ARGYLL AND BUTE COUNCIL | **MAKI AREA COMMITTEE**

DEVELOPMENT AND ECONOMIC GROWTH | **28th February 2024**

HOUSING SERVICES ACTIVITY UPDATE - STRATEGIC HOUSING INVESTMENT PLAN (SHIP) – ANNUAL UPDATE

1.0 EXECUTIVE SUMMARY

1.1 The main purpose of this report is to update Members of Housing Services activity within the Mid Argyll, Kintyre and the Islands area.

This report will detail the following housing activity:-

Declaration of a Housing Emergency and Housing Summit 2023
Housing Need and Demand
Homelessness
Affordable Housing Supply - Strategic Housing Investment Programme (SHIP)
Empty Homes
Private Sector Housing Grant Adaptations
Private Sector Housing Grant Repairs and Improvements
Energy Efficiency - Energy Efficiency Scotland: Area Based Scheme(EES:ABS)
Local Housing Strategy

RECOMMENDATIONS

Members are asked to consider the content of this report.

The LHS has been developed in accordance with Scottish Government guidance and local priorities as identified in the HNDA. .This sets out the vision for Argyll and Bute: ***“Everyone in Argyll & Bute has access to a suitable, high quality home which is affordable and located within a vibrant, sustainable and connected community.”*** This report details the housing activity taking place in Mid Argyll, Kintyre and the Islands.

4.2 Declaration of a Housing Emergency

In June 2023, following a report to the Environment, Development and Infrastructure Committee, Argyll and Bute Council became the first local authority to declare a housing emergency. A number of key statistics informed the emergency:

- In 2023 there were just under 3,300 people on social rented housing waiting lists, representing an increase of 8% since the previous year.
- The average housing price in 2022 was £206,000 which is 7 times the average income level in Argyll and Bute.
- 11% of all homes are ineffective stock, with 6% second homes and 4% empty.
- 42% of the property sales are made to people living out with the Argyll and Bute area.
- There were 131 private house completions in the last 5 years representing only 17% of the expected rate.
- Constructions costs have seen a 22% increase in 2022 with island construction costs significantly higher. This trend is continuing currently.
- 92% of residents responding to the Housing Emergency survey said that housing shortage was having an impact on their community
- Of employers who responded to the workforce housing survey, 75% said a shortage of housing was a barrier to recruiting or retaining staff

4.3 Argyll and Bute Housing Emergency Summit

An action within the committee report was to hold an Argyll and Bute Housing Emergency Summit in response to the housing emergency, and this took place on the 27th November 2023 at the SAMS campus in Oban. The purpose of the Summit was to bring partners together to forge commitments aimed at tackling housing shortage by maximising resources, pursuing innovation, coordinating planning and targeting delivery capacity.

An Action Plan is currently being developed and it is anticipated that this will be refined and presented to members in the next few months.

4.4 **HOUSING NEED AND DEMAND**

HOMEArgyll WAITING LIST November 2023 – Active Applicants (excluding applicants with 0 points i.e. no need)					
	Minimum Bedroom Size Required				**TOTAL**
	0/1beds	**2beds**	**3beds**	**4+beds**	
Mid Argyll	125	54	22	14	**215**
Kintyre	87	29	15	8	**139**
Islay, Jura & Colonsay	84	40	21		

4.5 **HOMELESSNESS**

Homeless applications ac

4.7 **EMPTY HOMES**

In 2022/23 there were **5** private empty homes brought back into use in MAKI, amounting to **12%** all the empty homes brought back into use across Argyll and Bute last year with assistance of the Empty Homes Officer (41).

Council Tax Information on Empty Homes

The following table breaks down the numbers of empty homes including those subject to premium Council Tax charge across the MAKI area. The table does not include properties which are empty and exempt from Council Tax. The numbers of recorded empty homes can vary from day to day due to natural

agencies and communities.

6.0 IMPLICATIONS

6.1

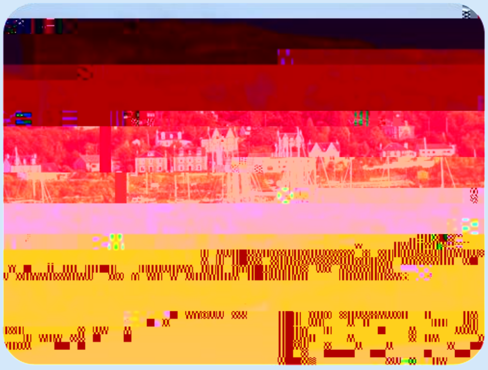
Appendix 2 – Extract from LHS 2022 - 2027 (data as of 2020) Kintyre

KINTYRE HMA covers the Kintyre peninsula south of Tarbert and for planning purposes also incorporates the Isle of Gigha. It is actually the second most contained Housing Market within the authority; 64% of all house sales are to local residents and less than 15% of sales are to purchasers from elsewhere in Scotland, the lowest rate of any HMA. Although local household incomes are amongst the lowest in the authority area, so too are average house prices and consequently, while a proportion of local residents are unable to afford on the open market, the affordability ratio is less excessive than many other areas. Kintyre accounts for 9% of the total dwelling stock in the authority, and there was an overall increase in the stock of 8% over the last five years, after a period of relative stagnation previously. The area also has a relatively low level of ineffective stock, though at 11% of the total this is still well above national levels. In 2020, there were 1,084 RSL homes in this area accounting for around 13% of Argyll & Bute's total stock of social rented housing. Turnover is fairly healthy relative to the waiting list, and supply and demand therefore are reasonably balanced, however further development in this area would support regenaration and positive economic growth.

Key issues for Kintyre HMA:

The focus in this area remains on repairing, maintaining, improving and managing existing stock; but there is scope for some judicious new build developments in line with the repopulation and growth agendas for the area.

Appendix 3 – Extract from LHS 2022 - 2027 (data as of 2020) Mid Argyll



MID ARGYLL

Population	9,123
Households	4,614
Dwellings	5,659
Ineffective Stock (%)	13%
RSL Stock	1,033
Waiting List Applicants	221
RSL Lets (2019/20)	110
Pressure Ratio	2:1
Lower Quartile House Price	£85,000
Lower Quartile Income	£16,507
LQ Affordability Ratio	5:1

MID ARGYLL HMA stretches from Inveraray to Lochgilphead and Tarbert and is the centre for much of the public sector employment opportunities in the authority, including Council headquarters. Only 54% of house sales in the area are to local residents (a significant drop in self-containment since the previous HNDA), but almost 9% were to purchasers from elsehwere in Argyll & Bute, one of the highest rates of internal movement within the authority. 20% of purchasers come from elsewhere in Scotland and over 16% originate elsewhere in the UK. This area tends to have higher than average income levels and consequently the price-to-income affordability ratio is slightly lower than most other HMAs. The total number of dwellings has increased by 2.4% between 2015 and 2020. Currently the area accounts for over 12% of the authority total. However, around 13% of the stock comprises second/holiday homes and long-term vacant properties and is therefore unavailable to meet local needs. In 2020 there were 1,033 RSL homes in the area, 12% of the sector total for Argyll & Bute. While turnover is relatively healthy in the RSL stock, around 9% of the total waiting list is seeking to be rehoused here and over14% of homelessness is located in this HMA. However, HNDA analysis suggested that less than 7% of backlog need is located in Mid Argyll.

Key issues for Mid Argyll HMA:

A strategic programme of new build affordable housing will help to sustain economic growth and address unmet need in the area.

The provision of Housing Options advice and information; targeted Tenancy Support; and assistance to tackle fuel poverty and improve energy efficiency; and ensuring sufficient specialist provision is available to meet the requirements of those with particular needs will also remain key targets.