

**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 Bute and Cowal area.

This report will detail the following housing activity:-

- Declaration of a Housing Emergency
- Argyll and Bute Housing Summit
- 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

2.0 RECOMMENDATIONS

- 2.1 Members are asked to consider the content of the report.

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INVESTMENT PLAN (SHIP) – ANNUAL UPDATE**

3.0 INTRODUCTION

- 3.1 The main purpose of this report is to update Members of Housing Services activity and the delivery of the Local Housing Strategy within the Bute and Cowal area.

This report will detail the following housing activity:-

- Declaration of a Housing Emergency
- Argyll and Bute Housing Summit
- Housing Need and Demand
- Homelessness
- Affordable Housing Supply - Strategic Housing Investment Programme
- Empty Homes
- Private Sector Housing Grant Adaptations
- Private Sector Housing Grant Repairs and Improvements
- Energy Efficiency – Energy Efficiency Programme: Area Based Scheme
- Local Housing Strategy

4.0 RECOMMENDATIONS

- 4.1 Members are asked to consider the content of this report.

5.0 DETAIL

- 5.1 As the Strategic Housing Authority, the Council has a series of important statutory housing functions to fulfil. A Housing Need and Demand Assessment (HNDA) is carried out every 5 years which enables Scottish Government funding to be brought into Argyll and Bute primarily to deliver affordable housing. A comprehensive revision of the local HNDA was approved as “robust and credible” by the Scottish Government’s Centre for Housing Market Analysis in December 2021. The Council also produces a Local Housing Strategy (LHS) every 5 years. Full Council approved the LHS 2022-27 in December 2021. It is subject to annual updates, which are published on the Housing Strategy pages of the Council website.

The LHS has been developed in accordance with Scottish Government guidance and local priorities as identified in the new 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 Bute & Cowal.

5.2 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.
- Construction 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

5.3 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.

5.3 HOMELESSNESS

There were 188 homeless presentations across Bute and Cowal in 2022/23. This was an increase from 92 applications in 2021/22 (104%). There was an increase of 270% (37 up from 10) in homeless presentations on Bute during 2022/23. There was an increase of 18% in Cowal (114 up from 97).

During 2022/23, there were 26 homeless cases closed on Bute; and 97

Rough Sleeping

Bute and Cowal experienced no overall change in the incidence of rough sleeping over the same period last year, with 4 cases (-3) in total across the area reporting that they slept rough the night preceding their presentation but 15 (+3) reporting that they had slept rough in the 3 months preceding their homeless application. These were disaggregated as follows:-

AREA	Number of Rough Sleepers in 2022/23	
	Night Before Application	3 Months Prior to Application
Bute	1	3
Cowal		

5.4 **AFFORDABLE HOUSING SUPPLY**

This continues to be a very challenging period for the construction sector and there is ongoing slippage in the new build programme due to disruption and shortages with materials and staffing.

Cowal	8,836	110	140	250
B & C TOTAL	13,210	183	226	409

Council Tax Exemptions

There are also a number of empty properties which are on the Council Tax register which are exempt from paying council tax. In Bute & Cowal there are **443** properties which are empty and exempt from Council Tax. The categories for empty properties include:

Class 4A = Properties recently occupied but now empty and unfurnished (**222**)

Class 7A = Dwellings Empty Under Statute – Closing or Demolition Order (**32**)

Class 6A = Deceased owners – where estate has not been settled (**138**)

Class 8A= Held for demolition (**16**);

Class 5A= Living/detained elsewhere (**24**);

Class 19A= Difficult to let separately (**1**);

Class 2A= Unoccupied-renovation (**7**);

Class 13A= Repossessed dwelling (**3**)

Second Homes

As at 1st November 2023 there were **479** registered Second Homes on Bute and **596** in Cowal. The number second homes for Bute and Cowal (**1,075**) represents **35%** of the total number of Second Homes in Argyll and Bute (3,052).

Self-Catering Lets

As at 3rd November 2022 there were **478** self-catering lets on the Rates register in the Bute & Cowal area. **20%** of the Argyll and Bute total (2,341).

Bute & Cowal	Number of self-catering properties
Rates data as at 01.03.23	
Bute	117
Cowal	361
Bute & Cowal TOTAL	478

5.6 PRIVATE SECTOR HOUSING GRANT – ADAPTATIONS

In 2022/23, there were 17 individual updates installed in Bute & Cowal with PSHG aid.

Supply Targets set out in the new LHS. These targets are based on a positive demographic and economic growth scenario for Argyll & Bute and include ambitious and challenging Housing Supply Targets for the Cowal and Bute HMAs over the next 5 years and beyond.

The Local Housing Strategy is subject to annual updates and the 2023 update

January 2024

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APPENDICES

Appendix 1 – Extract from LHS 2022 - 2027 (data as of 2021) Cowal
Appendix 2 – Extract from LHS 2022 - 2027 (data as of 2021) Bute

Appendix 1 - Extract from LHS 2022 -2027 (data as of 2020) Cowal

Cowal is projected to see a significant demographic decline if recent trends continue. It is the mainland housing market most influenced by house purchasers from out with Argyll and Bute – only 44% of sales in the area are to local residents. Average house prices have actually been lower than most other HMAs in Argyll and Bute in recent years, while household incomes are roughly average for the authority, making this one of the relatively affordable housing market areas within the authority. Since 2015 the total dwelling stock increased by over 5%, and currently Cowal accounts for 18% of the authority's housing. At the time of the last LHS, in 2015, almost 14% of the dwelling stock was deemed ineffective to meet local needs, i.e. second/holiday homes and long-term vacant properties. This has improved to 11% of the total, albeit this remains a substantial proportion of the housing stock. Over the last five years RSL homes have increased by around 3%, bringing the total social rented stock in 2020 to 1,476 which is 17% of the Argyll and Bute sector total. There are approximately 3 waiting list applicants for every available let, and 20% of all homeless cases are located here; therefore it is evident that despite some development activity and historic population decline, a degree of unmet need remains. Parts of rural Cowal also fall within the

Appendix 1 - Extract from LHS 2022 -2027 (data as of 2021) Bute

Bute HMA is one of the least self-contained housing markets in Argyll and Bute, with only 38% of house sales being to local residents. Almost 35% of