

5. WEST LOTHIAN STRATEGIC HOUSING INVESTMENT PLAN 2015-2020

The Council Executive considered a report (copies of which had been circulated) by the Head of Housing, Construction and Building Services providing an update on West Lothian Council's Strategic Investment Plan (SHIP) and to seek approval to allocate grant funding to Wheatley Group for a development at Winchburgh

The report recalled that the Scottish Government required all local authorities to submit a 5 year Strategic Housing Investment Plan (SHIP) which would augment their local housing strategies. The current SHIP, which covered the period 2015-2020, was approved by Council Executive at its meeting on 11 November 2014. However this now required some minor changes to reflect a change in circumstance. A new SHIP covering the period 2017-2022 would be prepared in Autumn 2016.

The major objective of the SHIP was for local authorities, in conjunction with Registered Social Landlords to ascertain the viability of current and future social housing investment opportunities. The Government's Housing Supply & Innovation Division monitored each SHIP submission and determined in conjunction with local authorities the best investment possibilities.

The Scottish Government had recently announced that an additional £90 million was available to support new build affordable housing delivery nationally during 2016-17. West Lothian's share of this funding would be between £8.5 and £9 million. This was an increase of more than £4 million from the £4.501 million previously confirmed. This funding would enable funding for new build council housing to be brought forward from later years of the SHIP programme.

Since the SHIP was prepared it transpired that the Wheatley Group required some but not full funding to support new build housing in West Lothian as part of the Winchburgh CDA. It was noted that due to a unique arrangement between the Wheatley Group and the Scottish Government only two thirds of the grant funding would come from the council and the other third would come from the Scottish Government.

The Wheatley development of 55 social rented houses at Winchburgh CDA required around £2.7 million subsidy, of which £1.8 million would be allocated from West Lothian and the remaining £0.8 million from grant funding from the Scottish Government. It was also to be noted that the funding for this project would be conditional on Wheatley's grant allocation below the relevant Scottish Government benchmark grant figure for affordable housing development.

On 25 January 2016, Scottish Government announced details of increased subsidy rates for Registered Social Landlord's and councils, details of which were contained in a letter attached to the report.

It was recommended that Council Executive :-

1. Note that additional funding had been confirmed by Scottish

Government to support new build affordable housing in West Lothian during 2016-17. It was expected that the Resource Planning Assumption would be between £8.5 and £9 million for 2016-17 and this would be confirmed by Scottish Government in due course. This funding was based on the SHIF 2 methodology;

2. Agree to make an interim change to the SHIP to approve grant funding for affordable housing development proposed by the Wheatley Group at Winchburgh to enable the development to proceed; and
3. Note that on 25 January 2016 Scottish Government had announced an increase in the benchmark grant rates for Registered Social Landlord and councils.

Decision

To approve the terms of the report