

EAST AYRSHIRE COUNCIL
CABINET – 17 NOVEMBER 2021
Report by Depute Chief Executive

**SUBJECT: EAST AYRSHIRE STRATEGIC HOUSING INVESTMENT PLAN
2022-2027**

PURPOSE OF REPORT

1. To update Cabinet on the progress of the sites contained in the East Ayrshire Affordable Housing Supply Programme to cover the period 2021-22, to approve the content of the draft Strategic Housing Investment Plan 2022-2027 that was submitted to the Scottish Government at the end of October 2021 subject to Cabinet approval, and to seek approval to submit the approved Strategic Housing Investment Plan 2022-2027 to the Scottish Government.

RECOMMENDATIONS

2. **Cabinet is recommended to:**
 - (i) **note and approve the update on the existing and additional sites contained in the Affordable Housing Supply Programme covering the period 2021-2022, as set out in table 1, paragraph 19;**
 - (ii) **note the proposed affordable housing to be provided following the introduction of the East Ayrshire Local Development Plan Affordable Housing Policy as set out in table 10, paragraph 47;**
 - (iii) **approve the Strategic Housing Investment Plan proposals for years 2022-27, as set out in tables 5-9, paragraphs 37-41, and the narrative document appended to the Report, Appendix 1, and the spreadsheet appended to the Report, Appendix 2, and their submission to Scottish Government, and approve Appendix 3 appended to the Report that represents a maximum potential Council investment in the sum of £100M;**
 - (iv) **delegate authority to the Head of Housing and Communities to assign other agreed Strategic Housing Investment Plan projects as required, to ensure that, where projects fall out of the Strategic Local Programme Agreement, other agreed Strategic Housing Investment Plan projects can be assigned in their place, as set out paragraph 29;**
 - (v) **approve the deletion of the proposed development at 52/ 54 Brown Street/ Nelson Street, Newmilns, from the affordable housing supply programme, authorise the return of all Scottish Government grant sums received to**

date for the development in the sum of £188,977.39, and further authorise Facilities & Property Management, working with other Services, community representatives, the local community and local Elected Members to review the site area to produce proposals and costs that will support alternative Community Action Plan priorities for further reporting to Cabinet, and note that Facilities & Property Management are preparing proposals to address water ingress reported at the properties at 48/ 50 and 56/ 58 Brown Street, Newmilns, as approved in the SHIP 2021-26 report to Cabinet dated 25 November 2020, as set out at paragraphs 34 and 35; and

(vi) otherwise note the content of the report.

BACKGROUND

3. Since 2007, Local Authorities have been invited to prepare an annual Strategic Housing Investment Plan (SHIP) detailing key housing development priorities in their area.
4. The SHIP is a five year rolling Plan that sets out the Affordable Housing Supply Programme (AHSP). In line with Scottish Government More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, the SHIP reflects the housing policies and outcomes set out in each Local Authority's Local Housing Strategy (LHS) and LHS Outcome Action Plan, links the strategic priorities identified in the LHS to the delivery of additional affordable housing, reinforces the role of the Local Authority as Strategic Housing Authority, informs Scottish Government investment decisions and informs the preparation of a Strategic Local Programme Agreement (SLPA) that sets out the planned programme across the Local Authority for the year and, where required, Programme Agreements to individual providers setting out their planned programme for the year.
5. SLPAs prepared by the Scottish Government will cover a three year period and will reflect existing carry-forward commitments, new planned priority projects, and additional capacity in the form of a pipeline of projects taken from the SHIP. Once agreed, they can form the basis of individual Registered Social Landlord (RSL) and Local Authority Programme Agreements. These SLPAs will therefore be the primary working document informing the delivery of the AHSP at the local level.
6. The purpose of the SHIP is to guide the allocation of available Scottish Government investment funding to meet the affordable Housing Supply Target, as set out in the LHS and its associated priorities and outcomes. The Housing Supply Target was assumed in the preparation of the LHS 2019-24. The Scottish Government is currently preparing National Planning Framework 4

which will incorporate Scottish Planning Policy and provide further guidance on the implementation of the Planning (Scotland) Act 2019. This will have implications for how Local Authorities determine a housing supply target and housing land requirement for affordable and market (private) housing. The new Act removes the right of the Council to calculate how many houses and how much land should be identified for development in its area.

7. In February 2021, the Scottish Government published a draft Minimum All-Tenure Housing Land Requirement (MATHLR) for all individual authority areas across Scotland. East Ayrshire Council is currently preparing an all tenure housing land requirement which will be informed by household projections and existing need with the addition of a flexibility allowance of 30%. Additional information will inform how this all tenure requirement will be broken down to identify the split requirement between affordable housing and private market housing. The all tenure housing land requirement and how this is split between tenures will be set out in the next East Ayrshire Local Development Plan.
8. The LHS 2019-2024 was approved by Cabinet on 20 November 2019. The strategic outcomes identified in the LHS that guide investment priorities in the SHIP include:
 - Delivering more new-build affordable homes;
 - Targeting investment in social housing to support regeneration of local neighbourhoods and to increase the number of people living in our town centres;
 - Returning empty homes to the pool of effective housing stock;
 - Increasing the supply of suitably designed properties to meet the needs of older people and those with a physical disability;
 - Delivering appropriate accommodation solutions for young people with support needs and care experienced young people;
 - Delivering appropriate accommodation solutions for people with learning disabilities.

HOUSING TO 2040

9. The Scottish Government published Housing to 2040 in March 2021. It is the Scottish Government's first long-term housing strategy, and sets out what housing and communities are to look and feel like for the people of Scotland. It provides proposed actions to realise its vision and reinforces the commitment to deliver a further 110,000 affordable homes by 2032. It puts Place at its core, embedding the Place Principle through collaborative working approaches to deliver the aligned aspirations of quality homes and great places.

HOUSING ASSET MANAGEMENT FRAMEWORK

10. The Housing Asset Management Framework (HAMF) provides a framework for managing property assets. It has been developed to ensure: East Ayrshire Council's housing stock meets the present and future needs of tenants, the long-term sustainability of tenancies is improved, and best use is made of resources. The holistic approach adopted by the HAMF supports the Scottish Government's Housing to 2040 aspirations and the guiding principles of the Community Plan in managing Council property assets, whilst ensuring East Ayrshire retains vibrant communities with good quality homes. Annual HAMF reviews were undertaken in July and August 2021 to inform the proposals set out in the SHIP 2022-2027.

AFFORDABLE HOUSING SUPPLY PROGRAMME UPDATE

11. The Council's previous SHIP was approved by Cabinet on 25 November 2020 and covered the 5 year period 2021-2026, to include an update on the AHSP 2020-21. This review reflects changes to the 5 year rolling SHIP taking account of progress made in the current year 2021/'22 and planned progress delivering affordable housing in 2022/'23-26/'27, aligned to the published Resource Planning Assumptions (RPAs) 2021-26 as set out in the Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021.
12. The SHIP 2022-27 priorities are unchanged from the SHIP 2021-26 submission, and the Council remains committed to their delivery. A total of 477 new or reconfigured Council homes have completed since 2010/11 to include the development at Fraser Walk, Kilmarnock, (56 homes) completed in November 2020 working with the Council's Developer, CCG (Scotland) Ltd. Completions were also achieved by RSL partners at Sunnyside Square, Shortlees, (27 homes) by Atrium Homes completed in November 2020, and at Treeswoodhead in Kilmarnock (22 homes) by Cunninghame Housing Association completed in February 2021.
13. Site starts for the delivery of new Council homes have been achieved at Witch Road, Kilmarnock, (43 homes), Mill O' Shield Road and Hannahston Avenue, Drongan, (14 homes) and at Quarryknowe, Auchinleck, (8 flats), working with CCG (Scotland) Ltd., and at RSL partners' sites at Crosshouse, Kilmarnock, (1 home) by Atrium Homes, and Corrie Mains Farm, Mauchline, (30 homes) and Irvine Road, Kilmaurs (29 homes) by Cunninghame Housing Association.
14. As set out in the SHIP 2021-26 report to Cabinet dated 25 November 2020, the Council's Wheelchair Accessible Housing Target report to the Scottish Government dated 17 August 2020 notes East Ayrshire Council will, where

possible and practicable, aspire to ensure that 10% of housing stock in new developments that feature in the SHIP is fully wheelchair accessible. Across wheelchair accessible bungalows as well as housing for older ambulant disabled people and assisted living properties, the SHIP 2022-27 allows for 16.65% of the housing proposed to be designed for particular needs. Of the sites under construction, 52.80% are designed for particular needs. Further, of the sites completed since the Wheelchair Accessible Housing Target report was submitted to the Scottish Government in 2020/21, 3 accessible properties, and a total of 23 particular needs properties have been delivered. Whilst this outturn represents 2.86% for accessible properties completed, it represents 21.90% for total particular needs properties completed since the Wheelchair Accessible Housing Target report was produced. Future proposals will be developed to take account of the target that has been introduced. The Council therefore will continue to use the new build programme to increase the supply of specialist housing to meet particular needs.

15. As previously reported to Cabinet on 25 November 2020 in the SHIP report 2021-26, flexible house types have been delivered by the Council's Developer CCG (Scotland) Ltd. as part of the Council's new build programme to include the provision of a wet room on the ground floor of the two-storey properties to support residents to live at home throughout their life experiences.
16. The Council's new homes delivery is about more than a fabric-first approach. The Council's ongoing partnering arrangement with CCG (Scotland) Ltd. also supports the delivery of Community Benefits through agreed joint working commitments to respond to Community Action Plan priorities. This activity is coordinated locally by CCG (Scotland) Ltd. and Vibrant Communities. The Community Benefits support new starts, work placements, existing apprentices, upskilling and construction curriculum support and has distributed £40,000 to community groups to date, with a further £8,000 community investment to be distributed at Witch Road, Kilmarnock, along with 2 new starts, 4 work placements, 4 existing apprentices, 3 upskilling and 2 curriculum support. Community benefit proposals at Mill O' Shield Road and Hannahston Avenue, Drongan, and at Quarryknowe, Auchinleck, are to be confirmed.
17. Complementing the new build delivery, the Open Market Acquisition Scheme continues to be a cost effective and quick method of delivering much-needed homes in priority areas, particularly in cases where an urgent housing need can be met. The Scheme is aligned with: LHS priorities and targets; the purchase of property to increase the Council's and RSL partners' access to and supply of priority house types and sizes depleted through Right To Buy; meeting specific and urgent housing need, particularly where a community care need is identified; complementing the Housing Improvement Programme works where the delivery of works has been halted where there is a last in block owner

thereby consolidating stock portfolios, and facilitating a sustained approach to maintaining stock assets and supporting wider housing quality improvement and regeneration priorities identified through the HAMF and other initiatives. Across the lifetime of the SHIP 2022-27, it is proposed to continue with open market purchases at the rate of 15 per year for the Council, 10 per year for Atrium Homes, previously 5 per year, and 3 per year for Shire Housing Association to total an additional 140 affordable homes. This acquisition target will be subject to annual review. At 2020/'21, 43 homes have been purchased through the scheme by the Council. A sum of £30,000 Scottish Government grant funding is available per transaction.

18. The AHSP has been developed to deliver a programme of affordable housing as detailed below. Unit numbers and starts are indicative until all approvals and consents are received.

19. **Table 1: AHSP 2021-2022**

Previously reported completed sites have been omitted.

Site Address	No. Units	Developer	Status
Witch Road, Witchhill Place, Hill Street, Kilmarnock	43	Council	To provide homes for older ambulant disabled residents. On site September 2021.
13-19 and 21-27 Quarryknowe, Auchinleck	8	Council	To be developed for smaller-scale assisted living model of 8 flats to include a staff base in conjunction with H&SCP. On site October 2021.
Former games hall and car park, Mill O' Shield Road and 105-111 Hannahston Avenue, Drongan	14	Council	To provide a mix of general and community care needs housing. On site October 2021.
Bellevue Gardens, Kilmarnock	18	Council	To provide a mix of general and community care needs housing.
Second Hand Open Market Acquisitions (Buy-backs)	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.
Sunnyside Square, Shortlees, Kilmarnock	27	Atrium Homes	Complete November 2020.
Treeswoodhead Road, Kilmarnock	22	Cunninghame HA	Complete February 2021.

Corrie Mains Farm, Mauchline	30	Cunninghame HA	To provide a mix of general and community care needs housing. On site March 2021.
Site in Crosshouse	1	Atrium Homes	On site August 2021.
Affordable Housing Policy Site: Irvine Road, Kilmaurs	29	Cunninghame HA	On-site provision proposed. To provide a mix of general and community care needs housing. Start anticipated November 2021.
Dumfries Drive, Kilmarnock delete	-55		Delete: Site no longer being developed for delivery of affordable housing.
Second Hand Open Market Acquisitions (Buy-backs)	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit numbers increased from 5 as reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions (Buy-backs)	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire Housing Association's stock and to respond to identified community care need.
TOTAL	220		

GRANT SUBSIDY BENCHMARKS

20. The Scottish Government's More Homes Division Guidance Note MHDGN2020/02 Affordable Housing Supply Programme: Process and Procedures dated August 2020 (updated January 2021) records benchmark subsidy levels applicable for Councils and RSLs as follows:

21. **Table 2: Grant Subsidy Benchmarks**

Type	Developer	Subsidy (£)
Social rent - greener	RSL	72,000
Social rent - other	RSL	70,000
Social rent - greener	Council	59,000
Social rent - other	Council	57,000

RESOURCE PLANNING ASSUMPTIONS

22. The Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, contains Resource Planning Assumptions (RPAs) for 2021-26. The Scottish Government confirmed 27/07/21 the same RPA for 2025/'26 is to be assumed for 2026/'27, as follows:

23. **Table 3: RPAs 2022-2027**

Year	RPA (£M)	AHSP plus 25% slippage
2021/'22	14.910	Current year Out-with SHIP 2022-27 timeframe
2022/'23	12.852	16.065
2023/'24	12.815	16.019
2024/'25	12.860	16.075
2025/'26	13.073	16.341
2026/'27	13.073	16.341

24. The Scottish Government's More Homes Division Guidance Note MHDGN2020/02 Affordable Housing Supply Programme: Process and Procedures dated August 2020, (updated January 2021) reports Local Authorities should use the latest known RPAs as the basis for their Strategic Housing Investment Plans. It further states Local Authorities are expected to overcommit resources in the Programme to ensure delivery should slippage occur. A minimum slippage factor of 25% should be applied on an annual basis to the Programme. The Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, suggests a minimum slippage factor (i.e. over-programme to accommodate unforeseen slippage) of 25% is built in to any programme planning.
25. The Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, further notes a review of affordable housing investment benchmark levels (grant subsidy benchmarks) is being undertaken by the Scottish Government with colleagues in the sector through the 2021 Affordable Housing Investment Benchmarks Working Group. The final report, published in September 2021, proposes Scottish Government baseline benchmark assumptions, moving from a flat rate benchmark per unit to applying the three-person equivalent conversion factor, and maintaining the disparity between Council and RSL grant investment subsidies as follows:

26. **Table 4: Scottish Government Baseline Benchmark Assumptions**

	West Highland, Island authorities, and remote/ rural Argyll (£)		Other rural (£)		City and urban (£)	
	Current	Proposed	Current	Proposed	Current	Proposed
RSL social rent	82,000 (3 person equivalent)	95,500 (3 person equivalent)	72,000 (3 person equivalent)	83,000 (3 person equivalent)	70,000 (3 person equivalent)	78,000 (3 person equivalent)
Council social rent	57,000 (flat rate per unit)	83,000 (3 person equivalent)	57,000 (flat rate per unit)	75,500 (3 person equivalent)	57,000 (flat rate per unit)	71,500 (3 person equivalent)
RSL mid-market rent	44,000 (3 person equivalent)	58,500 (3 person equivalent)	44,000 (3 person equivalent)	56,500 (3 person equivalent)	44,000 (3 person equivalent)	53,500 (3 person equivalent)
Council mid-market rent	N/A	53,000 (3 person equivalent)	N/A	51,500 (3 person equivalent)	N/A	49,000 (3 person equivalent)

27. Any disparity will act as a barrier to delivery for Councils and could delay, or reduce, the scale of projects proposed given the potential adverse impacts on Council borrowing, rent affordability and, most importantly, tenants' health and wellbeing; contrary to the Housing to 2040 aspirations. Further, the list of additional quality measures benchmark assumption costs proposed to take account of specification requirements does not fully account for the time lapse since the last grant investment uplift, ongoing cost uncertainties reported in the construction industry, Housing to 2040 requirements, or costs incurred in delivering community care housing; which is not consistent with the LHS Wheelchair Accessible Target commitments, wider demographic trends or local housing need as determined by the Council as Strategic Housing Authority. The Cabinet Secretary for Social Justice, Housing and Local Government will consider feedback when deciding the benchmark assumptions. In the interim, applications for funding are to be submitted as usual. The Council continues to prioritise and profile sites for new homes delivery in response to identified need pending the outcome and impact of the review.

SHIP 2022-2027 PROPOSALS

28. Preparation of the SHIP 2022-27 is overseen by the Future Homes Project Board (FHPB), a cross-Service and Agency group to include CCG (Scotland) Ltd. and the Health & Social Care Partnership (H&SCP). The SHIP 2022-27 includes projects with a total potential capacity for delivering up to 1087 new, rehabilitated and acquired affordable homes in East Ayrshire over the 5 year

period. The actual output will be subject to a detailed development assessment of the viability of each site as well as available grant funding.

29. As with previous years, it is proposed to delegate authority to the Head of Housing and Communities to assign other agreed Strategic Housing Investment Plan projects as required, to ensure that, where projects fall out of the Strategic Local Programme Agreement, other agreed Strategic Housing Investment Plan projects can be assigned in their place. In this way, the Council may align the new build affordable housing programme with strategic priorities such as the requirements identified by the H&SCP. It is therefore proposed that Cabinet authorises the Interim Head of Housing and Communities to assign other agreed SHIP projects, as required.

30. The SHIP 2022-27 was submitted to the Scottish Government by 29 October 2021 in accordance with the Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, as set out at Tables 4-8, and at Appendices 1 and 2. The Scottish Government confirmed 27/07/21 the SHIP 2022-27 may be submitted subject to Cabinet approval. Cabinet's decision is to be confirmed to the Scottish Government thereafter.

31. The Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, notes the SHIP 2022-27 should contain two elements:
 - A. A succinct narrative in PDF form, submitted as a supporting document to the SHIP tables in the HARP system, the Scottish Government's electronic system, which explains the context to the SHIP, as set out at Appendix 1, as follows:
 - alignment with the LHS demonstrating investment priorities identified in the SHIP are consistent with the LHS and how SHIP priorities will contribute to delivery of LHS Outcomes,
 - summary of the methodology used to prioritise projects,
 - how the local authority has responded to and resolved development constraints on projects prior to site start date,
 - how the local authority's own resources and other funding are supporting the delivery of affordable housing,
 - progress towards the delivery of its AHSP across all tenures by completions,
 - targets and delivery of these targets for wheelchair accessible housing,
 - statement that strategic housing priorities are aligned and are consistent with Rapid Rehousing Transition Plan priorities,
 - details of affordable housing projects aligned with the Local Child Poverty Action Report for the area Child Poverty (Scotland) Act 2017,

- details that duties under the Islands (Scotland) Act have been followed by the local authority, where appropriate, Islands (Scotland) Act 2018,
 - empty homes services and actions to bring homes back into use,
 - how Council Tax on Second and Empty Homes has been used to assist affordable housing,
 - how Developer Contributions have been used to assist affordable housing,
 - type and level of consultation undertaken with RSLs, communities, developers and other stakeholders in developing the SHIP and how this has helped with the development of strategic investment priorities
 - capital works planned on Gypsy/ Traveller sites and whether funding has been sought through the capital funding programme for Gypsy/ Traveller accommodation,
 - any housing projects where funding has been or will be sought from the Vacant and Derelict Land Investment Programme.
- B. All affordable housing projects submitted on HARP, as set out at Appendix 2, across all tenures identified as priorities and expected to require Scottish Government funding and/ or complete over the five year period, including existing projects rolling forward from the previous SHIP, where appropriate; setting out the funding and delivery mechanism including funds sought or provided through other Scottish Government programmes; and demonstrating the projects and resources will be realistically delivered over the plan period, highlighting any potential risks. Local authorities may expand the level of information in the SHIP to meet individual requirements or for reporting on wider issues to Committee etc. However, as a minimum, each SHIP should contain the core information detailed in this guidance.

BROWN STREET/ NELSON STREET, NEWMILNS

32. The SHIP 2021-26 report to Cabinet dated 25 November 2020 recorded the activity undertaken by the Council's developer partner, CCG (Scotland) Ltd. and consultants relative to SEPA's objection and their policy position to the delivery of a 16 unit new build affordable housing development at 52/ 54 Brown Street/ Nelson Street, Newmilns. It also set out proposals to effect a permanent repair and approve the cost associated with the work required to address reported water ingress at the properties at 48/ 50 and 56/ 58 Brown Street, Newmilns, subject to a value for money assessment being undertaken by Facilities & Property Management (F&PM). Investigation works have been instructed by F&PM and proposals have been prepared. F&PM is consulting with the Planning Authority to determine if a consent is required. Subject to the necessary consents and approvals, site start is anticipated to be achieved towards the end of the financial year.

33. Following a meeting held in April 2021 with representatives from SEPA, the Council, CCG (Scotland) Ltd., their consultants; Indev and Kaya, F&PM, ARA-Flooding and Housing, at which time SEPA reiterated their policy position and objection, CCG (Scotland) Ltd.'s consultant has confirmed:
- All technical work undertaken in respect of flooding confirms the site is within an active flood plain.
 - The latest flood modelling confirms the proposed development levels will increase flooding to existing properties.
 - The EAC flooding officer had withdrawn support for the application due to this increase in flooding.
 - Indev/ Kaya have provided the technical assessments to date however it is not within their remit to support the development.
34. As the consultants are unable to support the proposed development of the new build affordable housing at 52/ 54 Brown Street/ Nelson Street, Newmilns, as set out in paragraph 33, it is proposed to delete the development from the affordable housing supply programme. As no affordable housing may be delivered on the site as a result of SEPA's objection and policy position, it is proposed to return all Scottish Government grant sums received to date in the sum of £188,977.39.
35. It is further proposed to commission F&PM, working with other Council Services, community representatives, the local community and local Elected Members, to review the site area to produce proposals and costs that support alternative Community Action Plan priorities for further reporting to Cabinet. In the interim, F&PM are preparing proposals to address water ingress reported at the properties at 48/ 50 and 56/ 58 Brown Street, Newmilns, as approved in the SHIP 2021-26 report to Cabinet dated 25 November 2020.

SHIP 2022-2027 TABLES

36. The SHIP 2022-27 is as detailed below in Tables 5-9 and Appendices 1 and 2. Unit numbers and starts are indicative until all approvals and consents are received.
37. **Table 5: Year One: 2022-2023**

Site Address	No. Units	Developer	Status
Brown Street/ Nelson Street, Newmilns delete	-16	Council	Delete: Due to SEPA objection and policy position and develop alternative site proposals in consultation with community.

Former Silverwood Primary School, Kennedy Drive, Kilmarnock	48	Council	To provide a mix of general and community care needs housing. Unit numbers decreased from 54 as reported to Cabinet 25/11/20 to 48 to accommodate identified community care need and site topography.
Games hall and community centre, Kilmarnock Road, Mauchline	17	Council	To be developed for assisted living model and accessible bungalows in conjunction with H&SCP. Unit numbers increased from 14 as reported to Cabinet 25/11/20 to 17 to accommodate identified need.
Affordable Housing Policy Site: Holehouse Road, Kilmarnock	21	Council	On-site provision proposed. Two and three bed-sized houses to be built by Developer.
Second Hand Open Market Acquisitions	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.
Affordable Housing Policy Site: Irvine Road, Kilmarnock	94	RSL	Site identified as an AHP site. On-site provision proposed. To provide a mix of general and community care needs housing. Developer to develop additional 20 houses for sale. Unit numbers increased from 80 as reported to Cabinet 25/11/20 to 94 and mix amended to support delivery.
Affordable Housing Policy Site: Bridgehousehill Road, Kilmarnock	101	RSL	On-site provision proposed. To provide a mix of general and community care needs housing.
Cairn Road (George McTurk Court), Cumnock	36	RSL	Approved by Cabinet 30/11/16 to dispose site to RSL to build housing across a range of sizes and need.
Second Hand Open Market Acquisitions	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit

			numbers increased from 5 as reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire HA's stock and to respond to identified community care need.
TOTAL	345		

38. Table 6: Year Two: 2023-2024

Site Address	No. Units	Developer	Status
Barshare and Hillside Primary Schools site, Dalgleish Avenue, Cumnock	55	Council	To provide a mix of general and community care needs housing. Unit numbers decreased from 76 as reported to Cabinet 25/11/20 to 55 due to site conditions.
Site in Mauchline delete	-40	Council	Delete: Site no longer being developed for delivery of affordable housing.
Second Hand Open Market Acquisitions	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.
Affordable Housing Policy Site: Glasgow Road, Kilmarnock	45	RSL	Site identified as an AHP site. On-site provision proposed. To provide a mix of general and community care needs housing.
Coal Road, Auchinleck	56	RSL	To provide a mix of general and community care needs housing.
Affordable Housing Policy Site: Hill Street, Kilmarnock	50	RSL	On-site provision proposed. To provide a mix of general and community care needs housing.
Second Hand Open Market Acquisitions	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit numbers increased from 5 as

			reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire HA's stock and to respond to identified community care need.
TOTAL	234		

39. Table 7: Year Three: 2024-2025

Site Address	No. Units	Developer	Status
Riccarton West, Kilmarnock	30	Council	To provide a mix of general and community care needs housing.
Former Crown Hotel, Castle Road, New Cumnock	14	Council	To be developed for assisted living model in conjunction with H&SCP.
Second Hand Open Market Acquisitions	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.
Phase 2 site East Ayrshire	42	RSL	RSL exploring options to develop a range of homes across sizes and types.
Westgate House, Newmilns	12	RSL	Existing building owned by Shire HA. Low demand for 1 bed-sized flatted properties. Options to be developed for building in consultation with Listed Building consultant and Newmilns regeneration group to reconfigure building internally. Unit numbers decreased from 19 as reported to Cabinet 25/11/20 to 12 to support reconfiguration.
Balmoral Road, Kilmarnock delete	-52	RSL	Delete: Site no longer being developed for delivery of affordable housing.
Craigens Road, Cumnock (Ph1)	25	RSL	To provide a mix of general and community care needs housing.

Affordable Housing Policy Site: Irvine Road, Crosshouse	9	RSL	On-site provision proposed. To provide a mix of general and community care needs housing.
Site in Stewarton Delete	-16	RSL	Delete: Study commissioned by Planning Authority to take account of wider capacity issues.
Second Hand Open Market Acquisitions	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit numbers increased from 5 as reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire HA's stock and to respond to identified community care need.
TOTAL	160		

40. **Table 8: Year Four: 2025-2026**

Site Address	No. Units	Developer	Status
Site in Kilmaurs	50	Council	Council exploring opportunities to develop in high demand area to provide a mix of general and community care needs housing.
Mason Avenue, New Cumnock	15	Council	To provide housing for older ambulant disabled residents.
Site in Kilmarnock	30	Council	To provide a mix of general and community care needs housing.
Affordable Housing Policy Site: Treesbank, Kilmarnock, Phase 1	59	Council	On-site provision proposed. Mix of house sizes and types to be provided. Unit numbers increased from 56 as reported to Cabinet 25/11/20 to 59.
Second Hand Open Market Acquisitions	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.

Phase 3 site East Ayrshire	29	RSL	RSL exploring options to develop a range of homes across sizes and types.
Craigens Road, Cumnock (Ph2)	25	RSL	To provide a mix of general and community care needs housing.
Second Hand Open Market Acquisitions	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit numbers increased from 5 as reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire HA's stock and to respond to identified community care need.
TOTAL	236		

41. Table 9: Year Five: 2026-2027

Site Address	No. Units	Developer	Status
Site in Stewarton	14	Council	To provide a mix of general and community care needs housing. Development activity is subject to working with the Planning Authority to take account of wider capacity issues.
MacGregor Drive/ Sutherland Drive, Kilmarnock	10	Council	To provide a mix of general and community care needs housing.
Affordable Housing Policy Site: Treesbank, Kilmarnock, Phase 2	60	Council	On-site provision proposed. Mix of house sizes and types to be provided. Unit numbers increased from 56 as reported to Cabinet 25/11/20 to 60.
Second Hand Open Market Acquisitions	15	Council	To augment the supply of affordable housing in high demand areas, to consolidate the Council's stock and to respond to identified community care need.

Second Hand Open Market Acquisitions	10	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Atrium Homes' stock and to respond to identified community care need. Unit numbers increased from 5 as reported to Cabinet 25/11/20 to 10 to support supply.
Second Hand Open Market Acquisitions	3	RSL	To augment the supply of affordable housing in high demand areas, to consolidate Shire HA's stock and to respond to identified community care need.
TOTAL	112		

LOCAL DEVELOPMENT PLAN AFFORDABLE HOUSING POLICY

42. The East Ayrshire Local Development Plan (LDP) was adopted in April 2017. The LDP contains an Affordable Housing Policy (RES 3) which recognises affordable housing need that has been identified by the Housing Need and Demand Assessment and supports the delivery of affordable housing in East Ayrshire. The LDP provides the Council's planning framework for all matters with the exception of minerals which is the subject of a separate Minerals LDP. Planning applications will be determined according to the LDP's spatial strategy, proposals and policies and associated supplementary guidance.
43. LDP policy RES 3: Affordable Housing requires the provision of affordable housing on those sites specifically identified and reserved for such purposes on the LDP maps and on all sites of 30 or more houses proposed in the Kilmarnock and Loudoun sub housing market area. Within such developments, 25% of houses will require to be affordable in nature. In addition, on all sites of 30 or more houses proposed in the Doon Valley sub housing market area, within such developments, 15% of houses will require to be affordable in nature. The policy also states that the Council's preference is that affordable housing will be delivered on site. However, where it can be conclusively demonstrated that this is not possible or feasible, off site provision may be considered acceptable. A commuted sum payment will be accepted only where all appropriate on and off site possibilities have been explored and full justification for them being discounted is provided. Supplementary Guidance on affordable housing forms as part of the LDP and provides more detailed policy guidance on the matter.
44. It should be noted that a new local development plan is currently being prepared and it is anticipated that the Proposed LDP2, which will set out the Council's settled view on all planning matters will be published for consultation towards

the end of 2021 with a view to being adopted in April 2023. As part of the plan preparation process, policy RES3 will be subject to review.

45. The Housing Service will liaise with the Planning Service to determine the number and type of homes to be delivered, where applicable, and the anticipated timescales for development on all applicable affordable housing sites. Decisions around on-site, off-site contributions and the provision of commuted sums is determined by the Future Homes Project Board, relative to the ongoing HAMF and the outcomes of the Housing Need and Demand Assessment, in the Kilmarnock and Loudoun and Doon Valley sub Housing Market Areas (HMAs) where the Affordable Housing Policy is applicable.
46. Whilst a number of developments are anticipated to be submitted for planning consent during the lifetime of the SHIP 2022-2027, development proposals confirmed are as follows, and those sites that will feature in the SHIP 2022-27 are anticipated to attract grant funding.
47. **Table 10: Affordable Housing Policy Sites**

Site Address	No. Units	Sub housing market area	Landlord	Status
Former Kilmarnock College, Holehouse Road, Kilmarnock	21	Kilmarnock and Loudoun	Council	On-site provision proposed. To deliver a mix of social rented homes.
Treesbank, Kilmarnock	119	Kilmarnock and Loudoun	Council	On-site provision proposed. Indicative two phases of 59 and 60 units. To deliver a mix of social rented homes. Unit numbers increased from 112 as reported to Cabinet 25/11/20 to 119.
Grougar Road, Crookedholm	-	Kilmarnock and Loudoun	-	Committed sum to be paid to Council in lieu of on-site provision.
Northcraig Farm, Glasgow Road, Kilmarnock,	-	Kilmarnock and Loudoun	-	Policy RES3 will not apply. No commuted sum applicable.
Irvine Road, Kilmaurs	29	Kilmarnock and Loudoun	RSL	On-site provision proposed. To deliver

				a mix of social rented homes.
Bridgehousehill Road, Kilmarnock	101	Kilmarnock and Loudoun	RSL	On-site provision proposed. To deliver a mix of social rented homes.
Irvine Road, Kilmarnock	94	Kilmarnock and Loudoun	RSL	Site identified as an AHP site. On-site provision proposed. To deliver a mix of social rented homes. Unit numbers increased from 80 as reported to Cabinet 25/11/20 to 94 to support delivery.
Glasgow Road, Kilmarnock	45	Kilmarnock and Loudoun	RSL	Site identified as an AHP site. On-site provision proposed. Site proposed to be fully social rent. To deliver a mix of social rented homes.
Broomknowe, Dalmellington	-	Doon Valley	-	Commuted sum to be paid to Council in lieu of on site provision.
Hill Street, Kilmarnock	50	Kilmarnock and Loudoun	RSL	On-site provision proposed. To deliver a mix of social rented homes.
Irvine Road, Crosshouse	9	Kilmarnock and Loudoun	RSL	On-site provision proposed. To deliver a mix of social rented homes.
TOTAL	468			

48. Unit numbers and site completion timescales are indicative as they are subject to approval by Planning and the Developers' preferred site phasing respectively. Commuted sums are subject to valuation by the District Valuer or a chartered valuation surveyor suitably experienced in the type of property and locality and appointed by mutual agreement between the parties with all valuation fees being shared equally between the Council and the applicant.

TOWN CENTRE REGENERATION INITIATIVE

49. Published in March 2021, the Scottish Government's Housing to 2040 is Scotland's first long-term national housing strategy with a vision for housing. The vision and principles describe the "ambition for everyone to have access to a warm, safe, affordable and energy-efficient home that meets their needs, in a community they feel part of and proud of" with the aim for everyone to have a safe, high quality, affordable home where they want to live and meets their needs. The strategy records that through investment in good affordable homes in vibrant neighbourhoods, wider actions for a fairer, greener and stronger Scotland will lead to reduced poverty and inequality, better health outcomes, improved educational attainment and more cohesive communities. Housing to 2040 further states sustainable, thriving communities are well-designed places with the right homes in the right places with links to local services that promote community connectivity, wellbeing and empowerment.

50. The Council is committed to developing new housing opportunities as part of its wider strategic aspiration to promote the ongoing regeneration of East Ayrshire's town centres. The sites contained in the SHIP 2022-27 seek to support this delivery. Delivering affordable homes that create new socially connected spaces for people, as well as exploring opportunities to creatively repurpose buildings within our towns for housing align with the strategic outcome identified in the LHS: Targeting investment in social housing to support regeneration of local neighbourhoods and to increase the number of people living in our town centres; thereby supporting the creation of 20 minute neighbourhoods where residents can meet their everyday needs through safe walking and cycling routes, or by public transport. Future sites identified that promote town centre regeneration will further inform programming proposals and may be considered for delivery as windfall sites.

POLICY/ COMMUNITY PLANNING IMPLICATIONS

51. The provision of a range of affordable housing solutions, as detailed in the SHIP 2022-2027, supports the East Ayrshire Community Plan 2015-30 themes of Economy and Skills Delivery, Safer Communities and Wellbeing, Local Outcomes Improvement Plan 2021-24 and Delivery Plan 2021-24 Partnership Actions, Transformation Strategy, Local Development Plan 2017, Health & Social Care Strategic Plan 2021-2030 and Climate Change Strategy and Action Plan 2021.

52. The proposed SHIP 2022-27 continues to contribute to, and reinforce, the Council's strategic priorities of promoting town centre living and supporting older people to live in the community, and reflects the outcome of the ongoing HAMF assessment to determine suitable sites for the development of new

affordable homes across East Ayrshire.

53. East Ayrshire has a rapidly ageing population and there is a drive both nationally and locally for people to live independently in their homes for as long as possible. Community Planning Partners are continuing to explore new and innovative ways of designing and delivering health and care services in order to support this.
54. Caring for Ayrshire is an ambitious programme that is intended to transform health and care services across Ayrshire and Arran.
55. The Caring for Ayrshire vision is that care shall be delivered as close to home as possible, supported by a network of community services with safe, effective and timely access to high quality specialist services for those whose needs cannot be met in the community.
56. Housing Services will continue to work alongside Ayrshire and Arran NHS Board and the East Ayrshire Integration Joint Board to support people within East Ayrshire to live longer healthier lives.
57. The Ayrshire Growth Deal is an ambitious multi-million pound investment package that aims to transform the Ayrshire economy. The UK and Scottish Governments will invest over £200 million with additional financial support from the three Ayrshire Councils. Proposed projects within East Ayrshire include an Ayrshire Manufacturing Investment Corridor at Bellfield and a National Energy Research and Demonstrator (CORE) Project in Cumnock.
58. Investment at Bellfield Interchange can create a regionally significant Ayrshire Manufacturing Development and realise the potential for jobs and manufacturing growth.
59. CORE is an innovative and forward thinking project which will set a ground breaking precedent for the way in which homes are powered and meet the energy demands of local communities. Using environmentally friendly technology to provide sustainable and reliable energy at affordable prices, it aims to address climate change and fuel poverty. The project will benefit Cumnock residents, promote best practice and make Cumnock a more attractive location for investors and new businesses.
60. Housing Services will continue to support growth within East Ayrshire through the delivery of affordable homes for social rent across a range of general and community care needs in communities across East Ayrshire, facilitate regeneration in town centres and promote town centre living through the promotion of good place-making.

LEGAL IMPLICATIONS

61. The SHIP 2022-27 was submitted to the Scottish Government by 29 October 2021, in accordance with the Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021. The Scottish Government confirmed 27/07/21 the SHIP 2022-27 may be submitted subject to Cabinet approval. Cabinet's decision is to be confirmed to the Scottish Government thereafter.
62. Local Authorities are to provide a succinct narrative in PDF form, submitted as a supporting document to the SHIP tables in the HARP system, the Scottish Government's electronic system, which explains the context to the SHIP, as set out at paragraph 31 and as detailed at Appendix 1, and all affordable housing projects submitted on HARP, as set out at paragraph 31 and as detailed at Appendix 2, across all tenures identified as priorities and expected to require Scottish Government funding and/ or complete over the five year period.
63. Sites identified within the programme as being held on the General Services Account will require to be transferred to the Housing Revenue Account for the development of new build housing. In respect of any property disposals, following the publication of Guidance on Scottish Ministers' Consent to Disposal of Assets from Housing Revenue Accounts, general consent is deemed to be granted.

HUMAN RESOURCES IMPLICATIONS

64. There will be no requirement for additional resources to manage the new Council houses proposed within the SHIP 2022-2027 as the homes will be incorporated into the stock currently managed by the existing staff located within Neighbourhood Teams.

EQUALITY IMPACT IMPLICATIONS

65. An equality impact assessment has been carried out as part of the development of the HAMF, Housing Improvement Programme 2022/23-2026/27 and SHIP 2022-27. Some impacts have been identified. The development of the SHIP 2022-2027 programme has taken into account the outcomes of the equalities impact assessment. These concluded positive impacts would be delivered in terms of meeting the housing and support requirements of older people, those with disabilities and people with other particular needs. The SHIP 2022-27 will deliver properties designed to meet a range of requirements.

FINANCIAL IMPLICATIONS

66. The Scottish Government's More Homes Division Guidance Note MHDGN2020/02 Affordable Housing Supply Programme: Process and Procedures dated August 2020, (updated January 2021) notes Local Authorities are expected to overcommit resources in the Programme to ensure delivery should slippage occur. A minimum slippage factor of 25% should be applied on an annual basis to the Programme.
67. Further, it states that Local Authorities should use the latest known Resource Planning Assumptions as the basis for their Strategic Housing Investment Plans. The Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, contains Resource Planning Assumptions (RPAs) for 2021-26, as set out at paragraph 23.
68. The total project costs are estimated at this stage and reflect construction, demolition, land purchase, development and buy back costs, and home loss and disturbance payments. These indicative costs will be reviewed and updated during the procurement stage of each project.
69. Total borrowing required to fund this programme is shown at Appendix 3, based on the best available estimates. This equates to £69.163m over the 5 years 2022/23 to 2026/27. Additional costs in relation to previous years has resulted in an increased borrowing requirement of £2.815m. Appropriate accounting arrangements will be made to ensure debt charges are spread across relevant financial years.
70. In November 2016 it was approved to fund some costs associated with demolitions, buy-backs, legal costs and home loss and disturbance payments from HRA balances (£1.298m). The 2022-27 SHIP includes buyback of suitable local housing stock from the market. These purchases attract reduced grant income but it is proposed the difference is funded from committed HRA Buy/Sell Work stream balances, estimated to be £1.0m over the 5 years and HRA balances (£0.5m over the 5 years).
71. As noted on Appendix 3, the borrowing requirement is net of utilisation of Affordable Housing Fund of £1.280m in 2022-2027 and additional balances £1.298m in 2022-2027. Both the Affordable Housing Fund monies and additional balances are being offset against sites which attract additional Scottish Government grant.

RISK IMPLICATIONS

72. The Council-led projects included in the SHIP 2022-2027 will utilise a range of funding options to include the current prudential borrowing framework and balances. In the event of a delayed site start to any proposed development which impacts on the draw-down of grant, there is the risk that the Scottish Government may require funding to be returned for re-allocation. However, the Council liaises closely with the Scottish Government, and would seek to accelerate other projects within the scope of the SHIP programme to take up any slippage.
73. Throughout the COVID-19 pandemic, much of the supply chain from raw material harvesting to the manufacture of key building materials has been significantly affected by the closure of non-essential businesses. Whilst these industries are starting to open up for production, their stocks are depleted resulting in reported supply shortfalls. The supply chain is being impacted as an increase in demand is being reported where new projects are mobilising. In addition, sectors in the industry are reporting a shortfall in available labour as a result of borders closing following Brexit. There is an impact on a portion of the UK labour market that was supported previously by a European workforce. The supply chain is therefore being inundated with orders, so demand is exceeding the availability of supplies and is driving costs upwards.
74. As far as possible, the SHIP 2022-27 programme has been developed taking account of these known impacts. Consequently, for the first 3 projects due for delivery at Witch Road, Kilmarnock, Quarryknowe, Auchlinleck, and Mill O' Shield Road/ Hannahston Avenue, Drongan, a risk averse approach has been agreed to be adopted with CCG (Scotland) Ltd. with a fixed rate increase of 4.2% to the overall price, rather than a variable price based one over and above a base price offer, to de-risk the projects. It has been agreed this is a sensible approach in terms of the Contractor's proposals, the elimination of inflationary risk due to the after effects of the pandemic on the supply chain, any effect still to come from the Brexit position and the wider supply chain issues presently impacting the construction sector.

TRANSFORMATION STRATEGY

75. The SHIP 2022-27 proposals align with the overarching design principles of the Transformation Strategy to ensure they: offer maximum value for East Ayrshire's communities; are flexible and respond to customer needs and circumstances; make best use of aligned digital technologies to improve efficiency and will meet customer expectations.
76. The provision of good quality homes across East Ayrshire supports and

promotes the Council's commitment to the following Transformational work streams:

- Fairer, Kinder and Connected
- Vibrant and Empowered
- Property and Estate

NET ZERO IMPLICATIONS

77. With the exception of proposed reconfiguration works, second hand purchases in the market and off-plan acquisitions, each of the new build development proposals contained in the SHIP 2022-27 is proposed to meet Section 7, Silver Standard of the Building Regulations 2011 in respect of both Carbon Dioxide Emissions and Energy for Space Heating. Fire suppression measures will also be installed in the new Council's new homes in the form of sprinkler systems in response to the Building (Scotland) Amendment Regulations 2020, applicable from March 2021. It requires buildings to be designed and constructed in such a way that, in the event of an outbreak of fire within the building, fire growth will be inhibited by the operation of an automatic fire suppression system. Automatic fire suppression systems are therefore to be installed on the construction of new flats and maisonettes, new social housing dwellings and new shared multi-occupancy residential buildings.
78. Further, working with CCG (Scotland) Ltd. and in consultation with Housing Asset Services, the Council proposes to develop net zero housing. Subject to community consultations, Planning Authority approvals and consents, it is proposed to deliver net zero housing at Bellevue Gardens, Kilmarnock, Kennedy Drive, Kilmarnock, the assisted living development at Kilmarnock Road, Mauchline, and Dalgleish Avenue, Cumnock, to realise more energy efficient Council homes and positive impacts in support of the Council's sustainability, climate change and carbon emissions and fuel poverty reduction targets as set out in the Climate Change Strategy and associated Action Plan 2021, and Housing to 2040 national policy. The Scottish Government is committed to introducing a 'New Build Heat Standard' in 2024 that will require new buildings to use zero emissions heating as the primary heating source and also meet significantly higher energy efficiency than current Building Standards minimum requirements.

CONCLUSIONS

79. The SHIP 2022-2027 sets out how resources will be used to deliver the Council's affordable housing supply priorities, as articulated in the approved East Ayrshire LHS 2019-2024 and HAMF.

80. The programme detailed in the SHIP 2022-27 anticipates an AHSP allocation of £89.178M, including proposed carry-forward spend, based on allocated RPAs of £64.673M, or £80.841M with a minimum slippage factor of 25% applied on an annual basis to the programme. It seeks to deliver 1087 new build and rehabilitated affordable homes and second hand purchases. With the exception of reconfigurations, second hand purchases in the market and off-plan acquisitions, all new houses are proposed to be built to meet Section 7, Silver Standard of the Building Regulations 2011, in respect of both Carbon Dioxide Emissions and Energy for Space Heating.

APPENDICES

1. Appendix 1: East Ayrshire Council Strategic Housing Investment Plan 2022-27, October 2021.
2. Appendix 2: East Ayrshire Council Strategic Housing Investment Plan 2022-27, Affordable Housing Supply Programme Priorities, October 2021.
3. Appendix 3: SHIP 2022-27, Finance.

Background Papers: Scottish Government More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021: [SHIP guidance](#)

Scottish Government More Homes Division Guidance Note on Affordable Housing Supply Programme: Process and Procedures MHDGN 2020/02, August 2020 (updated January 2021). [Affordable Housing Supply Programme guidance](#)

Scottish Government letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021: [Resource Planning Assumptions](#)

Scottish Government Housing to 2040, dated March 2021: [Housing to 2040](#)

Scottish Government 2021 Affordable Housing Investment Benchmarks Working Group Report, dated September 2021: [Working Group Report](#)

Equality Impact Assessment Form: [EQIA Form A](#)

Person to Contact: Deborah Brady, Development and Regeneration Officer

Tel: 07717 516965

Email: deborah.brady@east-ayrshire.gov.uk

Implementation Officer: Robert McCulloch, Interim Head of Housing and Communities

Tel: 01563 576598

Email: robert.mcculloch@east-ayrshire.gov.uk

4 November 2021

East Ayrshire Council Strategic Housing Investment Plan 2022 - 2027



INTRODUCTION

1. Since 2007, Local Authorities have been invited to prepare an annual Strategic Housing Investment Plan (SHIP) detailing key housing development priorities in their area.
2. The SHIP is a five year rolling Plan that sets out the Affordable Housing Supply Programme (AHSP). In line with Scottish Government More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, the SHIP reflects the housing policies and outcomes set out in each Local Authority's Local Housing Strategy (LHS) and LHS Outcome Action Plan, links the strategic priorities identified in the LHS to the delivery of additional affordable housing, reinforces the role of the Local Authority as the Strategic Housing Authority, informs Scottish Government investment decisions, informs the preparation of a Strategic Local Programme Agreement (SLPA) that sets out the planned programme across the Local Authority for the year, and, where required, Programme Agreements to individual providers setting out their planned programmes for the year.
3. SLPAs prepared by the Scottish Government will cover a three year period and will reflect existing carry-forward commitments, new planned priority projects, and additional capacity in the form of a pipeline of projects taken from the SHIP. Once agreed, they can form the basis of individual Registered Social Landlord (RSL) and Local Authority Programme Agreements. These SLPAs will therefore be the primary working document informing the delivery of the AHSP at the local level.

HOUSING TO 2040

4. The Scottish Government published Housing to 2040 in March 2021. It is the Scottish Government's first long-term housing strategy, and sets out what housing and communities are to look and feel like for the people of Scotland. It provides proposed actions to realise its vision and reinforces the commitment to deliver a further 110,000 affordable homes by 2032. It puts Place at its core, embedding the Place Principle through collaborative working approaches to deliver the aligned aspirations of quality homes and great places.

GRANT SUBSIDY BENCHMARKS

5. The Scottish Government's More Homes Division Guidance Note MHDGN2020/02 Affordable Housing Supply Programme: Process and Procedures dated August 2020 (updated January 2021) records benchmark subsidy levels applicable for Councils and RSLs as follows:

6. **Table 1: Grant Subsidy Benchmarks**

Type	Developer	Subsidy (£)
Social rent - greener	RSL	72,000
Social rent - other	RSL	70,000
Social rent - greener	Council	59,000
Social rent - other	Council	57,000

RESOURCE PLANNING ASSUMPTIONS

7. The Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, contains Resource Planning Assumptions (RPAs) for 2021-26. The Scottish Government confirmed 27/07/21 the same RPA for 2025/'26 is to be assumed for 2026/'27, as follows:

8. **Table 2: Resource Planning Assumptions (RPAs) 2022-2027**

Year	RPA (£M)	AHSP plus 25% slippage
2021/'22	14.910	Current year Out-with SHIP 2022-27 timeframe
2022/'23	12.852	16.065
2023/'24	12.815	16.019
2024/'25	12.860	16.075
2025/'26	13.073	16.341
2026/'27	13.073	16.341

9. The letter further notes a review of affordable housing investment benchmark levels (grant subsidy benchmarks) is being undertaken by the Scottish Government with colleagues in the sector through the 2021 Affordable Housing Investment Benchmarks Working Group. The final report, published in September 2021, proposes Scottish Government baseline benchmark assumptions, moving from a flat rate benchmark per unit to applying the three-person equivalent conversion factor, and maintaining the disparity between Council and RSL grant investment subsidies as follows:

10. **Table 3: Scottish Government Baseline Benchmark Assumptions**

	West Highland, Island authorities, and remote/ rural Argyll (£)		Other rural (£)		City and urban (£)	
	Current	Proposed	Current	Proposed	Current	Proposed
RSL social rent	82,000 (3 person equivalent)	95,500 (3 person equivalent)	72,000 (3 person equivalent)	83,000 (3 person equivalent)	70,000 (3 person equivalent)	78,000 (3 person equivalent)
Council social rent	57,000 (flat rate per unit)	83,000 (3 person equivalent)	57,000 (flat rate per unit)	75,500 (3 person equivalent)	57,000 (flat rate per unit)	71,500 (3 person equivalent)

RSL mid-market rent	44,000 (3 person equivalent)	58,500 (3 person equivalent)	44,000 (3 person equivalent)	56,500 (3 person equivalent)	44,000 (3 person equivalent)	53,500 (3 person equivalent)
Council mid-market rent	N/A	53,000 (3 person equivalent)	N/A	51,500 (3 person equivalent)	N/A	49,000 (3 person equivalent)

11. The Scottish Government's More Homes Division Guidance Note MHDGN2020/02 Affordable Housing Supply Programme: Process and Procedures dated August 2020, (updated January 2021) reports Local Authorities should use the latest known Resource Planning Assumptions (RPAs) as the basis for their Strategic Housing Investment Plans. It further states Local Authorities are expected to overcommit resources in the Programme to ensure delivery should slippage occur. A minimum slippage factor of 25% should be applied on an annual basis to the Programme. The Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, suggests a minimum slippage factor (i.e. over-programme to accommodate unforeseen slippage) of 25% is built in to any programme planning.

ALIGNMENT WITH LOCAL HOUSING STRATEGY STRATEGIC OUTCOMES

12. The purpose of the SHIP is to guide the allocation of available Scottish Government investment funding to meet the affordable Housing Supply Target, as set out in the LHS and its associated priorities and outcomes. The Housing Supply Target was assumed in the preparation of the LHS 2019-24. The Scottish Government is currently preparing National Planning Framework 4 which will incorporate Scottish Planning Policy and provide further guidance on the implementation of the Planning (Scotland) Act 2019. This will have implications for how Local Authorities determine a housing supply target and housing land requirement for affordable and market (private) housing. The new Act removes the right of the Council to calculate how many houses and how much land should be identified for development in its area.
13. In February 2021, the Scottish Government published a draft Minimum All-Tenure Housing Land Requirement (MATHLR) for all individual authority areas across Scotland. East Ayrshire Council is currently preparing an all tenure housing land requirement which will be informed by household projections and existing need with the addition of a flexibility allowance of 30%. Additional information will inform how this all tenure requirement will be broken down to identify the split requirement between affordable housing and private market

housing. The all tenure housing land requirement and how this is split between tenures will be set out in the next East Ayrshire Local Development Plan.

14. The LHS 2019-2024 was approved by Cabinet on 20 November 2019. The strategic outcomes identified in the LHS that guide investment priorities in the SHIP include:
 - Delivering more new-build affordable homes;
 - Targeting investment in social housing to support regeneration of local neighbourhoods and to increase the number of people living in our town centres;
 - Returning empty homes to the pool of effective housing stock;
 - Increasing the supply of suitably designed properties to meet the needs of older people and those with a physical disability;
 - Delivering appropriate accommodation solutions for young people with support needs and care experienced young people;
 - Delivering appropriate accommodation solutions for people with learning disabilities.

15. The projects that comprise the SHIP 2022-2027 seek to deliver affordable homes for social rent across a range of general and community care needs in communities across East Ayrshire, facilitate regeneration in town centres and promote town centre living through the promotion of good place-making. Moreover, the flexible house types delivered by the Council's Developer CCG (Scotland) Ltd. include the provision of a wet room on the ground floor of the two-storey properties to support residents to live at home throughout their life experiences. The proposed developments will therefore meet the Council's strategic housing priorities identified in the LHS, as Strategic Housing Authority, and will assist in the delivery of wider corporate objectives set out in the Community Plan and Transformation Strategy, working collaboratively with the Scottish Government, RSL partners and CCG (Scotland) Ltd.

16. In support of the delivery of the LHS strategic outcomes, 2 award winning assisted living developments have been completed by the Council working collaboratively with the Health & Social Care Partnership (H&SCP) at Lilyhill Gardens, Kilmarnock, and at Andrew Nisbet Place, Hurlford. The developments offer support to adults with a range of disabilities to promote successful moves from care settings to each resident's own home.

17. The developments benefit from on-site support and provide a mix of wheelchair accessible and general needs homes, housed in one building, all with wet rooms, rise and fall kitchen worktops in the wheelchair accessible flats, assistive technologies, a glass elevation to bring the outdoors indoors and a

safe enclosed garden area for the residents' private use. A lift also forms part of the updated specification installed at Andrew Nisbet Place to promote access and a sense of community. This type of housing provision is being replicated in response to need identified by the H&SCP, given the benefits derived from this housing model both for the residents and in terms of the efficient delivery of high quality care.

18. The SHIP 2022-2027 allows for three more developments; a smaller-scale proposal in Auchinleck, an extended model in Mauchline and a third in New Cumnock, enhancing the opportunity for people to live as independently as is possible in communities across East Ayrshire with access to appropriate support, thereby contributing to the delivery of LHS Outcomes.

METHODOLOGY TO PRIORITISE PROJECTS

19. In prioritising projects, consideration is given to:
 - Good Place-Making: Housing to 2040 seeks to ensure the delivery of affordable homes in existing communities and town centres through the promotion of the Place Principle to align services and promote great places to live. The Council is committed to developing new housing opportunities as part of its wider strategic aspiration to promote the ongoing regeneration of East Ayrshire's town centres. The sites identified in the SHIP 2022-2027 seek to promote good Place-making for communities where they are located to support the creation of 20 minute neighbourhoods where residents can meet their everyday needs through safe walking and cycling routes, or by public transport through sustained town centre regeneration. Future sites identified that promote town centre regeneration will further inform programming proposals and may be considered for delivery as windfall sites.
 - East Ayrshire Housing Asset Management Framework (HAMF): The HAMF provides a framework for managing property assets to ensure: Council housing stock meets the present and future needs of tenants; the long-term sustainability of tenancies is improved, and best use is made of resources. The HAMF informs the content of both the Housing Improvement Programme (HIP) and the SHIP. This holistic approach adopted supports the Housing to 2040 aspirations and the guiding principles of the Community Plan in managing Council property assets, whilst ensuring East Ayrshire retains vibrant communities with good quality homes. An annual HAMF update was undertaken in July and August 2021 to inform the proposals set out in the SHIP 2022-2027.
 - Future Homes Project Board (FHPB): Preparation of the 2022-2027 SHIP is overseen by the FHPB, a cross-Service and Agency group to include CCG

(Scotland) Ltd. and the H&SCP that approves and supports the ongoing delivery of the programme. Sites are brought forward for consideration relative to national and LHS priorities and the outcomes of the annual HAMF reviews for delivery. Using the off-site manufacture (OSM) process working with CCG (Scotland) Ltd., a standardised specification has been agreed across the new build and improvement programmes to deliver an efficient and sustained programme of new homes in accordance with the LHS and its priorities and outcomes.

- **Level of Demand:** Waiting list information is available for neighbourhood allocation areas. It provides a strong indicator of need and assists in developing detailed project proposals using data held by property size and age group of applicants. The H&SCP also informs this need assessment in terms of the delivery of assisted living housing models of care. The Housing Need and Demand Assessment 2018, that received 'robust and credible' status in April 2018, has drawn on this data to inform current and future patterns of need and informed the development of the LHS 2019-2024.

DEVELOPMENT CONSTRAINTS

20. Development constraints and mitigation measures include:

- **Zoning:** The LDP sets out sites that are zoned as suitable for housing development. Sites brought forward are checked for their suitability with regard to Local Development Plan (LDP) zoning. To inform this activity, a meeting was held by the Council with representatives from Scottish Water in November 2020 to discuss each of the current SHIP sites to promote their delivery.
- **Site Suitability:** The HAMF annual reviews identify strategic priority areas suitable for new homes development. Site investigations for Council sites are commissioned by the Design Team to inform their viability and deliverability relative to issues such as access, flood risk, statutory consultee pre-application comments, service connections, ground conditions and topography. Online workshops are held across Services and the Design Team to consider optimal layout options across general and particular needs housing delivery along with place within the community relative to the impact of known site constraints determined through site investigations in support of the LHS 2019-2024 Strategic Housing Outcomes. Costs are then prepared for review reflecting identified need. This approach informs the layouts set out in the proposals prepared by the Design Team for community consultation as part of the pre-application process. Partner RSLs may arrange access to Council-owned sites, under licence, to facilitate this process prior to an approved disposal.
- **Supply Chain:** Throughout the COVID-19 pandemic, much of the supply chain from raw material harvesting to the manufacture of key building

materials has been significantly affected by the closure of non-essential businesses. Whilst these industries are starting to open up for production, their stocks are depleted resulting in reported supply shortfalls. The supply chain is being impacted as an increase in demand is being reported where new projects are mobilising. In addition, sectors in the industry are reporting a shortfall in available labour as a result of borders closing following Brexit. There is an impact on a portion of the UK labour market that was supported previously by a European workforce. The supply chain is therefore being inundated with orders, so demand is exceeding the availability of supplies and is driving costs upwards.

- As far as possible, the SHIP 2022-27 programme has been developed taking account of these known impacts. In addition to tender analyses undertaken by F&PM, Council officers have met with CCG (Scotland) Ltd. to consider measures to mitigate any inflationary effect to tender costs at this stage. Consequently, for the first 3 projects at Witch Road, Kilmarnock, Quarryknowe, Auchlinleck, and Mill O' Shield Road/ Hannahston Avenue, Drongan, a risk averse approach has been agreed to be adopted with CCG (Scotland) Ltd. with a fixed rate increase of 4.2% to the overall price, rather than a variable price based one over and above a base price offer, to de-risk the projects. It has been agreed this is a sensible approach in terms of the Contractor's proposals, the elimination of inflationary risk due to the after effects of the pandemic on the supply chain, any effect still to come from the Brexit position and the wider supply chain issues presently impacting the construction sector.
- Availability of Grant Investment Funding: The Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, contains RPAs for 2021-26. In addition, a review of affordable housing investment benchmark levels (grant subsidy benchmarks) is being undertaken by the Scottish Government with colleagues in the sector. The final report, published in September 2021, proposes Scottish Government baseline benchmark assumptions, moving from a flat rate benchmark per unit to applying the three-person equivalent conversion factor, and maintaining the disparity between Council and RSL grant investment subsidies.
- Any disparity will act as a barrier to delivery for Councils and could delay, or reduce, the scale of projects proposed given the potential adverse impacts on Council borrowing, rent affordability and, most importantly, tenants' health and wellbeing; contrary to the Housing to 2040 aspirations. Further, the list of additional quality measures benchmark assumption costs proposed to take account of specification requirements does not fully account for the time lapse since the last grant investment uplift, ongoing cost uncertainties reported in the construction industry, Housing to 2040 requirements, or costs incurred in delivering community care housing; which

is not consistent with the LHS Wheelchair Accessible Target commitments, wider demographic trends or local housing need as determined by the Council as Strategic Housing Authority. The Cabinet Secretary for Social Justice, Housing and Local Government will consider feedback when deciding the benchmark assumptions. In the interim, applications for funding are to be submitted as usual. The Council continues to prioritise and profile sites for new homes delivery in response to identified need pending the outcome and impact of the review.

- **Open Market Acquisition Scheme:** Complementing the new build delivery, the Open Market Acquisition Scheme continues to be a cost effective and quick method of delivering much-needed homes in priority areas, particularly in cases where an urgent housing need can be met. The Scheme is aligned with: LHS priorities and targets; the purchase of property to increase the Council's and RSL partners' access to and supply of priority house types and sizes depleted through Right To Buy; meeting specific and urgent housing need, particularly where a community care need is identified; complementing the HIP works where the delivery of works has been halted where there is a last in block owner thereby consolidating stock portfolios, and facilitating a sustained approach to maintaining stock assets and supporting wider housing quality improvement and regeneration priorities identified through the HAMF and other initiatives. Across the lifetime of the SHIP 2022-27, it is proposed to continue with open market purchases at the rate of 15 per year for the Council, 10 per year for Atrium Homes, previously 5 per year, and 3 per year for Shire Housing Association to total an additional 140 affordable homes. This acquisition target will be subject to annual review. At 2020/21, 43 homes have been purchased through the scheme by the Council. A sum of £30,000 Scottish Government grant funding is available per transaction.
- **Delegated Authority:** As with previous years, it is proposed that Cabinet authorises the Head of Housing and Communities to assign other agreed SHIP projects, as required, through delegated authority to ensure that, where projects fall out of the SLPA, other agreed SHIP projects can be assigned in their place. In this way, the Council may align the new build affordable housing programme with strategic priorities such as the requirements identified by the H&SCP.

LOCAL AUTHORITY RESOURCES AND OTHER FUNDING

21. The Council's financial contribution to the delivery of the SHIP makes use of the prudential borrowing framework, capital receipts and balances. The Standard Delivery Plan (SDP) financial model is updated as part of the SHIP review process to ensure the new house building programme and the achievement of EESSH and EESSH2 remain financially viable and are achievable. Development activity will continue to be monitored in this way to

ensure the development of new housing does not impact existing stock in terms of maintaining high quality Council-owned stock.

22. The affordability of rentals and the associated borrowing required to meet the cost to build each new home must be considered in determining the affordability of the Programme in delivering high quality homes. This approach to the delivery of both the SHIP and HIP programmes is underpinned by the HAMF and aligns with the Transformation Strategy principles. Council Tax on Second and Empty Homes funds may also be drawn down to support the delivery of new affordable homes, where applicable.
23. The Council's new homes delivery is about more than a fabric-first approach. The Council's ongoing partnering arrangement with CCG (Scotland) Ltd. also supports the delivery of Community Benefits through agreed joint working commitments to respond to Community Action Plan priorities. This activity is coordinated locally by CCG (Scotland) Ltd. and Vibrant Communities. The Community Benefits support new starts, work placements, existing apprentices, upskilling and construction curriculum support and has distributed £40,000 to community groups to date, with a further £8,000 community investment to be distributed at Witch Road, Kilmarnock, along with 2 new starts, 4 work placements, 4 existing apprentices, 3 upskilling and 2 curriculum support. Community benefit proposals at Mill O' Shield Road and Hannahston Avenue, Drongan, and at Quarryknowe, Auchinleck, are to be confirmed.

AFFORDABLE HOUSING SUPPLY PROGRAMME UPDATE

24. The SHIP 2021-26 was reported to and approved by Cabinet on 25 November 2020 to include an update on the AHSP 2020-21. This review reflects changes to the 5 year rolling SHIP taking account of progress made in the current year 2021/'22 and planned progress delivering affordable housing in 2022-27, aligned to the published RPAs 2021-26 set out in the Scottish Government's letter Affordable Housing Supply Programme 2021-26 Five Year Resource Planning Assumptions - East Ayrshire Council, dated 15 July 2021, with the same RPA for 2025/'26 to be assumed for 2026/'27.
25. The SHIP 2022-27 priorities are unchanged from the SHIP 2021-26 submission, and the Council remains committed to their delivery. A total of 477 new or reconfigured Council homes have completed since 2010/11 to include the development at Fraser Walk, Kilmarnock, (56 homes) completed in November 2020 working with CCG (Scotland) Ltd. Completions were also achieved by RSL partners at Sunnyside Square, Shortlees, (27 homes) by Atrium Homes completed in November 2020, and at Treeswoodhead in Kilmarnock (22 homes) by Cunninghame Housing Association completed in February 2021.

26. Site starts for the delivery of new Council homes have been achieved at Witch Road, Kilmarnock, (43 homes), Mill O' Shield Road and Hannahston Avenue, Drongan, (14 homes) and at Quarryknowe, Auchinleck, (8 flats), working with CCG (Scotland) Ltd., and at RSL partners' sites at Crosshouse, Kilmarnock, (1 home) by Atrium Homes, and Corrie Mains Farm, Mauchline, (30 homes) and Irvine Road, Kilmaurs (29 homes) by Cunninghame Housing Association.
27. With regard to a new build affordable housing development at 52/ 54 Brown Street/ Nelson Street, Newmilns, (16 homes), the SHIP 2021-26 report to Cabinet dated 25 November 2020 recorded activity undertaken by the Council's developer partner, CCG (Scotland) Ltd., and consultants relative to SEPA's objection and their policy position to the proposed delivery of the development. It also set out proposals to effect a permanent repair and approve the cost associated with the work required to address reported water ingress at the properties at 48/ 50 and 56/ 58 Brown Street, Newmilns, subject to a value for money assessment being undertaken by F&PM. Investigation works have been instructed by F&PM and proposals have been prepared. F&PM is consulting with the Planning Authority to determine if a consent is required. Subject to the necessary consents and approvals, site start is anticipated to be achieved towards the end of the financial year.
28. Following a meeting held in April 2021 with representatives from SEPA, the Council, CCG (Scotland) Ltd., their consultants; Indev and Kaya, F&PM, ARA-Flooding and Housing, at which time SEPA reiterated their policy position and objection, CCG's consultant has confirmed:
- All technical work undertaken in respect of flooding confirms the site is within an active flood plain.
 - The latest flood modelling confirms the proposed development levels will increase flooding to existing properties.
 - The EAC flooding officer had withdrawn support for the application due to this increase in flooding.
 - Indev/ Kaya have provided the technical assessments to date however it is not within their remit to support the development.
29. Subject to Cabinet approval, as the consultants are unable to support the proposed development, it is proposed to delete the development from the affordable housing supply programme. As no affordable housing may be delivered on the site as a result of SEPA's objection and policy position, it is proposed to return all Scottish Government grant sums received to date in the sum of £188,977.39.

30. It is further proposed to commission F&PM, working with other Council Services, community representatives, the local community and local Elected Members, to review the site area to produce proposals and costs that support alternative Community Action Plan priorities for further reporting to Cabinet. In the interim, investigation works have been instructed by F&PM and proposals are being considered to inform the reported required repairs at 48/ 50 and 56/ 58 Brown Street, Newmilns, as approved in the SHIP 2021-26 report to Cabinet dated 25 November 2020.

STRATEGIC HOUSING INVESTMENT PLAN 2022-27 PROPOSALS

31. The SHIP 2022-27 preparation is overseen by the FHPB and includes projects with a total potential capacity for delivering up to 1087 new, rehabilitated and acquired affordable homes in East Ayrshire over the 5 year period. The actual output will be subject to a detailed development assessment of each site as well as available grant funding.
32. The SHIP 2022-27 is to be submitted to the Scottish Government by the end of October 2021 in accordance with the Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, as set out in the Narrative and Spreadsheet at Appendices 1 and 2 respectively. It is to be presented to Cabinet on 17 November 2021. As with previous years, it is therefore submitted subject to Cabinet approval. Cabinet's decision will be confirmed to the Scottish Government.
33. The Scottish Government More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, notes the SHIP 2022-27 is to include:

WHEELCHAIR ACCESSIBLE HOUSING

34. The Scottish Government's letter to Senior Housing Officials on Wheelchair Accessible Housing Targets, dated 27 July 2019, notes guidance was issued in March 2019 to Local Authorities on setting LHS targets to support the delivery of more wheelchair accessible housing. The Council submitted its Wheelchair Accessible Housing Target report to the Scottish Government by the due deadline of 17 August 2020.
35. The Council's report acknowledges the numerous studies that recommend a minimum 10% of new build properties are designed to be fully wheelchair accessible to increase provision. The average percentage of wheelchair accessible homes in previous recent completions, based on a site by site suitability assessment, and in consultation with the H&SCP, is also shown to

be around 10%, and this approach will continue. Based on guidance from national studies and capacity within previous completions, and in the absence of accurate baseline data, in terms of a wheelchair accessible housing target, East Ayrshire Council will, where possible and practicable, aspire to ensure that 10% of housing stock in new developments that feature in the SHIP is fully wheelchair accessible.

36. This target will be applied on an ongoing basis by the Council across the SHIP programme, and will continue to be noted in ongoing SHIP consultation meetings with RSL partners, to create communities of interest and in response to identified housing need. All Council wheelchair accessible dwellings across the SHIP programme are designed to meet the requirements set out in the Housing for Varying Needs guidance document, as well as incorporating any specific features which have been advised by stakeholders or their occupational therapists during design development. In the main, all wheelchair-accessible dwellings aim to meet the full range of criteria represented by both the 'basic' and 'desirable' headings as far as possible. RSL partners advised previously their wheelchair-accessible dwellings set out in the SHIP programme are also designed to meet the requirements set out in the Housing for Varying Needs guidance document.
37. Across wheelchair accessible bungalows as well as housing for older ambulant disabled people and assisted living properties, the SHIP 2022-27 allows for 16.65% of the housing proposed to be designed for particular needs. Of the sites under construction, 52.80% are designed for particular needs. Further, of the sites completed since the Wheelchair Accessible Housing Target report was submitted to the Scottish Government in 2020/21, 3 accessible properties, and a total of 23 particular needs properties have been delivered. Whilst this outturn represents 2.86% for accessible properties completed, it represents 21.90% for total particular needs properties completed since the Wheelchair Accessible Housing Target report was produced. Future proposals will be developed to take account of the target that has been introduced. The Council will therefore continue to use the new build programme to increase the supply of specialist housing to meet particular needs.
38. In terms of private development, Housing Services will work alongside Planning and Economic Development to ensure that private developers are aware of East Ayrshire Council's desire to increase the amount of wheelchair accessible accommodation across all tenures and, where appropriate, wheelchair accessible accommodation is considered for inclusion in future developments. On those sites where an on-site allocation of affordable homes is proposed to be made, the Council and RSL partners will seek to promote the availability of a mix of general and community care needs homes with regard to the affordable element in response to identified housing need.

39. It is acknowledged that to deliver wheelchair accessible housing, or any community care housing provision, larger footprints and internal configurations are required to be compliant with the relevant guidance, thereby necessitating greater levels of investment to be made in their delivery than that required for general needs homes. Community care property sizes also vary to meet identified health and disability requirements and to accommodate identified household compositions. Further, applicable sub-structure and infrastructure costs vary from site to site, subject to site conditions and utilities' requirements. Proposals are therefore refined in response to both identified need and any applicable site considerations.
40. Within the SHIP programme, there can be up to a 50% uplift in investment to deliver the Council's wheelchair accessible homes, subject to site conditions, abnormal and infrastructure costs. The cost to develop and deliver wheelchair accessible homes, or any community care housing, therefore varies from site to site. It continues to be promoted across the SHIP programme by the Council and RSL partners in response to identified need, subject to the constraints noted, in support of the LHS strategic outcomes.
41. Further to the annual SHIP review meetings held, one partner RSL has noted the Association liaises with each Local Authority's Housing and Allocations Teams to assess the housing demand and housing need for each individual development. The Association, where practically possible, will always endeavour to meet the wheelchair assessable housing target. In addition the Association works closely with the H&SCP within each Local Authority to identify specific households that could be assisted as part of each new development project. Another RSL has advised each project includes a proportion of wheelchair designed properties and the Association is conscious of the need to meet the target set for each development project. There are additional costs associated with these units. However, at the moment they are only part of the bigger picture being faced with rising costs and the need to meet cost benchmarks, with the recent increase in grant subsidy levels helping.

RAPID REHOUSING TRANSITION PLAN

42. East Ayrshire's Rapid Rehousing Action Plan (RRTP) sets out the key actions and timescales which Housing Services and RRTP partners have identified to achieve our vision for rapid rehousing, with aims to increase focus on early intervention and prevention, reduce homeless presentations and applications, ensure a settled housing options is reached as quickly as possible, reducing any time spent in temporary accommodation.

43. The targets within the RRTP and associated indicators and baseline figures enable measurement of progress on an annual basis and achievement against ambitions and provides the focus for operational activity across all Community Planning Partners.
44. The RRTP priorities and actions align to a number of strategic plans: the East Ayrshire Community Plan 2015-30, the Local Housing Strategy 2019-24 (LHS), the Strategic Housing Investment Plan 2021-26 (SHIP), the Health and Social Care Partnership Strategic Plan 2021-30 and the East Ayrshire Violence Against Women Strategic Plan 2020-23.
45. Central to the approach is the recognition that partnership working is key to the achievement of ambitions and this is well established locally with all partners in East Ayrshire sharing a commitment to collaborative service delivery that meets the needs of communities. Partners continue to drive forward RRTP actions to ensure the delivery of agreed outcomes and the strategic priorities within the LHS and SHIP and Housing Services are committed to working together to achieve these ambitions.

LOCAL CHILD POVERTY ACTION REPORT

46. Before the pandemic, almost 6,000 children in East Ayrshire were living in poverty. By 2030, 8,900 children across East Ayrshire may be living in poverty, with 5,862 children aged 0-19 living in relative poverty in 2019/20 (before housing costs); a relative child poverty level of 22%; higher than the national level of 18%. Nationally, child poverty levels are projected to rise. Scottish Government research on forecasting child poverty suggests relative child poverty (after housing costs) will increase to between 35-38% by 2030. Recognising the underlying drivers of child poverty can only be addressed through holistic collaborative working, the Community Planning Partnership (CPP) provides the strategic framework for public services delivery with the aim of improving outcomes for local people and tackling inequality.
47. The Local Child Poverty Action Reports (LCPAR) for East Ayrshire have been developed to meet the requirements of the Child Poverty (Scotland) Act 2017. The first LCPAR 2018/19 articulated the partnership approach to addressing child poverty and set out the shared programme of work across the CPP to address the drivers of child poverty (income from employment, cost of living, and income from benefits). The LCPAR 2019/20 provided updates on the planned programme and recognised the emerging impact of Covid-19. The LCPAR 2020/21 aim was to progress essential activity in relation to child poverty, while resetting partnership work to take account of the pandemic's impact on children and families. It highlights some of the key activity

undertaken, and sets out future approaches to tackle child poverty that reflect the agreed CPP holistic approach.

48. Set against these statistics, a programme of recovery and renewal is reported in the LCPAR 2020/21 in response to the pandemic promoting, among others, Safe as Houses; sustainable tenancies with early intervention and income maximisation, and financial help for new housing tenants. The LCPAR Action Plan Update 2020/21 also records the RRTP aim to increase the focus on early intervention and prevention, reduce homeless presentations and applications, ensure settled housing options are reached as quickly as possible, with the Child Wellbeing Protocol launched in November 2020 to prevent homelessness and mitigate transitions and trauma for families, young people and children by ensuring prompt notification to the Named Person Service.
49. Through the SHIP 2022-27, the Council, as Strategic Housing Authority, seeks to adopt the Place principle, promoting the continued delivery of communities of interest through the provision of a range of good quality general and particular needs energy efficient homes for families, homes for older ambulant disabled people and assisted living developments to reflect the wider community and in response to housing need. The LCPAR Action Plan Update 2020/21 records the AHSP continues to deliver a mix of homes across sizes and types; with the provision of affordable and efficient homes contributing to reducing child poverty, in response to aims and objectives set out in the LHS 2019-24, including eradicating fuel poverty and improving house condition across all tenures; which is particularly important in light of recent energy price increases. Site completions were achieved for the delivery of 56 Council homes, with 49 completions also achieved by RSL partners. Moreover, each new build Council home allows for a work/ study space within the living room, and is capable of receiving broadband installations as part of the warm, energy efficient homes delivery to support pupils and students to achieve their potential.

EMPTY HOMES SERVICES

50. Since commencement in 2017/18, the Empty Homes Service has supported a range of services in East Ayrshire. It has brought 89 homes back into use and promoted a range of services, as follows:
51. **Table 3: Empty Homes Service 2017/18-2021/22**

Year	No. Homes Brought Back Into Use
2017/18	3
2018/19	31
2019/20	29

2020/21	24
2021/22	2
Total	89

- The Matchmakers Scheme: The Scheme effectively links up empty home owners wishing to sell property with those developers who want to purchase empty properties. The Service was expanded to include Empty Commercial Property and Landlord to Landlord sales. 4 empty homes outcomes are attributable to The Matchmakers Scheme. Currently, there are 4 sellers on the list and 148 buyers.
- The Empty Home Loan Fund: Since grant was awarded in 2012/ 2013 in the sum of £250K, only one successful application has been completed, with the grant now having been repaid. The majority of the Fund has been repaid to the Scottish Government, with £30K remaining which will be due to be repaid over the next few financial years as follows: 2021/22: £24K, 2022/23: £5400 and 2023/24: £600.
- Missing Shares: Through the Missing Shares initiative the Council can assist with finding a missing share to unlock common works in tenemental flatted accommodation. The scheme both prevents homes becoming empty and assists in bringing empty homes back into use. There have been 7 cases since 2019/20. East Ayrshire Council's contribution is £9065 and has unlocked £65,646 worth of work. Currently, there are 2 cases ongoing this financial year.
- Buy Backs: In some instances, ex-Council properties that were empty have been acquired under the Buy Back scheme, with 45 ex-Local Authority and 3 Private since 2017/18.
- Empty Homes Collaboration Group: A Collaboration Group has been established to look at specific problematic empty homes throughout the authority area. It consists of officers drawn from various Services. This group has been extended to include Empty Commercial Properties in Kilmarnock Town Centre.
- Data Cleansing for Council Tax: As well as empty homes work being undertaken to bring in Council Tax revenue, data cleansing is undertaken and information is shared with colleagues in Council Tax.
- Council Tax Levy: Most empty home owners fail this levy. The Service is keen to explore the opportunity to offer further discretion for the Empty Homes Officer to request the levy is removed in specific circumstances.
- The Service is also keen to explore establishing a grant scheme which could assist empty home owners who wish to become private landlords and let out their properties at the Local Housing Allowance (LHA). A small amount of money could assist empty home owners to carry out the required certification so as to become a landlord.

- The Town Centre Conversion Fund: The Fund assists empty commercial property owners to convert property into residential use. The Fund is underway with 4 properties currently being considered for grant assistance. Previously, a development of 5 private lets was undertaken in the Town Centre, so the current grant application would make a further 4 private lets available in Kilmarnock Town Centre at the LHA, if approved.

COUNCIL TAX ON SECOND AND EMPTY HOMES

52. Utilising Council Tax on Second and Empty Homes, a sum of £373K has been expended to deliver 2 additional Affordable Housing Supply Programme properties at Ayr Road, Cumnock, in 2016/17, and £71K for the post of Empty Homes Officer from 2017/18-2019/20 (2017/18: £27K, 2018/19: £37K, 2019/20: £7K), as follows:

53. **Table 4: Affordable Housing Funding**

	Second Homes Reduced Discount
2012/13-2019/20	2,078,091
20/21	278,389
	2,356,480
Expenditure	
Ayr Road Development	373,000
Empty Homes Officer Salary Costs	71,000
Balances Available	1,912,480

DEVELOPER CONTRIBUTIONS

54. The East Ayrshire Local Development Plan (LDP) was adopted in April 2017. The LDP contains an Affordable Housing Policy (RES 3) which recognises affordable housing need that has been identified by the Housing Need and Demand Assessment and supports the delivery of affordable housing in East Ayrshire. The LDP provides the Council's planning framework for all matters with the exception of minerals which is the subject of a separate Minerals LDP. Planning applications will be determined according to the LDP's spatial strategy, proposals and policies and associated supplementary guidance.
55. LDP policy RES 3: Affordable Housing requires the provision of affordable housing on those sites specifically identified and reserved for such purposes on the LDP maps and on all sites of 30 or more houses proposed in the Kilmarnock and Loudoun sub housing market area. Within such developments, 25% of houses will require to be affordable in nature. In addition, on all sites of 30 or more houses proposed in the Doon Valley sub housing market area, within such

developments, 15% of houses will require to be affordable in nature. The policy also states that the Council's preference is that affordable housing will be delivered on site. However, where it can be conclusively demonstrated that this is not possible or feasible, off site provision may be considered acceptable. A commuted sum payment will be accepted only where all appropriate on and off site possibilities have been explored and full justification for them being discounted is provided. Supplementary Guidance on affordable housing forms as part of the LDP and provides more detailed policy guidance on the matter.

56. It should be noted that a new local development plan is currently being prepared and it is anticipated that the Proposed LDP2, which will set out the Council's settled view on all planning matters will be published for consultation towards the end of 2021 with a view to being adopted in April 2023. As part of the plan preparation process, policy RES3 will be subject to review.
57. The Housing Service will liaise with the Planning Service to determine the number and type of homes to be delivered, where applicable, and the anticipated timescales for development on all applicable affordable housing sites. Decisions around on-site, off-site contributions and the provision of commuted sums is determined by the Future Homes Project Board, relative to the ongoing HAMF and the outcomes of the Housing Need and Demand Assessment, in the Kilmarnock and Loudoun and Doon Valley sub Housing Market Areas (HMAs) where the Affordable Housing Policy is applicable.
58. Whilst a number of developments are anticipated to be submitted for planning consent during the lifetime of the SHIP 2022-2027, those sites that will feature in the SHIP 2022-27 are anticipated to attract grant funding.
59. No contributions are held from developers through LDP policy RES 3. Two developments are currently on site to deliver 21 and 29 social rented homes for the Council in Kilmarnock and an RSL partner in Kilmaurs respectively. Two commuted sums developments are currently identified with valuations ongoing or to be determined.

GYPSY/TRAVELLERS

60. East Ayrshire Council fully supports the commitment within the Housing to 2040 vision to make available £20 million over a five year period to widen access to culturally suitable accommodation for Gypsy/Travellers. East Ayrshire Council will also continue to work with COSLA and the Scottish Government to drive forward the actions in the Improving the Lives of Gypsy/Travellers 2019-21 action plan and develop the Site Design Guide which will be an invaluable tool in relation to the design and development of future sites.

61. The Housing (Scotland) Act 2001 creates a legal requirement for Local Authorities to prepare a Local Housing Strategy, supported by an assessment of accommodation needs in their area, including those of Gypsy/Travellers. Based on evidence from a Housing Need and Demand Assessment (HNDA) local authorities are required, where need is identified, to plan for the current and future needs of Gypsy/Travellers, and involve the community in planning and decision making which affects them. The East Ayrshire Housing Need and Demand Assessment 2018 makes the following recommendations:
- i) There is currently no Gypsy/Traveller site in East Ayrshire and this has been a continuing consideration by the Council. According to the 2011 census, there may be around 60 Gypsy/Travellers in the East Ayrshire area, mainly concentrated in Kilmarnock.
 - ii) There is need for at least one site to accommodate 13-23 households.
62. The recommendations within the HNDA, are based on the 2006-2009 Gypsy/Traveller Count Information, 2011 Census data and the annual number of Unauthorised Encampments that visit East Ayrshire. As useful as these findings are, Elected Members and Community Planning Partners agreed that a more detailed local analysis, incorporating consultation with local Gypsy/Traveller families, would provide a more accurate and current reflection of need within East Ayrshire and clarify the preferred accommodation needs of Gypsy/Travellers in East Ayrshire. The local Gypsy/Traveller Accommodation Needs Assessment is currently being developed. It is hoped that the needs assessment will provide a clearer indication of current demand for site provision within East Ayrshire.
63. No submission for funding has been put forward thus far, as it would be preemptive to do so prior to completion of the needs assessment and analysis of the results. However, the current funding runs for a five year period and there will be the opportunity to apply for funding based on the findings on the accommodation needs assessment if this shows a strategic need for a Gypsy/Traveller site in East Ayrshire.

CONSULTATION AND COLLABORATION

64. The annual HAMF review was undertaken in July and August 2021 to inform both the SHIP and HIP programmes. Further, regular FHPB meetings are held online to discuss the Council's SHIP sites' progress relative to the programme. In addition, workshops are arranged by the Design Team with FHPB representatives to inform the site proposals taking account of site investigations and pre-application consultations with the Planning Authority and Ayrshire Roads Alliance.

65. To inform the SHIP 2022-27 programme, discussions were held online with the FHBP, and specifically with Council Services to include Housing, Planning and F&PM, as well as with CCG (Scotland) Ltd. and the H&SCP from July to September 2021. Post-completion feedback was also obtained by the H&SCP from residents and the Care Provider at the completed assisted living development at Andrew Nisbet Place, Hurlford, to inform the assisted living SHIP proposals. Programme meetings were held by the Council in August and September 2021 with individual partner RSLs and the Scottish Government to consider carry-forward commitments and to inform the SHIP 2022-27 programme proposals, subject to Cabinet approval. To augment this activity, update programme meetings are held during the year to monitor progress against the approved programme.
66. Online events are scheduled to take place with Elected Members and with the East Ayrshire Federation of Tenants and Residents to discuss the ongoing delivery of the HAMF, HIP and SHIP programme proposed priorities in advance of the Cabinet meeting to be held on 17 November 2021.
67. In terms of site priorities contained in the programme, the Council and RSL partners encourage pre-application consultations to be held locally to engage with residents, community groups and Elected Members in advance of any submission being made to the Planning Authority. As a result of COVID-19 considerations, the Council, CCG (Scotland) Ltd. and MAST Architects have been engaging a range of methods using social media to signpost residents, community groups, Elected Members, representatives and partners to consultation proposals for each development in advance of any planning applications being made for Council sites contained in the SHIP 2021-26. Consultation materials are formatted into an online consultation booklet and may be viewed via a link provided by MAST during a 'live' consultation period. Feedback is submitted in the form of a questionnaire, and contact may be made to discuss the proposals. Contact telephone numbers are also provided to allow residents to request hard copy information instead, and to post their feedback.
68. To maximise the reach and promote opportunities for engagement in advance of any planning application being submitted, the Council issues a press release, briefing information to Elected Members, Members of the Scottish Parliament and Members of Parliament, and Vibrant Communities share information locally in the community. Responses received are collated and summarised after the consultation period closes for reporting to the FHPB to inform the proposals and to form part of the planning submission. This approach has created a template for engagement and offers consistency.
69. RSL partners have noted similar approaches are adopted, making use of newsletters, press releases and social media to promote effective consultation

and engagement. Following the SHIP 2022-27 programme discussions, one Association noted it follows the guidelines and requirements set out by the Planning Authority to ensure all engagement activities are followed through the pre-application and planning process. In addition, the Association includes updates on development opportunities on the website and other social media channels.

70. Another partner RSL noted, post lockdown, they intend reverting to the more traditional community consultation forum inviting waiting list applicants and neighbours to attend to showcase proposals and seek feedback on the plans. The Association also makes use of social media and publicises events on its website and on Facebook to promote the proposals as widely as possible. Further, the Community Council for the area is invited to a separate session held on the day to present and discuss the plans along with the Elected Members for the area.
71. The Council's ongoing partnering arrangement with CCG (Scotland) Ltd. also supports the delivery of Community Benefits through joint working commitments to respond to Community Action Plan priorities. This activity is coordinated locally by CCG (Scotland) Ltd. and Vibrant Communities. The Community Benefits support new starts, work placements, existing apprentices, upskilling and construction curriculum support along with the disbursement of community benefits funds to local groups.

COMMUNITY PLAN

72. The East Ayrshire Community Plan 2015-2030 sets out its Vision:

East Ayrshire is a place with strong, safe and vibrant communities, where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs.

73. The Council is committed to developing new housing opportunities as part of its wider strategic aspiration to promote the ongoing regeneration of East Ayrshire's town centres. Delivering affordable homes that create new socially connected spaces for people, as well as exploring opportunities to creatively repurpose buildings within our towns for housing align with the strategic outcome identified in the LHS: Targeting investment in social housing to support regeneration of local neighbourhoods and to increase the number of people living in our town centres; thereby supporting the creation of 20 minute neighbourhoods where residents can meet their everyday needs through safe walking and cycling routes, or by public transport. The proposed SHIP 2022-27 therefore continues to contribute to, and reinforce, the Council's strategic

priorities of promoting town centre living and supporting older people to live in the community.

74. The provision of a range of affordable housing solutions, as detailed in the SHIP 2022-2027, supports the East Ayrshire Community Plan 2015-30 themes of Economy and Skills Delivery, Safer Communities and Wellbeing, Local Outcomes Improvement Plan 2021-24 and Delivery Plan 2021-24 Partnership Actions, Transformation Strategy, Local Development Plan 2017, Health & Social Care Strategic Plan 2021-2030 and Climate Change Strategy and Action Plan 2021.

NET ZERO

75. With the exception of proposed reconfiguration works, second hand purchases in the market and off-plan acquisitions, each of the new build development proposals contained in the SHIP 2022-27 is proposed to meet Section 7, Silver Standard of the Building Regulations 2011 in respect of both Carbon Dioxide Emissions and Energy for Space Heating. Fire suppression measures will also be installed in the new Council's new homes in the form of sprinkler systems in response to the Building (Scotland) Amendment Regulations 2020, applicable from March 2021. It requires buildings to be designed and constructed in such a way that, in the event of an outbreak of fire within the building, fire growth will be inhibited by the operation of an automatic fire suppression system. Automatic fire suppression systems are therefore to be installed on the construction of new flats and maisonettes, new social housing dwellings and new shared multi-occupancy residential buildings.
76. Further, working with CCG (Scotland) Ltd. and in consultation with Housing Asset Services, the Council proposes to develop net zero housing. Subject to community consultations, Planning Authority approvals and consents, it is proposed to deliver net zero housing at Bellevue Gardens, Kilmarnock, Kennedy Drive, Kilmarnock, the assisted living development at Kilmarnock Road, Mauchline, and Dalgleish Avenue, Cumnock, to realise more energy efficient Council homes and positive impacts in support of the Council's sustainability, climate change and carbon emissions and fuel poverty reduction targets as set out in the Climate Change Strategy and associated Action Plan 2021, and Housing to 2040 national policy. The Scottish Government is committed to introducing a 'New Build Heat Standard' in 2024 that will require new buildings to use zero emissions heating as the primary heating source and also meet significantly higher energy efficiency than current Building Standards minimum requirements.

EQUALITY IMPACT ASSESSMENT

77. The development of the SHIP 2022-2027 programme has taken into account the outcomes of the equalities impact assessment that was undertaken for the HAMF, SHIP and HIP. These concluded positive impacts would be delivered in terms of meeting the housing and support requirements of older people, those with disabilities and people with other particular needs. The SHIP 2022-27 will deliver properties designed to meet a range of housing requirements.

STRATEGIC ENVIRONMENTAL ASSESSMENT

78. As “responsible authority”, the Council has decided that a Strategic Environmental Assessment of the SHIP is not necessary. The LHS 2019-24 was subject to pre-screening, and the necessary scoping report was published after it which concluded that a full assessment was not required. Further, the East Ayrshire Local Development Plan 2017, which identifies land supply for housing, was subject to a full Strategic Environmental Assessment. The environmental impacts associated with the delivery of the SHIP will be captured through the monitoring of the new Local Development Plan.

TRANSFORMATION STRATEGY

79. The SHIP 2022-27 proposals align with the overarching design principles of the Transformation Strategy to ensure they: offer maximum value for East Ayrshire’s communities; are flexible and respond to customer needs and circumstances; make best use of aligned digital technologies to improve efficiency and will meet customer expectations.
80. In accordance with Scottish Government MHDGN 2017/01, dated April 2017, the Council’s specification future-proofs access to internet and broadband services as each house is capable of receiving broadband installations, regardless of provider. In light of COVID-19 considerations, this facility helps address social isolation issues.
81. Coupled with the installation of broadband solutions, as each of the Council’s new build house types allows for a work/ study space within the living rooms, residents may be supported to home-work, thereby helping sustain and extend flexible employment opportunities to support work/ life balance and wellbeing.
82. The provision of good quality homes across East Ayrshire therefore supports and promotes the Council’s commitment to the following Transformational work streams:
- Fairer, Kinder and Connected
 - Vibrant and Empowered

- Property and Estate

CABINET APPROVAL/ SUBMISSION TIMESCALE

83. The SHIP 2022-27 is to be submitted to the Scottish Government by 29 October 2021 in accordance with the Scottish Government's More Homes Division Guidance Note Guidance on Preparing Strategic Housing Investment Plans: MHDGN 2021/01, dated 30 June 2021, as set out in the Narrative and Spreadsheet at Appendices 1 and 2 respectively. It is to be presented to Cabinet on 17 November 2021. As with previous years, it will be submitted subject to Cabinet approval, and Cabinet's decision confirmed to the Scottish Government thereafter.

SHIP 2022-27: AFFORDABLE HOUSING SUPPLY PROGRAMME PRIORITIES

84. The East Ayrshire Strategic Housing Investment Plan 2022-27 Affordable Housing Supply Programme Priorities are set out at Appendix 2.

CONTACT US

85. East Ayrshire Council is keen to hear your views on the SHIP 2022-2027. Should you wish to discuss the contents of the Plan in further detail, please contact: Deborah Brady, Development and Regeneration Officer, e-mail: deborah.brady@east-ayrshire.gov.uk

APPENDIX 2																	
East Ayrshire Strategic Housing Investment Plan 2022-27: Affordable Housing Supply Programme Priorities																	
Year	Developer	Site Address	Indicative	Tenure	Built Form		Indicative Type		Anticipated	Anticipated	Grant (£M)	Grant (£M)	Grant (£M)	Grant (£M)	Grant (£M)	Grant (£M)	
	(EAC/ RSL)		No. Units	(social rent)	NB/OTS		GN/ PN	Start	Completion	Total	Pre/ 2021/'22	2022/'23	2023/'24	2024/'25	2025/'26	2026/'27	
Pre/ 2021/'22	EAC	Witch Road, Kilmarnock	43	43	43		43	Sep-21	Oct-22	3.397	3.397						
	EAC	13-19 and 21-27 Quarryknowe, Auchinleck	8	8	8		8	Oct-21	Sep-22	0.632	0.632						
	EAC	Mill O'Shield Road/ 105-111 Hannahston Avenue, Drongan	14	14	14		12 2	Oct-21	Jul-22	0.826	0.826						
	EAC	Bellevue Gardens, Kilmarnock	18	18	18		17 1	Jan-22	Sep-22	1.062	0.500	0.562					
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-21	Mar-22	0.450	0.450					
	RSL	Corrie Mains Farm, Mauchline	30	30	30		24 6	Mar-21	Apr-22	2.630	2.630						
	RSL	Site in Crosshouse	1	1		1	1		Aug-21	Nov-21	0.070	0.070					
	RSL	Irvine Road, Kilmaurs	29	29	29		23 6	Nov-21	Feb-23	2.350	1.297	1.053					
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-21	Mar-22	0.300	0.300					
RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-21	Mar-22	0.090	0.090						
1: 2022/'23	EAC	Kennedy Drive, Kilmarnock	48	48	48		39 9	Jan-23	Feb-24	2.832	0.389	1.200	1.243				
	EAC	Kilmarnock Road, Mauchline	17	17	17		17	Jul-22	Mar-23	1.343	0.176	1.167					
	EAC	Holehouse Road, Kilmarnock	21	21	21		21	Apr-22	Feb-23	1.239		1.239					
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-22	Mar-23	0.450		0.450				
	RSL	Irvine Road, Kilmarnock	94	94	94		79 15	May-22	May-24	7.512		3.200	4.312				
	RSL	Bridgehousehill Road, Kilmarnock	101	101	101		86 15	Apr-22	Oct-23	10.200	1.350	4.850		4.000			
	RSL	Cairn Road (George McTurk Court), Cumnock	36	36	36		30 6	May-22	Jul-23	3.600	0.400	3.200					
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-22	Mar-23	0.300		0.300				
	RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-22	Mar-23	0.090		0.090				
2: 2023/'24	EAC	Dalgleish Avenue, Cumnock	55	55	55		45 10	Jun-23	Jul-24	3.245	0.350		2.305	0.590			
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-23	Mar-24	0.450		0.450				
	RSL	Glasgow Road, Kilmarnock	45	45	45		41 4	Apr-23	Oct-24	3.600			2.000	1.600			
	RSL	Coal Road, Auchinleck	56	56	56		50 6	Oct-23	Dec-24	5.600	0.809		3.291	1.500			
	RSL	Hill Street, Kilmarnock	50	50	50		44 6	Apr-23	Dec-24	4.212			3.212	1.000			
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-23	Mar-24	0.300			0.300			
	RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-23	Mar-24	0.090			0.090			
3: 2024/'25	EAC	Riccarton West, Kilmarnock	30	30	30		27 3	Aug-24	Sep-25	1.770				1.770			
	EAC	Castle Road (former Crown Hotel), New Cumnock	14	14	14		14	Apr-24	Apr-25	1.106	0.091			1.015			
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-24	Mar-25	0.450			0.450			
	RSL	Phase 2 site East Ayrshire	42	42	42		20 22	Jun-24	Aug-25	3.780				3.000	0.780		
	RSL	Westgate House, Newmilns	12	12		12	12		Oct-24	Oct-25	1.330				0.615	0.715	
	RSL	Craigens Road, Cumnock (Ph1)	25	25	25		22 3	Dec-24	Aug-25	2.125				0.500	1.625		
	RSL	Irvine Road, Crosshouse	9	9	9		8 1	Apr-24	Jun-25	0.900				0.900			
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-24	Mar-25	0.300				0.300		
RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-24	Mar-25	0.090				0.090			
4: 2025/'26	EAC	Site in Kilmaurs	50	50	50		45 5	Apr-25	Apr-26	2.950					2.950		
	EAC	Mason Avenue, New Cumnock	15	15	15		15	Apr-25	Mar-26	0.885					0.885		
	EAC	Site in Kilmarnock	30	30	30		27 3	Aug-25	Sep-26	1.770					1.770		
	EAC	Treesbank (Ph1), Kilmarnock	59	59	59		54 5	May-25	Jun-26	3.481					3.481		
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-25	Mar-26	0.450				0.450		
	RSL	Phase 3 site East Ayrshire	29	29	29		17 12	Jul-25	Jul-26	2.610					2.610		
	RSL	Craigens Road, Cumnock (Ph2)	25	25	25		22 3	Feb-26	Oct-26	2.125					0.500	1.625	
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-25	Mar-26	0.300				0.300		
RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-25	Mar-26	0.090				0.090			
5: 2026/'27	EAC	Site in Stewarton	14	14	14		12 2	Jul-26	May-27	0.826						0.826	
	EAC	MacGregor Drive/ Sutherland Drive, Kilmarnock	10	10	10		9 1	Jul-26	Apr-27	0.590						0.590	
	EAC	Treesbank (Ph2), Kilmarnock	60	60	60		56 4	Aug-26	Sep-27	3.540						3.540	
	EAC	Second Hand Open Market Acquisitions (EAC)	15	15		15	15		Apr-26	Mar-27	0.450					0.450	
	RSL	Second Hand Open Market Acquisitions (AH)	10	10		10	10		Apr-26	Mar-27	0.300					0.300	
RSL	Second Hand Open Market Acquisitions (SHA)	3	3		3	3		Apr-26	Mar-27	0.090					0.090		
			1258	1258	1077	181	1010	248			89.178	13.757	17.311	17.203	17.330	16.156	7.421
All unit numbers and starts are indicative until all consents are granted.																	
All grant sums are indicative until approved.																	

APPENDIX 3

Project	Latest Cabinet Approval Figures	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total
Pre & Year 0: 2021/22														
Witch Road	10200238	£ 659,741.92	£ 616,296.83	£ 147,573.24	£ 748,208.72	£ 4,002,938.50	£ 5,754,887.20	£ 146,222.92	£ -	£ -	£ -	£ -	£ -	£ 12,075,869.34
**Mill of Shields, Drongan	3074156	£ 21,072.44	£ 3,321.61	£ 32,451.61	£ 31,539.08	£ 2,073,298.22	£ 1,630,405.53	£ 54,058.83	£ -	£ -	£ -	£ -	£ -	£ 3,846,147.31
**Bellevue Rd, Bonnyton	3124595	£ -	£ 257.47	£ 26,601.23	£ 44,463.14	£ 499,698.18	£ 2,235,862.70	£ 39,084.24	£ -	£ -	£ -	£ -	£ -	£ 2,845,966.96
Quarryknowe Rd, Auchinleck	2219051	£ -	£ -	£ 7,569.26	£ 42,149.97	£ 1,120,055.46	£ 1,458,603.24	£ 37,271.04	£ -	£ -	£ -	£ -	£ -	£ 2,665,648.97
Buybacks	750000					£ 750,000.00								£ 750,000.00
Year 1: 2022/23														
Kennedy Drive, Kilmarnock (Silverwood)		£ -	£ -	£ 166,035.91	£ 244,500.00	£ -	£ 1,358,148.40	£ 7,469,351.33	£ 129,959.45	£ -	£ -	£ -	£ -	£ 9,367,995.09
Kilmarnock Road, Mauchline		£ -	£ -	£ -	£ 157,226.76	£ 118,539.52	£ 5,181,627.27	£ 76,211.30	£ -	£ -	£ -	£ -	£ -	£ 5,533,604.86
AHP - Holehouse Road		£ -	£ -	£ -	£ -	£ 1,515,197.02	£ 2,519,782.96	£ -	£ -	£ -	£ -	£ -	£ -	£ 4,034,979.98
Buybacks							£ 750,000.00							£ 750,000.00
Year 2: 2023/24														
**Barshare		£ -	£ -	£ -	£ -	£ 500,000.00	£ 1,575,084.09	£ 10,804,242.29	£ 175,161.02	£ -	£ -	£ -	£ -	£ 13,054,487.40
Buybacks							£ 750,000.00							£ 750,000.00
Year 3: 2024/25														
AHP - Riccarton West		£ -	£ -	£ -	£ -	£ -	£ -	£ 3,662,049.84	£ 3,571,061.13	£ 110,149.02	£ -	£ -	£ -	£ 7,343,260.00
Crowne Hotel		£ 36,939.49	£ -	£ -	£ -	£ -	£ 177,776.11	£ 119,027.58	£ 4,194,963.40	£ 265,396.84	£ 67,924.27	£ -	£ -	£ 4,862,027.68
Buybacks								£ 750,000.00						£ 750,000.00
Year 4: 2025/26														
Site In Kilmaurs		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 11,231,105.00	£ 710,542.48	£ 181,852.50	£ -	£ -	£ 12,123,499.98
Mason Avenue, New Cumnock		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 4,091,110.09	£ 62,301.17	£ -	£ -	£ -	£ 4,153,411.26
Site in Kilmarnock (New)		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 3,213,682.81	£ 3,133,834.49	£ 96,662.70	£ -	£ -	£ 6,444,180.00
AHP - Treesbank, Kilmarnock - Ph1		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 8,786,141.74	£ 2,136,089.86	£ 166,328.40	£ -	£ -	£ 11,088,560.00
Buybacks									£ 750,000.00					£ 750,000.00
Year 5: 2026/27														
*Site in Stewarton		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 2,531,992.35	£ 476,034.97	£ -	£ -	£ 3,008,027.33
Sutherland Drive, Kilmarnock		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 2,635,736.04	£ 223,988.57	£ -	£ -	£ 2,859,724.61
AHP - Treesbank, Kilmarnock - Ph2		£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ -	£ 6,047,160.25	£ 5,896,910.37	£ -	£ -	£ 11,944,070.62
Buybacks										£ 750,000.00				£ 750,000.00
Pre & Year 0		£ 680,814.36	£ 619,875.91	£ 214,195.33	£ 866,360.90	£ 8,445,990.37	£ 11,079,758.66	£ 276,637.04	£ -	£ -	£ -	£ -	£ -	£ 22,183,632.57
2022-23 to 2026-27		£ 36,939.49	£ -	£ 166,035.91	£ 401,726.76	£ 2,133,736.54	£ 11,562,418.84	£ 19,218,832.49	£ 8,912,133.71	£ 31,908,497.61	£ 18,185,729.93	£ 7,041,777.52	£ -	£ 99,567,828.81

Grant	Balances	Affordable Housing	Borrowing Required
£ 2,537,000.00	£ 370,000.00		£1,875,631.34
£ 826,000.00			£771,991.31
£ 1,062,000.00			£(278,628.04)
£ 632,000.00		£ 160,000.00	£446,597.97
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£ 2,832,000.00			£6,535,995.09
£ 1,343,000.00	£ 348,000.00		£3,842,604.86
£ 1,239,000.00			£2,795,979.98
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£ 3,245,000.00			£9,809,487.40
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£ 1,770,000.00	£ 450,000.00		£5,123,260.00
£ 1,106,000.00		£ 280,000.00	£3,476,027.68
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£ 2,950,000.00			£9,173,499.98
£ 885,000.00			£3,268,411.26
£ 1,770,000.00			£4,674,180.00
£ 3,481,000.00			£7,607,560.00
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£ 826,000.00			£2,182,027.33
£ 590,000.00			£2,269,724.61
£ 3,540,000.00			£8,404,070.62
£ 450,000.00	£ 100,000.00	£ 200,000.00	£0.00
£5,507,000.00	£470,000.00	£360,000.00	£2,815,592.57
£27,827,000.00	£1,298,000.00	£1,280,000.00	£69,162,828.81