amendments or Additions to the SHIP

The delegated authority to accelerate any project detailed within the North Ayrshire approved SHIP is held by the Executive Director (Place) and the Cabinet Member for Place.

SHIP Development Projects

An overview of projects detailed in the SHIP tables is provided below by locality.

Irvine & Kilwinning

Project	Timeline	Site Information
St. Michael's Wynd, Kilwinning (NAC) 79 units	Site Start: September 2020 Completion: 7 September 2022	The new homes link to the first phase St Michael's Wynd development. The site includes general needs, amenity, wheelchair user housing, sheltered housing and supported accommodation and benefits from good transport links.
Harbourside, Irvine (NAC) 71 units	Site Start: October 2020 Expected Completion: Early 2023	The site is in a high-demand area and is a short walk from Irvine Beach Park, the town centre, shopping mall and train station. The site will deliver an intergenerational development with a particular focus on older people's housing provision.
Bourtreehill Village, Irvine (NAC) 32 units	Site Start: Autumn/winter 2023 Expected Completion: Autumn/winter 2025	The site will see the regeneration of the Bourtreehill Village area of Irvine. Consultations are underway with residents of the local area and interested parties to develop the vision for the site.
Corsehillhead, Kilwinning (NAC) 7 units	Site Start: Spring 2023 Expected Completion: Spring 2024	The site will deliver a mix of general needs and amenity accommodation in the Corsehill area of Kilwinning.
Montgomerie Park, Irvine (NAC) 189 units	Site Start: Summer 2023 Expected Completion: Winter 2026	This site will provide a mix of general needs, amenity and wheelchair user accommodation.

Ayrshire Central, Irvine (NAC) 202 units	Site Start: Spring 2023 Expected Completion: Spring 2026	Located in a high demand area, this site will deliver a mix of general needs, amenity and wheelchair properties at the Ayrshire Central, Irvine site.
Stanecastle, Irvine (NAC) 31 units	Site Start: Spring 2023 Expected Completion: Autumn 2024	This site will deliver a mix of general needs, amenity and wheelchair user accommodation on the site of the former Stanecastle School.
Fullarton Street, Irvine (NAC) 62 units	Site Start: Early 2024 Expected Completion: Summer 2025	This project will deliver a mix of general needs, amenity and wheelchair accommodation on the site of the Irvine High Flats which are scheduled for demolition.
King's Arms, Irvine (NAC) 6 units	Site Start: Spring 2023 Expected Completion: Autumn 2024	This project involves the regeneration of a prominent town centre building to deliver six amenity flats.
Confidential Site 1 (Cairn) 9 units	Site Start: Winter 2023 Expected Completion: Winter 2024	This development will provide general needs, amenity and wheelchair accommodation. This site is currently confidential due to a requirement for planning consent and for acquisition of land.
Confidential Site 3 (Cairn) 4 units	Site Start: Spring 2025 Expected Completion: Spring 2026	This site has the capacity for 4 affordable, general needs homes. This site is currently confidential due to a requirement for planning consent and for acquisition of land.
West Byrehill, Kilwinning (CHA) 72 units	Site Start: April 2021 Expected Completion: February 2023	Located on the edge of Kilwinning, this site will provide a mix of general needs, amenity and wheelchair user homes.
Harbour Road, Irvine (CHA) 27 units	Site Start: Spring 2023 Expected Completion: Spring 2024	Located in Irvine Harbourside this site will provide 27 new homes in close proximity to the town centre and Irvine train station.
Bank Street, Irvine (CHA) 16 units	Site Start: Spring 2025 Expected Completion: Spring 2026	This town centre regeneration project in Irvine was previously allocated for Riverside. Riverside are no longer able to progress the scheme and CHA are currently determining the viability of delivering 16 new homes for affordable rent.
Tarryholme, Irvine, Phase 2 (Riverside) 77 units	Site Start: June 2021 Expected Completion: February 2023	This project is a second phase of the Tarryholme development which will deliver an additional 77 units.

Three Towns

Project	Timeline	Site Information
Caley Court, Stevenston (NAC) 16 units	Site Start: August 2021 Expected Completion: Autumn/winter 2022	This development is located on the site of a former sheltered housing complex. The new homes will provide supported accommodation with an on-site staff base in close proximity to Stevenston town centre and train station.
Afton Court, Stevenston (NAC) 6 units	Site Start: Winter 2022 Expected Completion: Summer 2023	This town centre regeneration project will deliver 6 amenity bungalows, recognising the highly accessible nature of this location. Modular construction will be utilised to reduce the time on site and the impact of the works on local residents.
James McFarlane, Saltcoats (NAC) 19 units	Site Start: Spring 2023 Expected Completion: Spring/summer 2024	The site of the former James McFarlane school will provide general needs, amenity and homes suitable for wheelchair accommodation.
James Reid, Saltcoats (NAC) 47 units	Site Start: Spring 2023 Expected Completion: Winter 2024	The site of the former James Reid school and the former Focus Centre will provide general needs, amenity and wheelchair accommodation.
Glebe Place, Saltcoats (NAC) 8 units	Site Start: Spring 2026 Expected Completion: Spring/summer 2027	This regeneration project which includes the demolition of low demand flats can accommodate approximately 8 new affordable homes near Saltcoats town centre.
Regeneration Project 1d, Ardrossan (NAC) 36 units	Site Start: Autumn 2024 Expected Completion: Spring 2026	This project provides a regeneration opportunity for 36 affordable homes, comprising general needs, amenity and wheelchair accommodation.
Regeneration Project 1e, Ardrossan (NAC) 7 units	Site Start: Spring 2024 Expected Completion: Spring/summer 2025	This regeneration opportunity can accommodate approximately 7 new affordable homes.
Glebe Street, Saltcoats (CHA) 2 units	Site Start: June 2026 Expected Completion: March 2022	This formerly vacant site provided 2 homes suitable for wheelchair users. This site was also supported by funding from the Council's Affordable Housing Account.
Green Street, Saltcoats (CHA) 24 units	Site Start: April 2022 Expected Completion: Spring/summer 2023	Demolition of the former building on the site is now complete and works to construct the 24 new amenity homes commenced in April 2022.
Sharphill Phase 5, Saltcoats (CHA) 100 units	Site Start: Spring 2023 Expected Completion: Winter 2024	The next phase of the Sharphill site will deliver an additional 100 new homes, providing a mix of general needs, amenity and wheelchair user homes.

Garven Road, Stevenston (CHA) 20 units	Site Start: Spring 2023 Expected Completion: Spring/summer 2024	This site was formerly known as Confidential Site 8 and has capacity to deliver 20 new homes.
Confidential Site 9, Stevenston (CHA) 70 units	Site Start: Expected Completion:	This site has been removed from the SHIP as it is not viable. The 70 units have been moved to the 'Unallocated CHA Block' to provide CHA with capacity for future development within the SHIP as sites are identified.
Confidential Site 10, Ardrossan (CHA) 50 units	Site Start: Spring 2025 Expected Completion: Winter 2026	This project has capacity for up to 50 homes and is confidential until site feasibility can be confirmed.
Confidential Site 11, Saltcoats (CHA) 22 units	Site Start: Expected Completion:	This site has been removed from the SHIP as it is not viable. The 22 units have been moved to the 'Unallocated CHA Block' to provide CHA with capacity for future development within the SHIP as sites are identified.
Parkend Gardens, Saltcoats (Link) 12 units	Site Start: Early 2023 Expected Completion: Early 2024	This development is located in close proximity to Saltcoats town centre and adjacent to North Ayrshire Council's new development at Kyleshill Court, Saltcoats. It will deliver a mix of general needs, amenity and wheelchair accommodation.

North Coast

Project	Timeline	Site Information
Former St. Colm's Place, Largs (NAC) 29 units	Site Start: June 2021 Expected Completion: September 2022	The former sheltered housing complex at St. Colm's Place was demolished and rebuilt as part of the sheltered housing re-provisioning programme. Located in a high demand central area it has good transport links and access to the town centre.
Former Largs Police Station (NAC) 12 units	Site Start: Autumn 2022 Expected Completion: Autumn 2023	Located adjacent to the former St. Colm's Place the former Largs Police Station will deliver 12 amenity flats in the high demand, town centre, location.

Garnock Valley

Project	Timeline	Site Information
Former Garnock Academy, Kilbirnie (NAC) 50 units	Site Start: Spring 2023 Expected Completion: Autumn/winter 2024	The site of the former Garnock Academy will see the development of a mixture of general needs homes, amenity bungalows and homes suitable for wheelchair users.

Laburnum Avenue, Beith (NAC) 7 units	Site Start: Autumn 2023 Expected Completion: Autumn 2024	This development will regenerate low demand flatted accommodation to deliver 7 new affordable homes in Beith.
Newhouse Drive, Kilbirnie (NAC) 7 units	Site Start: Autumn 2023 Expected Completion: Autumn 2024	This development will regenerate low demand flatted accommodation to deliver 7 new affordable homes in Kilbirnie.

Arran

Project	Timeline	Site Information
Confidential Site 4 (Trust HA) 26 units	Site Start: Winter 2024 Expected Completion: Winter 2026	This site is confidential to allow the acquisition of land and whilst site viability is confirmed.

Locality to be Confirmed

Project	Timeline	Site Information
Unallocated Regeneration Block (NAC) 30 units	Site Start: Autumn 2024 Expected Completion: Autumn 2026	This involves the regeneration of 30 properties to deliver a mix of general needs, amenity and wheelchair user properties. The locations for these projects have still to be finalised.
Regeneration Project 3 (Riverside) 30 units	Site Start: Spring 2025 Expected Completion: Spring 2027	This project involves the regeneration of 30 properties to deliver a mix of general needs, amenity and wheelchair user properties. The location has still to be finalised.
Unallocated CHA Block (CHA) 92 units	Site Start: Spring 2024 Expected Completion: Winter 2025	The 92 units have been allocated within the SHIP to replace Confidential Sites 9 and 11 which were not viable. This will provide CHA with capacity for future development as the association identifies suitable sites.

