

Argyll & Bute Council Housing Emergency Summit

Presented to :
Argyll & Bute Council
Housing Summit Delegates

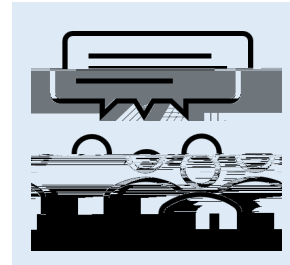
Date: 27th November 2023

Presented by:
Donna Milton, Managing Director
Elaine Byrne, Director of Housing Consultancy
Katy McBride, Housing Consultant
Gillian Lunn, Housing Consultant

Welcome to the Housing Emergency Summit

Declaring an emergency usually takes place in a response to a major civil or natural disaster...

- This empowers government, public bodies and partners to pursue action or policies that would not normally be permitted in order to ensure the safety and protection of citizens and communities
- Declaring a housing emergency in Argyll & Bute is a call to action for government, public bodies and partners
- Today, at the Housing Emergency Summit, partners are urged to identify the actions and interventions that will be most impactful in tackling housing shortage and to commit to their planning and delivery



The purpose of the Housing Emergency Summit is to...

...bring partners together to forge commitments aimed at tackling housing shortage which maximise resources, pursue innovation, coordinate planning and target delivery



Welcome &
Introduction
10.00 – 10.30
Briefing session

Call to action to tackle housing shortage and to focus resources and

Housing Emergency Summit

Introduction & Welcome

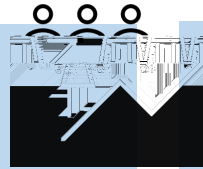
Councillor Robin Currie
Argyll & Bute Council Leader

What's the evidence of housing shortage in Argyll & Bute



The Housing Emergency in Argyll & Bute is driven by a complex range of issues with the scale of

3,290



people on housing waiting lists in 2023 (up 8% on 2022). Argyll & Bute has 5% less social housing than average

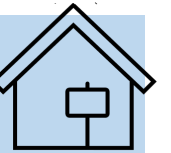
28%

increase in the number of households presenting as homeless in Argyll & Bute, in total 511 households

£206k

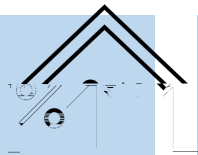
average housing price in 2022. This is 7 times average income levels in Argyll & Bute

11%



of all homes in Argyll & Bute are either second homes (6%) or empty (4%)

43%



of property sales are made to households living out with Argyll and Bute

131

private housing completions outside Helensburgh in the last 5 years on sites of 5+ units
17% of the expected rate (780)

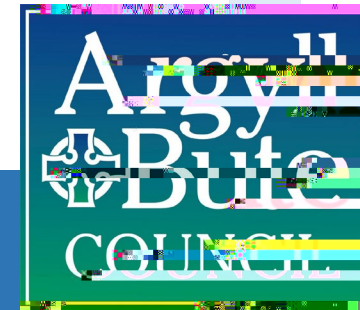
22%

increase in 2022 construction costs (BICS) with island costs significantly higher

75%

of employers who responded to the workforce housing survey said a shortage of housing was a barrier to recruiting or retaining staff

Housing Emergency: The evidence, the impact and the need for action



Briefing session

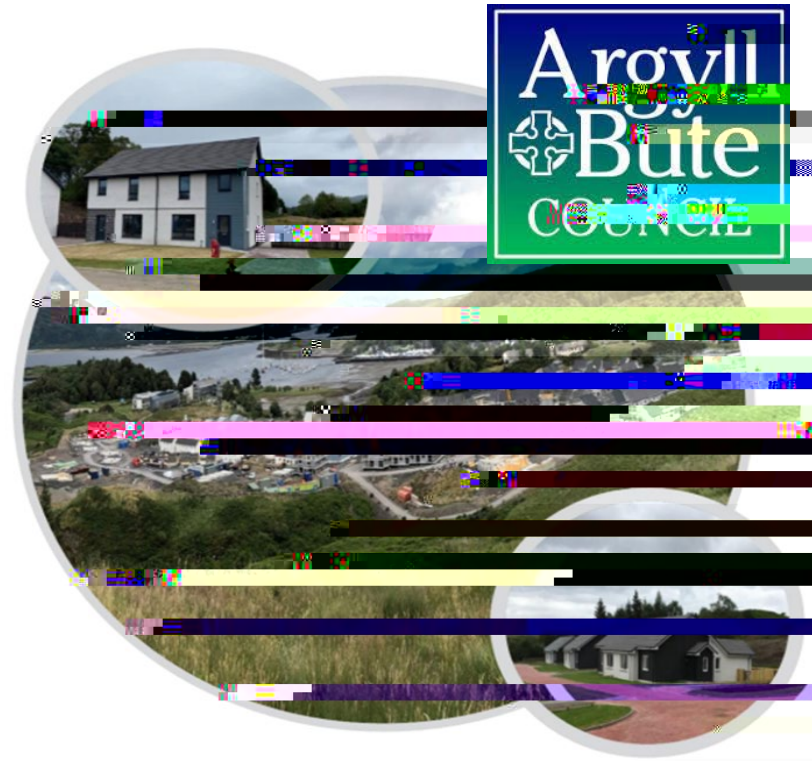
What we need to happen: Fergus Murray, Argyll & Bute
Council, Head of Development & Economic Growth

Argyll & Bute Council Housing Emergency Summit 2023

In June 2023, Argyll and Bute Council declared a Housing Emergency due to the acute shortage of housing in the area.

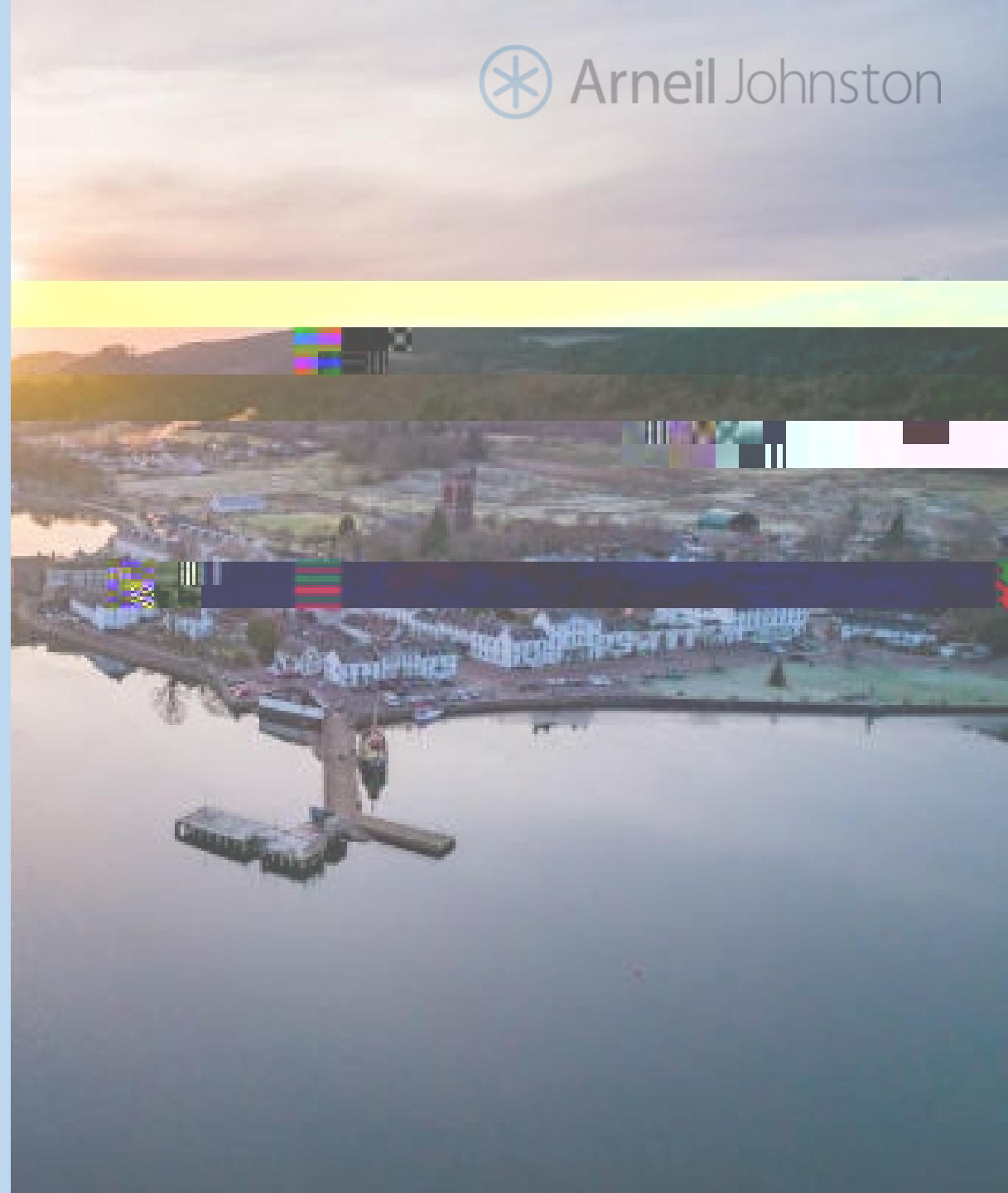
Declaring a housing emergency is a catalyst to bring partners, stakeholders and investors together to prioritise planning and commit resources towards the actions and interventions most capable of tackling housing shortage

Today, we are delighted to invite partners to debate, prioritise and programme solutions to increase housing supply around four themes:



Workforce Homes: Key Issues

- The working age population in Argyll & Bute is projected to decrease by almost 30% by 2028
-






Existing Homes: Key Issues

- Over 15% of Argyll & Bute's existing stock is not being utilised as a main residence including empty homes (4.4%), second homes (5.9%) and Short Term Lets (4.9%)
- Argyll & Bute records the highest level of second home ownership in Scotland
- 50% of households in Argyll & Bute cannot afford to access the housing market, with 43% of sales to households from out with the area
- For the first time in two decades, the private rented sector in Argyll & Bute is shrinking
- There is a mismatch between households and homes in the social housing sector with 56% requiring a 1-bedroom property (2,284) and just 268 1-bedroom homes available per annum


What are we doing to tackle housing shortage?

At a national level...



In October 2023, the Scottish Government published the [Rural & Islands Action Plan](#) setting out actions to improve access to the high quality affordable and market housing needed to enable rural communities to live, work and thrive including:

At a local level...



The Argyll and Bute [Local Housing Strategy \(LHS\)](#), outlines the vision and investment priorities for tackling housing need and addressing housing shortage over a 5-year period from 2022 to 2027 including:

A survey to evidence the extent, nature and impact of housing shortage was made available to communities and residents across Argyll & Bute, enabling them to express their views on how to tackle the housing emergency. The survey was open for 4 weeks from 03/10/23 – 01/11/23 and was made available in a range of formats. In total, 688 responses were provided by residents and community groups, an overwhelming response.

To help inform how the housing emergency should be tackled, the survey was intended to gather the viended t u33

Is housing shortage having an impact on your community?

92% of respondents suggested that housing shortage was having an impact on their community

This ranged from 65% of respondents in Helensburgh & Lomond to 98% in Mull & Iona

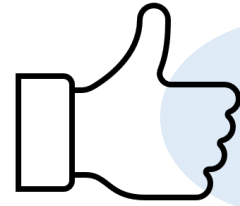
The key impacts of housing shortage include...

Top 3 reasons that housing shortage is having a community impact include...

1. 

92% of respondents thought there was a need for more housing to be developed in their community including...

1. Social housing/Housing Association homes (75%)
2. Housing for sale at low cost (65%)
3. Housing for young people/families (61%)
4. New homes for sale (39%)
5. Quality private rented housing (38%)



The actions local households would like to see to tackle the housing emergency include:

- Building more homes for social rent (66%)
- Reducing the number of second homes and short term lets (64%)
- Providing more low -cost homes for rent or sale e.g. mid- market rent (62%)
- Develop more housing options for essential workers moving into Argyll & Bute (56%)
- Ensuring local people have priority for homes on the market not people moving into the area (55%)

Perspectives on housing shortage

Our emergency response...

What needs to happen?

Mhairi Donaghy, Scottish Futures Trust

Mairi Coleman, Scottish Building Federation

Morag Goodfellow, Highland & Islands Enterprise

Gordon MacRae, Shelter Scotland



Argyll & Bute Housing Emergency Summit

Partner perspectives on Housing Shortage:
Our emergency response – What needs to happen?

Mhairi Donaghy – Place, Housing & Economic Investment

The Role of Housing

- Critical place infrastructure:
 - Beyond physical infrastructure
 - Economic, Social, Health, Wellbeing, Environmental ... Education ... Transport
 - Enabling infrastructure for place resilience and attracting investment
- Would reclassification establish housing as a high, and ~~crossing~~ **crossing**, priority for all?
- Would it create more urgency across Council services and beyond?

Enabling the Delivery of More Homes in Argyll & Bute

Mairi Coleman
Construction Director

MACLEOD

Construction Sector

Skilled labour shortages

Ongoing changes in regulations

Material Costs

Infrastructure Investment

Local and Global Economic Trends

Planning

Contractual and Legal Issues

Bank Funding Issues

Affordable Housing

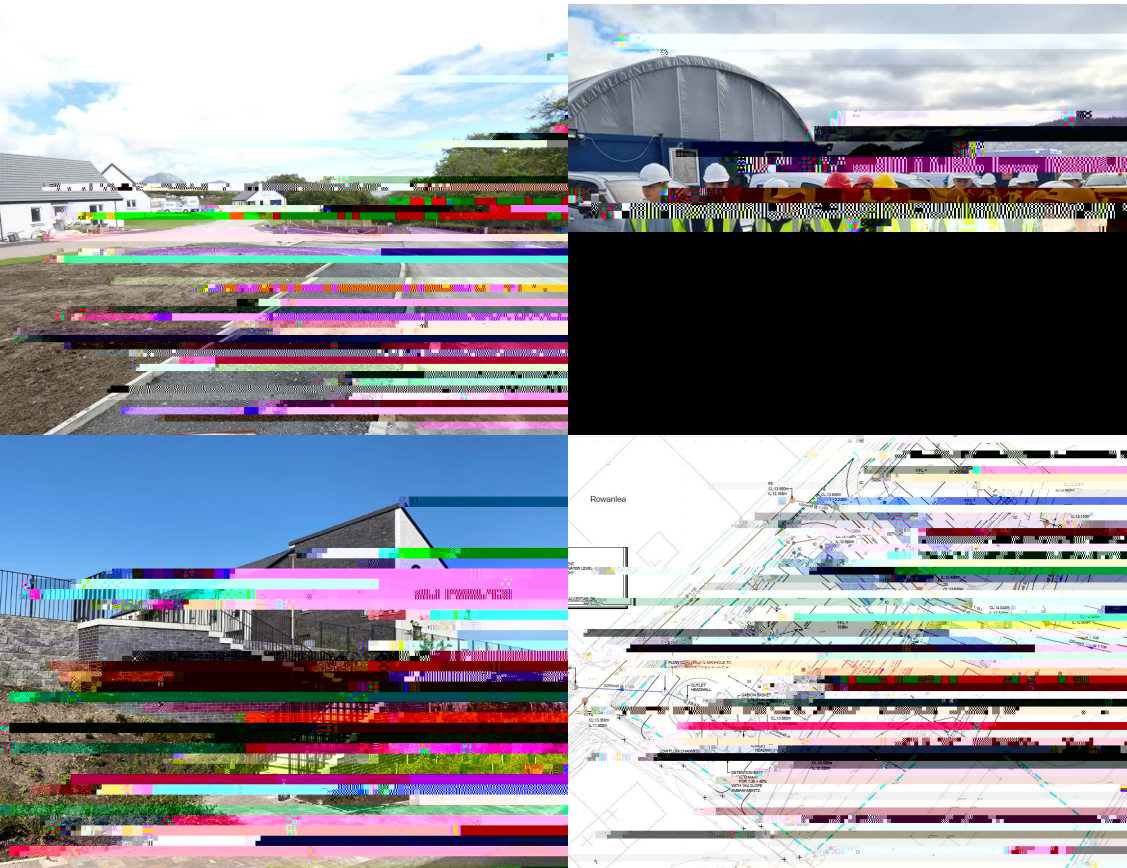
Low commercial return compared to private housing

Client and statutory expectations increasing (with specification) yet budget static

Despite lobbying and Government targets – collaboration could be better

Contractors in this field generally employ

Local Challenges Building Homes



- Preconstruction phase feels never ending:
 - Planning timescales longer than ever due to NPF4.
 - Building warrant requirements increasing and changing.
 - Number of parties involved in agreeing services and infrastructure...
 - Client expectations increasing but budgets are not!
- Infrastructure requirements are often costly and unyielding:
 - Road costs can prevent projects commencing or reduce the volume of housing that can be built.
 - Infrastructure requirements are often not aligned with the local area / community needs.
- Local labour availability:
 - Need to align building projects with the local labour market and climate.
- Lack of local college places:
 - Having to go away puts many young people off choosing construction as a career.

- Council build for market value rent and/ or sale:
 - Local Government’s “Power to Advance Wellbeing”



How Do We Enable the Delivery of More Homes in Argyll & Bute?



Ditch the formulas and tailor infrastructure and services for our surroundings ensuring affordability for construction and maintenance.

e.g. More houses off a private road.

Create a collective goal for all partner organisations to help expedite the preconstruction phase and to enable solutions appropriate to the project.

Access to government funding where infrastructure costs for affordable housing are prohibitive – in a simple and timely fashion.



Continue the support and creation of local jobs and ensure more local college places.

**WE CAN BUILD MORE HOMES IN
ARGYLL AND BUTE IF WE WORK
TOGETHER**

We are up for it...ARE YOU?

MACLEOD

HOUSING IMPACTS

42%

27%



SIGNIFICANT ECONOMIC OPPORTUNITIES IN ARGYLL AND BUTE

OPPORTUNITIES:

- f* Proposed significant energy investments, including DBA Machair and Scottish Power Renewables Machair Wind
- f* Growth in Distilling sector, with new distilleries and decarbonisation investments developing in Inslay and Campbeltown.
- f* Aquaculture production growth proposed through innovation and new sites.
- f* Marine economy projects and creation of new high value jobs including future development of the European Marine Science Park and growth deal projects such as the Scottish Association for Marine Science, Argyll UHI Marine Industry Training Centre and University of Stirling Machrihanish Lab.
- f* Community-led development and acquisition continues to be buoyant
- f* Machrihanish former wind tower factory – strong interest in facility
- f* Building on Tourism and Food and Drink sector strengths

ENABLING INNOVATION



RUSSWOOD



MODULAR WES



MORLICH HOME



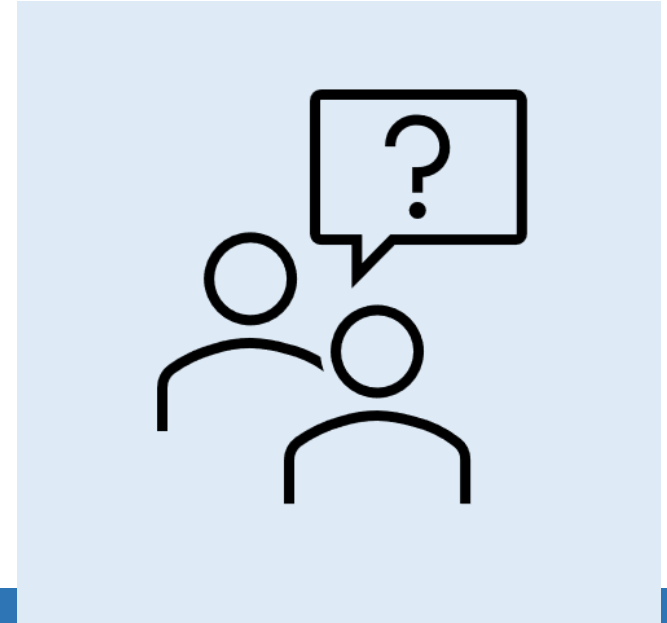
722 SYSTEM



Conclusions

$\frac{3}{4}$ How do partners respond to the short-term accommodation needed to deliver major projects?

Scoping solutions: Partner reaction test...



Housing shortage interventions...
What's on and off the table?

Breakout sessions

Interactive option appraisal: Housing supply interventions



Housing supply interventions: What's in scope OR out of scope?
What's missing? What partnership activity needs to be on the list?
Which interventions do we prioritise for action and delivery?

Partnership pledge

Tackling housing shortage together

Our commitments to delivering interventions to tackle housing shortage...



Partners are asked to review the top interventions identified by partners as key to tackling housing shortage in Argyll & Bute

Partners are asked to commit planning and delivery support



Tackling the Housing Emergency

Housing Emergency Summit... The next steps

1

Outcomes from today's event will be reviewed and assembled:
Schedule of interventions to address housing shortage

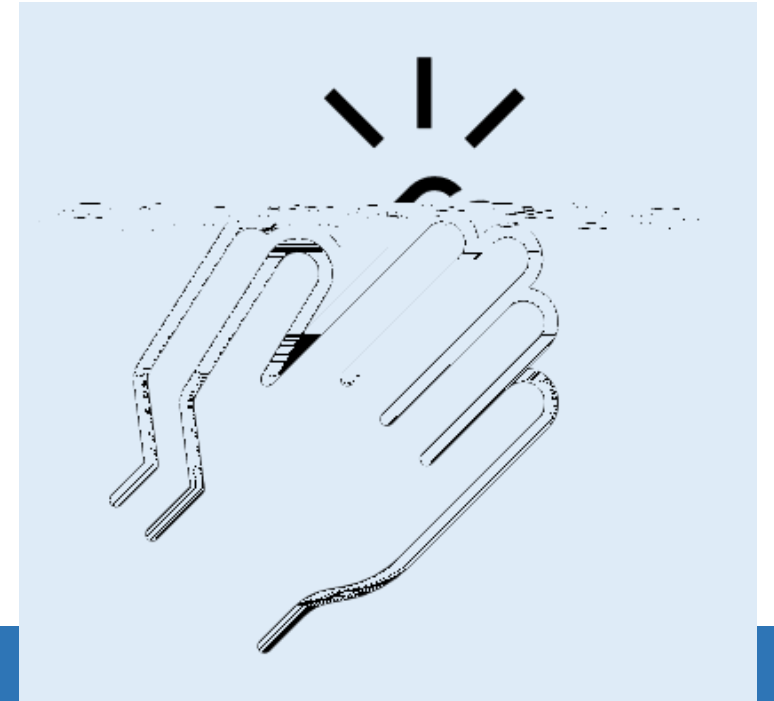
2

Housing Emergency Summit Action Plan development
Further analysis & validation with delivery partners

3

Housing Emergency Action Plan launch
Network of partnership delivery groups created

Sincere thanks for your
participation in today's
Housing Emergency Summit



All Summit materials will be circulated following today's
event