

# Glasgow's Strategic Housing Investment Plan 2023/24 to 2027/28

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# 1. Context

## 1.1 Strategic Framework

The Strategic Housing Investment Plan (SHIP) sets out the development priorities and resources available for investing in Glasgow's housing over the next five years, 2023/24 to 2027/28. The SHIP 2023 to 2028 is prepared in accordance with the latest Scottish Government Guidance (MHDGN 22/01 – 30 June 2022).

As well as having the role of strategic housing authority in the development of Glasgow's Housing Strategy and the SHIP, the Council has also been responsible for the management of Affordable Housing Supply Programme (AHSP) development funding in the city on behalf of Scottish Government since September 2003.

The SHIP aims to deliver on the vision and strategic priorities set out in [Glasgow's Housing Strategy 2017-22](#). These strategic housing investment priorities include:

- Contributing towards housing supply targets.
- Increasing the supply of larger (4+ bedrooms) affordable homes.
- Deliver readily adaptable accessible housing options and support people to live independently in their homes.
- Targeting acquisitions to increase affordable housing options and address issues within private sector housing and tenements.
- Prioritising low and zero carbon homes with low-cost heating systems ahead of the Scottish Government target for zero emissions heating systems in new homes from 2024.

As the SHIP is the investment delivery plan for Glasgow's Housing Strategy, it is encompassed within the Equality Impact Assessment as well as the Strategic Environmental Assessment (SEA) Screening and Determination that relate to Glasgow's Housing Strategy

A new Housing Strategy covering the period 2023-28 is in development and will inform investment priorities following approval in 2023. This will include priority areas for housing-led regeneration, including developing on the work underway on regeneration in the north of the city, progressing the Transformational Regeneration Area (TRA) programme, supporting city centre living, and outlining how housing investment can meet existing and anticipated housing needs across the city.

This SHIP and the new Housing Strategy will be aligned to the Scottish Government's 'A Fairer, Greener Scotland: Programme for Government 2021-22', which commits that 110,000 affordable homes will be delivered across Scotland by 2032 and to Scottish Government's 'Housing to 2040' Strategy which sets out the Scottish Government's ambitions for housing and communities of the future and identifies four broad, interconnected themes:

- More homes at the heart of great places
- Affordability and choice
- Affordable warmth and zero emissions homes
- Improving the quality of all homes

The SHIP directs the Affordable Housing Supply Programme towards supporting the delivery of outcomes with our partners. Detailed information on the delivery outputs and outcomes for the 2021/22 programme are published in the Affordable Housing Supply Programme Performance Review document. The Affordable Housing Supply Programme Performance Review document can be accessed [here](#). Key existing and emerging areas of focus are outlined below.

### **1.1.1 Meeting Particular Housing Needs**

Glasgow Health and Social Care Partnership's Housing Health and Social Care Group advises on requirements to meet particular housing needs, including wheelchair accessible and wheelchair readily adaptable homes. Glasgow has set a target for 10% wheelchair adaptable homes to be delivered across development projects involving 20 new affordable homes or more.

SHIP Guidance requires that a statement is made regarding the housing needs of Gypsy Travellers. The Glasgow City Region Housing Needs and Demand Assessment (HNDA) does not identify a specific shortfall or requirement for additional accommodation or permanent affordable housing specifically to meet the needs of Gypsy Travellers within Glasgow City Council local authority area.

### **1.1.2 Tackling Child Poverty & Mitigating Cost of Living**

Housing is a key component that contributes directly towards addressing the cost of living. The Glasgow Standard, to which all new build housing is built, means that the levels of energy efficiency and sustainability help to minimise fuel costs and assist with the cost of living. The SHIP sets out how Glasgow will deliver new homes that increase the supply of affordable housing options, which can benefit all households, including families with children. The target is to deliver additional affordable homes suitable for larger households and families through the delivery of 60 larger homes with four or more bedrooms to be delivered each year.

### **1.1.3 Preventing and Reducing Homelessness**

Glasgow Health and Social Care Partnership Homelessness Services, working with key stakeholders and partners including Registered Social Landlords (RSLs), let over 3,300 new affordable tenancies to homeless households in 2021/22. This is an increase of over 60% since 2017/18. Increasing the supply of affordable homes remains a vital component for meeting Glasgow's housing needs enabling movement within local housing systems and is essential for preventing and reducing homelessness. It is identified as a critical priority both within Glasgow's Housing Strategy and Glasgow Health and Social Care Partnership's (HSCP) Rapid Rehousing Transition Plan, alongside targets for prioritising homeless allocations.

### **1.1.4 Meeting the Housing Needs of Ukrainian Displaced Persons**

Through the Ukraine Longer-Term Resettlement Fund the Scottish Government is working with Glasgow City Council and RSLs to increase the number of homes available to support the longer-term resettlement of Ukrainian Displaced Persons (UDPs). This £50m fund is administered directly by the Scottish Government. Through improving and bringing void homes back into use, these homes are intended to temporarily rehouse UDPs for a period of up to 3 years. Similarly, to other resettlement programmes, Glasgow City Council, Glasgow City Health and Social Care Partnership will continue to work with RSLs and other partners towards supporting refugees to meet their housing needs.

## **2. Consultation and Engagement**

Considerable engagement has taken place in 2022 with key partners and stakeholders on housing investment priorities in preparation of the SHIP and Glasgow's forthcoming Housing Strategy. All developing RSLs are asked to submit a Strategic Development and Funding Plan each year, setting out committed developments and proposals for new projects which contribute to Housing Strategy priorities. Throughout 2022 in the preparation of the new Housing Strategy, consultation events and discussion with RSLs and other delivery partners have taken place to inform strategic and investment priorities moving forward.

### 3. Summary Tables

In July 2021, Scottish Government confirmed Resource Planning Assumptions (RPA) for Glasgow City Council covering a period of five financial years, 2021/22 to 2025/26. These RPA cover the first three years of this SHIP totaling £313million for years 1-3 (2023/24 to 2025/26) of this plan.

Table 1 outlines the grant funding that Glasgow City Council requires to deliver projects detailed in Appendix 1. Please note the information outlined in Table 1 relates to all Glasgow projects that are registered on the Scottish Government's Housing and Regeneration Programme (HARP) portal.

**Table 1 – Grant Requirement to Deliver Glasgow's Affordable Housing Supply Programme (as shown on HARP)**

(£million)	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Grant Requirement	104.873	88.924	84.622	78.333	71.455	428.207

As shown in Table 2, Glasgow City Council has also identified a requirement for funding to deliver additional projects that are not registered on HARP at this stage. These projects are also shown in Appendix 1. Such projects are not shown on HARP due to the administration that is required to create accounts (such as Stage 3 Adaptations/Strategic Acquisition Programme) or due to the early stages of regeneration plans for strategic projects. Plans for progressing such projects will be progressed going forward after RSLs are identified to lead on developing proposals.

**Table 2 – Grant Requirement to Deliver Glasgow's Affordable Housing Supply Programme**

(£million)	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Projects not shown on HARP	13.600	18.800	21.300	26.000	27.320	107.020
Total Grant Requirement	118.473	107.724	105.922	104.333	98.775	535.227
Resource Planning Assumption	103.934	104.001	105.724	TBC	TBC	TBC

Tables 3 and 4 detail the proposed tenure and attribute outputs for Glasgow's SHIP 2023/24 to 2027/28 that is outlined on HARP:

**Table 3 – Breakdown of Glasgow's SHIP by Tenure (as shown on HARP)**

Tenure	North West & Govan	North East	South	Glasgow	%
Social Rent	1,180	1,946	1,329	4,455	64.9%
Mid-Market Rent	723	919	361	2,003	29.2%
New- Supply Shared Equity	54	14	89	157	2.3%
Partnership Support for Regeneration	0	63	191	254	3.7%
Total	1,957	2,942	1,970	6,869	100%

**Table 4 – Breakdown of Glasgow’s SHIP by Provision (as shown on HARP)**

Attributes	North West & Govan	North East	South	Glasgow	%
General Needs	1,615	2,570	1,546	5,731	83.4%
Wheelchair Adaptable	186	274	167	627	9.1%
Supported	10	25	0	35	0.5%
Amenity	146	73	257	476	6.9%
Total	1,957	2,942	1,970	6,869	100%

The Scottish Government guidance suggests that a slippage factor of 25% is built into the SHIP in order to over-programme to accommodate any unforeseen slippage. Glasgow City Council maintains a shadow programme of proposed projects that are likely to meet the City’s priorities for housing investment and may be brought forward to address any unforeseen slippage.

Table 5 sets out the overview of the SHIP 2023/24 to 2027/28 (as shown on HARP).

**Table 5 – SHIP 2023/24 to 2027/28 Overview (as shown on HARP)**

SHIP 2023 TO 2028	2023/24	2024/25	2025/26	2026/27	2027/28	SHIP TOTAL
site starts (units)	1,467	850	983	945	193	4,438
completions (units)	1,451	1,260	1,017	1,007	1,361	6,096
investment (£million)	104.873	88.924	84.622	78.333	71.455	428.707

Table 6 outlined details of all projects that Glasgow City Council has included in the SHIP 2023/24 to 2027/28 (projects not shown on HARP are also included).

**Table 6 – SHIP 2023.24 to 2027/28 (All Projects)**

SHIP 2023 to 2028	2023/24	2024/25	2025/26	2026/27	2027/28	SHIP total
site starts (units)	1,517	925	1,058	1,360	268	5,128
completions (units)	1,501	1,335	1,092	1,082	1,436	6,446
investment (£million)	118.473	107.724	105.922	104.333	98.775	535.227

As shown in Appendix 1, the total grant investment (including projects not shown on HARP) is projected to be over £535million. This funding has potential to deliver 6,446 affordable homes (completions) over this five-year period.

The majority of the programme is focused on delivering social rent housing. Other tenure options include intermediate Mid-Market Rent, New Supply Shared Equity and Partnership Support for Regeneration. New Supply Shared Equity and Partnership Support for Regeneration projects are delivered in partnership with RSLs and/or developers to promote low-cost home ownership options

across the city. These mechanisms support mixed tenure development and diversification, which promotes affordable housing within sustainable communities.

In order to work towards meeting the strategic housing priorities, Glasgow City Council has included a Strategic Acquisition Programme. The programme would be used to support RSLs to acquire private sector housing that meets priorities (for example, addressing housing condition issues and meeting the needs of households that require access to social housing in the city).

## **4. Delivery**

### **4.1 Prioritisation of Projects in the SHIP**

All proposed sites are considered against strategic priorities outlined in the Housing Strategy and the SHIP, as well as site-specific factors that are material considerations for development potential, including:

<b>FACTORS</b>	<b>MATERIAL CONSIDERATIONS</b>
Site Conditions	mineworkings, contamination, piling, flood risk, topography
Infrastructure Requirements	roads, footpaths, carparking, drainage
Planning Considerations	conservation, greenspace, height, special considerations
Contribution to Placemaking	TRA, regeneration area, anchor-site for mixed development
Site constraints	site shape, neighbour impacts
Target Housing Mix	family homes, wheelchair accessible homes, supported/ specialist accommodation
Land Values	area, strategic importance, site assembly

All potential projects are appraised and categorised as either high, medium or low priority taking into consideration deliverability.

### **4.2 Funding and Support**

Delivery of housing supply relies on multiple funding streams and interventions which support delivery.

#### **4.2.1 Accelerated Land Release**

One of the important ways in which Glasgow City Council enables the delivery of new affordable homes is through an Accelerated Land Release Programme, which enables City Property to dispose of sites to RSLs for the development of affordable housing.

#### **4.2.2 Developer Contributions**

Glasgow City Council's adopted City Development Plan does not include a policy for developer contributions towards affordable housing. As part of preparing Glasgow's new Housing Strategy 2023 - 2028 options are being explored for dedicated planning policies that can support affordable housing delivery.

### 4.2.3 Second Homes Funding

The funding available for Council Tax 2<sup>nd</sup> Homes has been used to support the delivery of affordable housing projects through the programme. The budget for the last 3 years has averaged at £1.66m per year and whilst including some carry forward funding, which is now exhausted, this has meant the Council Tax 2<sup>nd</sup> Homes funding has been over £3m investment per year over the last 3 years.

### 4.2.4 Existing Empty Homes

The Local Government Finance (Unoccupied Properties etc.) (Scotland) Act 2012 and subsequent Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendments Regulations 2016 give local authorities powers to charge increased council tax on certain homes that have been empty for 1 year or more. This is intended to help local authorities encourage owners to bring properties back into use, both to increase the supply of housing for those who need homes and to reduce neighbourhood blight caused by empty homes allowed to fall into disrepair. Glasgow's Empty Homes Strategy was published in 2019 and set a target to bring 200-250 empty homes back into effective use every year. As of April 2022, 677 homes had been brought back into effective use.

### 4.2.5 Development Costs

Cost information relating to the delivery of Glasgow's Affordable Housing Supply Programme shows that the average works cost per m2 increased by 23% between 2020/21 and 2021/22. RSLs identified a range of site specific and wider economic factors that have contributed towards increased costs including constraints on labour supply, including contractors and skilled construction workers, developing on very challenging brownfield sites and additional costs incurred through designing new housing to the Glasgow Standard which has higher energy efficiency requirements. A major impact has been the cost of materials which have increased significantly and there are signs that the combined impact of COVID-19, Brexit and conflict in Ukraine are putting further pressure on labour and materials costs. RSLs are required to factor in the costs of meeting new regulatory requirements in relation to fire safety for new build into business plans, not only for up-front funding but also ongoing maintenance and so safety standards also impact on costs.

### 4.2.6 Glasgow Standard Review 2022

A review of the Glasgow Standard (GS) was introduced in May 2022 to ensure the programme was deliverable in the context of increasing development costs with a view to reducing build costs and help with rising fuel costs, inflation and design costs for new build units approved within Affordable Housing Supply Programme (AHSP).

In general, all units should be designed to comply with the Glasgow Standard / Housing for Varying Needs (HfVN) requirements however the designs should take account of the amendments detailed below:

1. **Space Standards:-** The minimum space standards can be flexible if compliance with HfVN is demonstrated in lieu of this standard.
2. **Minimum room areas:-** The minimum room areas can be flexible if compliance with HfVN is demonstrated in lieu of this requirement.
3. **Storage:-** No minimum storage requirements except for the wheelchair adaptable units as detailed with HfVN.
4. **Alternative layouts for bedrooms:-** Wheelchair units must still comply with the Glasgow Standard (GS), all other units must comply with HfVN requirements.
5. **Kitchen Storage / layouts:-** Kitchen storage must comply with the GS; however, the layout of the kitchen should comply with HfVN requirements.
6. **Bathrooms:-** layouts should comply with the GS requirements to ensure adaptability and flexibility.

7. **Home Office:-** will remain unchanged and should comply with the information provided within the Technical Standards.
8. **Wheelchair Adaptable Units:-**The design requirements for the wheelchair adaptable units remain unchanged therefore the design of these units must comply with the Glasgow Standard and HfVN.
9. **Secure by Design (SbD):-** Certification has been amended from Gold Standard to Bronze Standard.
10. **Car Charging:-** will remain unchanged and should comply with the information provided within the City Development Plan (CDP).
11. **Bike Storage:-** will remain unchanged and should comply with the information provided within the CDP.
12. **Sustainability:-** will remain unchanged and should comply with one of the 3 options stated within the Glasgow Standard:
  - a) Option 1 – Gold Hybrid (Reduce CO2 emissions)
  - b) Option 2 – Nearly Zero Emissions (Passivhaus with additional CO2 reduction measures)
  - c) Option 3 – Net-Zero Carbon

#### 4.2.7 Methods of Construction

RSLs are encouraged to be ambitious in trying to exceed current energy efficiency and sustainability targets and to develop housing which will be exemplary across the country, making Glasgow one of the most sustainable cities in Europe. Projects with different sustainability measures have been supported through the programme including Passivhaus, Cross Laminated Timber, off site manufacturing (panellised construction in timber frame) amongst others.

A key area for development through the new Housing Strategy is investigating how effective off-site modular construction could be in helping to drive down costs, make building faster, cleaner, more efficient and sustainable as well as helping to deliver the programme and sustainability targets. Discussion with RSLs and the construction sector will focus on developing pilot schemes to be delivered through the AHSP using such modular off-site construction techniques with a move towards more innovation in sustainable procurement, design and construction within the city.

#### 4.2.8 Delivery Partners

In order to deliver the SHIP and help achieve the strategic priorities in Glasgow's Housing Strategy, a range of resources and partners are needed. This section outlines those:

Partners	Key role and responsibilities
<b>Glasgow City Council</b>	<ul style="list-style-type: none"> <li>• Since 2003, under Transfer Management of Development Funding (TMDF) arrangements, responsible for directly managing Glasgow's Affordable Housing Supply Programme (AHSP) budget.</li> <li>• Engaging with partner organisations and stakeholders including local communities, to ensure that housing needs are identified, and solutions delivered.</li> <li>• Working to attract and secure additional resources for Glasgow.</li> <li>• Delivering efficient and effective Planning Services to enable inclusive, sustainable developments that meet Glasgow's strategic priorities and vision set out in Glasgow's Housing Strategy and the Glasgow City Development Plan.</li> </ul>
<b>Registered Social Landlords (RSL) Sector</b>	<ul style="list-style-type: none"> <li>• The financial context which RSLs are operating in is a key area of interest in developing the SHIP. Developing, maintaining and updating long-term (30 years) business plans to undertake investment in new housing supply, as well as mitigate risks and ensure financial resilience of their organisations in response to the changing financial and policy environment.</li> </ul>



<b>Partners</b>	<b>Key role and responsibilities</b>
	<ul style="list-style-type: none"> <li>• RSLs are our key partners in delivering the projects outlined in the SHIP. The key role Community Based Housing Associations, national, regional, specialist and Wheatley Homes Glasgow play in developing housing proposals and delivering projects and programmes cannot be overstated. In addition to applying specialist knowledge about housing needs and requirements, and potential housing and support solutions.</li> <li>• The Scottish Parliament passed the Cost of Living (Tenant Protection) (Scotland) Act 2022 which includes a rent freeze and moratorium on evictions until March 2023. Though it will not directly impact social rents which are already set for 2022/23, these measures will likely have a material impact on business planning for housing association partners, alongside long-term investment requirements to meet the Energy Efficiency Standard for Social Housing 2 (ESSH2) for existing homes.</li> </ul>
<b>Scottish Government</b>	<ul style="list-style-type: none"> <li>• Providing grant funding including for the Affordable Housing Supply Programme (AHSP)</li> <li>• Providing a national steer on Housing and Regeneration Objectives as well as for related priorities including health and wellbeing, Climate Change and sustainability.</li> </ul>
<b>Private Housing Developers</b>	<ul style="list-style-type: none"> <li>• Identifying development opportunities to build new housing for sale across Glasgow.</li> <li>• Undertaking viability assessments and liaising closely with the Council to prepare planning proposals that fit with the City Development Plan and progressing to new housing development.</li> </ul>
<b>Construction Sector</b>	<ul style="list-style-type: none"> <li>• Providing the necessary supply of labour and skills to meet the needs of new development, including private and affordable homes, as well as retrofit improvement works to maintain or upgrade existing homes.</li> <li>• The construction industry is experiencing a difficult time and the health of the sector is of key importance to RSLs delivering new homes on the ground.</li> </ul>

Glasgow City Council's Housing Investment Team will continue to engage and work with partners to ensure that development constraints and risks are reviewed on a regular basis, with mitigation measures taken where possible.

## 5. Looking ahead

Glasgow's SHIP 2023 to 2028 sets out a clear trajectory for increasing affordable housing supply and this is essential to meet the longer-term housing needs and growth ambitions set out in the Glasgow Housing Strategy, Glasgow City Council Strategic Plan and the Glasgow City Region Economic Strategy. The AHSP multi-year Resource Planning Assumption grant commitments provide us with a foundation for continued delivery and it is vital that all key partners and stakeholders across Glasgow's Housing Sector are engaged to consider how we can sustain outputs and consolidate future growth for the city, particularly given the very difficult development context in which we are operating. Together with our delivery partners, we must continue to work together to find solutions to deliver on our inclusive sustainable growth, housing and place-making ambitions for Glasgow. Housing Services, NRS, at Glasgow City Council are always pleased to discuss potential housing investment solutions in the city. Any enquiries can be directed to: [housingstrategy@glasgow.gov.uk](mailto:housingstrategy@glasgow.gov.uk) in the first instance.