

Minute
Virtual Programme Co – Ordination Group
Tuesday 14th December 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] Chair	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Thursday 11th November

[redacted] noted the following update to November's PCG minutes, page 3:

The text

'There is a delay with the [redacted] project in [redacted] as a result of issues with [redacted] planning and road design'

to be updated to

[redacted] has completed and was officially opened by Cabinet Secretary. There were issues with [redacted] whilst it was being designed and then on site due to inflexibility. [redacted] Ms Robison has asked for some further information which will hopefully assist where there is such an inflexible approach to design.'

Action Point 1 – [redacted] to issue responses to Area Team queries on the implementation of the new benchmark system. – **COMPLETE**

Action Point 2 – [redacted] to organise a meeting with **Area Team** leads to discuss Scotland's Housing Network's "Value for Money in New Affordable Homes Tool" at an appropriate point. – **COMPLETE** (see *Notes below*)

[redacted] noted that talks had begun with **Area Teams** and that follow up sessions would be organised early 2022

Action Point 1 – [redacted] to organise follow up sessions for **Area Teams** on the continuous improvement proposals in early 2022.

Action Point 3 – [redacted] to update the [redacted] over the coming months to reflect current borrowing assumptions. – **ONGOING**

Action Point 4 – [redacted] to circulate feedback following upcoming meeting with Cabinet Secretary and SFHA. – **COMPLETE** (see *Notes below*)

[redacted] asked that the minute notes her concerns with the narrative that was suggested in the minute provided from the meeting [redacted]
[redacted] noted that the minute was an internal minute and had not been shared more widely.

Action Point 5 – [redacted] to provide written confirmation to **Area Teams** on the decision that hard copies of grant offers do not have to be issued retrospectively as soon as this is available from SGLD. – **COMPLETE** (see Notes below)

[redacted] noted that he was still awaiting written confirmation from SGLD, however, had previously made **Area Teams** aware of the decision from SGLD.

Action Point 6 – [redacted] asked [redacted] to escalate the situation regarding [redacted] progress to [redacted], if there are no signs of improvement. – **COMPLETE**

Action Point 7 – [redacted] asked [redacted] to provide an update on [redacted] potential extra capacity after follow-up meetings had been held with local partners. – **COMPLETE**

Action Point 8 – [redacted] to circulate SFHA members' survey regarding material shortages to **PCG members**. – **ONGOING**

Action point 9 – **Central Team** to create and forward to **Area Teams**, for completion, a template to capture any potential [redacted] which may impact on programme delivery. – **ONGOING**

Action Point 10 – [redacted] to circulate to **Area Teams** briefing and Q&A which accompanied the recent publication of draft NPF4. – **COMPLETE**

2. Review of SHIPs and SHIP Admin Procedures

[redacted] highlighted a recent meeting between [redacted] and himself where it was noted that a number of areas continue to be raised with the Cabinet Secretary and within the media quite regularly. These concerns relate to larger family homes; homes in town centres; specialist provision and rural and island housing. Clarity has been asked as to how local authorities are capturing these issues within their SHIPs. [redacted] and [redacted] have updated the SHIPs admin procedures and added wording to highlight these particular issues, with the addition of a short annex added to be completed by area teams. It was highlighted that the areas brought together in the annex are already covered separately in the SHIPs. The link below was provided to teams with the new guidance, and a summary email will be provided after this meeting. The template for this can be used in the SHIP letters, with the annex to be included. [redacted] and [redacted] stressed that all the information required to complete the new annex should already be covered in the existing SHIPs, but are happy to address any queries.

STRATEGIC HOUSING INVESTMENT PLANS - ADMINISTRATIVE
ARRANGEMENTS REVIEW PROCESS FOR 2022-27 (A35315826)

Action Point 2 – [redacted] to circulate summary email on update to SHIPs admin process including the additional template to **PCG Members**.

Action Point 3 – Area Teams to forward any queries or feedback on the update to SHIPs admin to [redacted] and [redacted].

3. Programme 2021/22

[redacted] noted the following progress update to **PCG members**.

Total spend has now reached £335.760 million, an increase of £47.6 million in November, however, this is still £51 million behind profile and a total of 40% of the budget. These figures are in line when compared with previous more typical year spending at this point in time. To date a further £25 million has been spent. The spend expected outturn has reduced by £35 million, with the potential for [redacted].

To the end of November approvals have increased by 700 to 4,018, however, this is still 2,200 behind profile and the outturn has decreased by 290. To date an extra 172 approvals have been processed. Site starts have increased by 788 to approximately 4,500, which is 2,215 behind profile and the outturn has been reduced by 253. To date there has been an extra 67 starts recorded. Finally, completions have increased by 740 to 5,241, this is also behind profile by 1,800 and the estimated outturn has reduced by 555. However, it was noted that 44% of expected completions have been completed and this was the highest percentage recorded at this point in the programme in the last 5 years. Total estimated completions are now 10,736 which would bring the end of year total to 52,100 against the 50,000 target.

[redacted] noted that a report to finance is next due 29 December, although, no change to forecast would be issued until January

[redacted] – [redacted] noted that [redacted] and [redacted] were the areas of most concern. [redacted] has decreased spend outturn by [redacted]. This relates to, amongst other issues, the performance of [redacted] whose estimated out-turn has already dropped by [redacted] [redacted] and [redacted] in [redacted]. A meeting has been organised for Thursday [16 December] with their Chief Executive. This would focus discussion around internal and external issues and the [redacted] outturn spend was noted at [redacted], however, this is realistically closer to [redacted]. Letters have been written to directors in [redacted] Council surrounding concerns with spend, and how projects in next year's SHIPs are not being brought forward to this year. Feedback has been provided and 3 small acquisitions will be brought forward totalling £800,000. The [redacted] project is also being looked at with the possibility of staged payments of up to [redacted]. This could potentially bring the expected outturn spend to [redacted], and the overall expected outturn spend for [redacted] to [redacted] million, with some additional minor changes. To date a total of [redacted] has been spent and there have been [redacted] approvals, [redacted] starts and [redacted] completions.

Action Point 4 – [redacted] to provide update to **Central Team** following meeting with [redacted].

[redacted] – [redacted] noted that discussion on spend is progressing well. Recent meetings with [redacted] had taken place Friday [10 December]. [redacted] confirmed that the potential extra capacity [redacted] put forward to **Central Team** can now be taken. Everywhere apart from [redacted] can now take extra capacity. The approvals target is looking good, with [redacted] saying they can exceed their target, but consideration will need to be given to effects on Block A funding. Site starts will follow approvals. Completions are experiencing some final snagging issues which are taking longer due to material shortages.

[redacted] – [redacted] noted to date spend is [redacted] approved [redacted], started [redacted] and completed [redacted] homes. [redacted] spend has been reduced. The planning process is causing delays to projects, some are having to be re-tendered, however, still hope to be approved this year. For [redacted] there are no changes to report. Extra capacity still in discussion with finer details to be agreed with Council, with potential [redacted] extra spend. [redacted] spend reduced by just over [redacted] million which is an accurate figure for the year. [redacted] has reduced approvals due to high tender costs with some homes tendered at over £200,000 per unit. [redacted] spend has decreased with the [redacted] project slippage. [redacted] noted her concerns with this especially after the technical effort put in by [redacted]. No direct approach has been made yet for further discussions. Potential extra capacity in [redacted] of [redacted] million for off the shelf properties – total of 51 homes.

[redacted] noted the Cabinet Secretary had met with [redacted] Council. [redacted]. One project in [redacted] may slip due to the lengthy [redacted] process. The team is having to revisit projects and costs and the completions at [redacted] may also slip due to materials issues. [redacted] is meeting with [redacted] Council. There have been delays to projects due to planning, roads and admin issues which has, in part, led to underspend and [redacted] homes being behind schedule. [redacted] suggested that it might be helpful for the Cabinet Secretary to be engaged if a meeting was agreed.

Action Point 5 – [redacted] to provide update to **Central Team** following meeting between [redacted] and [redacted] Council.

[redacted] – [redacted] noted that spend in [redacted] may decrease by another [redacted] million in December's PCG return. There is potential slippage of [redacted] in [redacted]. At [redacted] completions have slipped to late 2022, early 2023. [redacted] spend is all expected in the final quarter. There are additional social rent approvals and spend from [redacted] and 5 social rent homes from [redacted]. [redacted] return is reliant on £1.3 million from off the shelf properties. However, concerns around availability of homes and at a reasonable price which has been flagged as amber for awareness. [redacted] have again indicated no extra capacity. To date [redacted] has been spent in [redacted] and [redacted] million in [redacted] area.

[redacted] noted that the [redacted] has reduced their spend outturn by £1 million and it was expected that [redacted] would not fully spend their RPA [redacted].

Action Point 6 – [redacted] asked **Area Teams** to track and record significant differences in Local Authority RPAs and outturn spend and to flag areas where it may be productive to escalate further.

4. Projects with additional costs due to price increases for materials

Original Line

[redacted] noted that a contractor on a project has indicated a substantial increase to price due to significant cost increases, primarily related to material price increases. However, this project is a fixed price contract.

Updated Line

[redacted] noted that a contractor on a project has indicated a substantial increase to price due to significant cost increases, primarily related to price increases for materials. However, this project is a fixed price contract.

While it is suggested that the contractor does not have the grounds to request this increase there are fears the contractor may decide to walk away from the project. The HA has held their position on a fixed price contract. However, they have contacted the **Area Team** for guidance and support on the issue.

Discussion was opened between **PCG members** as to what would be a consistent approach to this issue with the following action raised.

Action Point 7 – [redacted] asked for details of projects where completion is at serious risk, as a result of material price increases post tender approval. **Central Team** to issue spreadsheet and [redacted] to arrange meeting with procurement colleagues to discuss SG approach.

Post meeting note – [redacted] and [redacted] will issue a spreadsheet for completion as soon as possible.

5. COVID Inquiry

Original Line

[redacted] highlighted the recent article on Saltire relating to preparing for the COVID Inquiry [redacted].

Updated Line

[redacted] highlighted the recent article on Saltire relating to preparing for the COVID Inquiry. Given this, it was noted that we should ensure that information which we had previously gathered on interventions which had been introduced to ease the impact of the pandemic was up-to-date.

Action Point 8 – [redacted] to recirculate to **Area Teams** spreadsheets relating to COVID specific new build off the shelf purchases from developers and additional costs claims for them to be checked and updated, where required, in anticipation of the COVID Inquiry.

6. AOCB

[redacted] noted the draft budget had been published last week [beginning 6 December] and lines had been provided to support the increase in budget and invited any feedback from their partner organisations. No feedback had been received

[redacted] circulated an email regarding a request for increased grant for buybacks. Area Teams were asked if they had any similar formal requests.

Area teams noted they had received no formal requests. However, some local authorities had enquired and that these requests may become more evident depending on the current market.

[redacted] noted that he had been involved as a judge for this year's SURF Awards. [redacted] noted the winner of the Housing and Regeneration award went to the Step Up – Step Down project at the Telford Centre in Fort Augustus.

7. Future Dates:

- 18 January 11:00 – 12:30
- 10 February 11:00 – 12:30
- 15 March 11:00 – 12:30

Action Points

Action Point 1 – [redacted] to organise follow up sessions for **Area Teams** on the continuous improvement proposals in early 2022.

Action Point 2 – [redacted] to circulate summary email on update to SHIPs admin process including the additional template to **PCG Members**.

Action Point 3 – **Area Teams** to forward any queries or feedback on the update to SHIPs admin to [redacted] and [redacted].

Action Point 4 – [redacted] to provide update to **Central Team** following meeting with [redacted] HA Chief Executive.

Action Point 5 – [redacted] to provide update to **Central Team** following meeting between [redacted] and [redacted].

Action Point 6 – [redacted] asked **Area Teams** to track and record significant differences in Local Authority RPAs and outturn spend and to flag areas where it may be productive to escalate further.

Action Point 7 – [redacted] asked for details of projects where completion is at serious risk, as a result of material price increases post tender approval. **Central Team** to issue spreadsheet and [redacted] to arrange meeting with procurement colleagues to discuss SG approach.

Post meeting note – [redacted] and [redacted] will issue a spreadsheet for completion as soon as possible.

Action Point 8 – [redacted] to recirculate to **Area Teams** spreadsheets relating to COVID specific new build off the shelf purchases from developers and additional costs claims for them to be checked and updated, where required, in anticipation of the COVID Inquiry.

Minute
Virtual Programme Co – Ordination Group
Thursday 10th February 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Tuesday 18th January

Action Point 1 – [redacted] to include agenda item of ‘Cost Increases’ in any future ‘Continuous Improvement’ meeting planned with **Area Teams. – COMPLETED.**

[redacted] advised that a meeting on material cost increases was scheduled for that afternoon and confirmed that this matter was distinct from the meeting on ‘Continuous Improvement’ that will be arranged with Area Teams.)

Action Point 2 – [redacted] to provide **Central Team** with update following any future meetings with [redacted] - **COMPLETED**

Action Point 3 – [redacted] asked **Area teams** to compile a list of outstanding completions for each of their local authorities and highlight those at risk of not completing before the end of March. – **ONGOING – Central Team sent out spreadsheet to be updated by Area Teams.**

Action Point 4 – [redacted] asked **Area Teams** to write to Councils and RSLs to remind partners what is expected of them with regards to spend this financial year and to reinforce what still remains to be done before the end of March. – **ONGOING – Various communications including emails and meetings have taken place between Area Teams and Councils confirming the current position and expectations to the year end.**

Action Point 5 – [redacted] asked **Area Teams** to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted] - **ONGOING**

2. Programme 2021/22

[redacted] provided an update on the programme.

During January, there was spend of £32.1 million, taking the total for the year to just over £423 million, which is [redacted]% of the current expected outturn.

At the same time last year £437 million had been spent, so the current spend is £14 million behind last year.

In terms of spend against profiles, the capital grant programme is behind profile by £85.7 million, and the Financial Transaction (FT) spend is behind by £14 million.

The expected grant outturn to the end of the year has reduced by £60 million since last month to £[redacted] million, and the expected FT outturn has reduced by a further £3 million to £[redacted] million. [redacted] Capital receipts are sitting at £18 million, against the expected £20.4 million for the year.

In January, there were 319 approvals, 565 site starts and 543 completions. Overall, expected outturns have reduced since last month – by 176 for approvals, 201 for site starts and 425 for completions. The total estimated completions to the end of the year is now sitting at 10,033 which brings the total estimate to 51,397 against the 50,000 target.

The actual social / affordable split, is currently sitting at 67% with the expected outturn to the end of the year at 73% social.

[redacted] pointed out that spend for February so far is very slow. Opportunities for additional capacity have already been discussed with [redacted] but there is very little other scope for spend from the contingency pot. [redacted] asked that for areas where slippage has been reported, that Area Team leads explain if the situation could worsen, what notice was given of the slippage, when the remaining claims are expected to come in, and what is being done to mitigate any issues.

[redacted] – It was mentioned at the last PCG meeting that the expected out-turns were only likely to decrease and this has happened. There are changes to expected out-turns for spend in [redacted] where a [redacted] Section 75 project where payment is due on completion, is having issues with utilities connections. Another project is delayed due to contractual issues and the Rental Off the Shelf (ROTS) Units previously expected are not materialising as the housing market in those areas is strong meaning the council are unable to compete with the high prices on the open market. Updates on these projects were received the week prior to PCG. In [redacted] acquisitions have been delayed due to planning issues and are now unlikely to complete before year end. Numbers of previously expected ROTS properties have also dropped. In [redacted] there are site issues associated with negotiating costs of contracts, some projects on site are experiencing issues with delays due to materials and labour issues which is impacting on claims. The council is also experiencing resourcing issues. [redacted] is in a similar position. [redacted] has seen delays in completions due to the same issues impacting on spend and unit expected out-turns. For [redacted] it was unlikely from the start of the year that they were going to spend their full RPA and there have been delays to acquisitions and tenders. In [redacted] there are three projects with £[redacted] spend attached that are currently with SG for review which were mentioned at PCG last month, these are still with us. The council recently advised that they are now expecting a [redacted] underspend outwith those projects.

[redacted] noted there are some local authority areas that are closer to spending their expected out-turns and asked about the balance of risks regarding what is still to come in.

[redacted] stated there are not a lot of acquisitions outstanding and the team are as confident as they can be in the figures. One of the main issues is that progress on sites is slow. [redacted] will provide [redacted] with more detail on the [redacted] programme.

Action Point 1 – [redacted] to discuss detail of [redacted] programme separately with [redacted].

[Redacted] asked Area Team leads to provide feedback on any outstanding acquisitions and asked that they highlight the importance of them with local authorities/RSLs so that they can definitely be processed before the end of the year.

Discussion took place around the challenges faced by rural local authorities and ways to increase capacity. High RPAs received by rural areas as a result of SHIF was also mentioned and how this can be challenging and difficult for local authorities to build the capacity to fully utilise them.

[redacted] committed the Central Team to carry out post financial year end analysis of RPAs and actual spend by local authority to identify areas that consistently do not spend their full allocation and identify areas that may require further interventions.

Action Point 2 – Central Team to consider analysis that can be carried out to explore what was delivered where, following year end.

Strategic approaches to dealing with delivery in rural areas was brought up as well as understanding and working around rural dynamics and looking at more long term impacts rather than short terms goals.

Discussion also took place around [redacted] sites made available through the public sector land trawl and the time and effort taken to move forward with these sites.

Action Point 3 – [redacted] to follow up on issues with the process for securing surplus [redacted] sites through the trawl process.

[redacted] noted the expected out-turn for [redacted] dropped by a further [redacted] million following discussion with the council and meetings with delivery partners. These figures are realistic. There are a number of delays on sites causing spend to be slow in the programme. COVID isolation has led to decreased performance on sites. There is a lack of RSL capacity to deliver more in [redacted] and opportunities in [redacted] are not available to pick up any dips elsewhere in the programme. [redacted] is performing well, there are Section 75s approved and delivering. [redacted] is doing fine in terms of spend although there is a complicated internal planning process for approving and moving forward with sites which is leading to delays. In [redacted] there are issues with contractor availability. A large project at [redacted] received no tenders following a recent retender exercise. There is other

economic activity on the [redacted] which is meaning there is no capacity for housing projects.

[redacted] asked if it was worth exploring whether procurement for the delivery of affordable housing could piggy back on other major infrastructure projects currently underway. [redacted] stated housing is seen as less of a priority than other projects but would explore that possibility. [redacted] has dropped expected out-turns due to delays in projects, including land transfer site delays and crofting issues. On the whole the programme is made up of a lot of small rural projects which are challenging to deliver.

Action Point 4 – [redacted] to explore the potential for joined up approach with other large scale construction projects to procure contractors in [redacted].

[redacted] enquired whether teams thought having a central resource to aid with land acquisitions and planning would improve the situation.

[redacted] was unsure this would make an impact as a lot of the sites come with issues and suggested it would be better to resolve some of the current issues within local authorities rather than introducing a new process. [redacted] mentioned that sometimes it is who owns the land that can lead to issues.

[redacted] noted there has been no further slippage to that reported. Projects on site are running slowly with COVID causing delays especially to smaller developments with smaller teams. There are ongoing resourcing issues in local authorities including vacancies and loss of key staff. In [redacted] in particular there are delays in the planning process including pre-planning meetings. There are also a number of expensive tenders coming in. There has been limited changes to [redacted] there is a [redacted] site involving [redacted], which is currently with lawyers but the team is hopeful it may be processed this year, but this is likely to mop up slippage in other areas if it does go through rather than increasing overall capacity. [redacted] expected outturn has not changed since the end of January although some is tied up in bulk spend including buybacks where claim is not put through until all have been bought, and with the [redacted] situation [redacted] which is involving SGLD and remains at risk. The council is aware of the importance of getting spend in. There will be spend associated with Section 75s once they go through. [redacted] are likely to spend their expected out-turn, the team are in touch with the council regarding a tender they hope will be submitted before year end. There are 3 or 4 acquisitions outstanding in [redacted] but the team are confident they will happen this year. [redacted] expected spend decreased slightly in January due to delays at [redacted] which now needs the [redacted] approval and a £2 million acquisition is currently at risk but the team are in contact with the council. A buoyant housing market is making the number of off the shelf purchases limited so buyback targets are not likely to be achieved in any of [redacted] council areas.

[redacted] overall the programme is experiencing some ups and downs, there have been increases in spend, approvals and starts. There has been an agreement with [redacted] for council houses to be supported through the AHSP. This increase in spend is mitigating slippage in other areas. [redacted] expected out-turn has gone down by [redacted] which was declared on February 9th, this may go down further,

there are general delays across [redacted]. Expected out-turns in spend and units are down in [redacted]. There are a number of complex projects in particular in the city centre which is having an impact on the programme. There is also an issue with Scottish Water and issues with retendering due to high costs. There is an acquisition worth £1.5 million in [redacted] which was hoped to go through this year but is now not likely, this was found out on February 8th. There are projects in the area being delayed due to planning issues. All expected out-turns have been reduced in [redacted]. This is due to slippage in numbers of off the shelf purchases, issues with sites such as road construction consent and negotiations with new contractors. The team continues to keep up communications with local authorities.

Action Point 5 – [redacted] to keep the Central Team apprised of progress with [redacted] housing projects.

[redacted] reported the programme is progressing well at the moment. The team have agreed an additional [redacted] spend with the Central Team. There is unlikely to be any additional capacity, there may be slippage in some areas, with underspend likely in the [redacted], so any additional capacity would mitigate that. There may be a potential issue with the [redacted] worth £1.8 million. Everything else is going well so far. There are a number of programme meetings coming up so the team remain up to date with progress. [redacted] also mentioned there is a potential for additional spend on Adaptations should there be any available resource.

Action Point 6 – [redacted] and [redacted] to follow up with [redacted and [redacted] regarding additional capacity for Adaptations spend.

[redacted] asked that area teams keep the Central Team informed about any other slippage. We will be reporting underspend so it is important that the team are kept informed so an up to date picture is presented. Any changes to units should also be reported, the expected out-turn for completions is now just over 10,000.

[redacted] mentioned that there was unlikely to be the same requirement this year for an end of financial year process. [redacted] agreed to discuss separately.

[redacted] said discussions will be picked up after the meeting and the end of year analysis discussed previously will be an important tool to review the programme. Teams should keep doing what they are doing and continue to keep encouraging partners to submit claims. [redacted] thanked the teams for all their hard work.

3. SHIPs

[redacted] provided an update on the SHIP reviews and the most up to date feedback letter. Teams are reminded to ensure that templates are completed and in erdm. The SHIP feedback letter has now been updated to include corporate messaging. [redacted] provided feedback to [redacted] letters which will be circulated after the meeting to show other teams an example of what should be included in their feedback letters including wording on common themes. Teams provided updates on their progress with drafting letters with some teams having drafted the letters but not sent to [redacted] for feedback as yet and other teams

having pulled together the information but not yet drafted the letters. The teams agreed that all letters would be ready to send by Friday 11th March.

Action Point 7 – [redacted] to circulate draft SHIP feedback letter to Area Teams for use in drafting their own letters.

Action Point 8 – Area Teams to have SHIP letters drafted and reviewed for issuing prior to 11th March.

3. AOCB

[redacted] asked area teams to again remind local authorities who have Local Housing Strategies (LHS) due this year to update the team on when the LHSs are likely to be completed and for teams to forward this information on to [redacted] and [redacted].

[redacted] will recirculate the spreadsheet showing what LHSs are due to area teams.

Action Point 9 – Area Teams to continue to ask Local Authorities who have Local Housing Strategies due to be updated when they are expected to be complete and for Area Teams to update [redacted] and [redacted].

Action Point 10 – [redacted] to recirculate spreadsheet showing which Local Housing Strategies are due to be updated this year.

[redacted] took the opportunity to thank [redacted] for his contribution to More Homes Division over the years and wished him well in his retirement. This was echoed by colleagues.

4. Future Dates

- 15 March 11:00 – 12:30
- 21 April 11:00 – 12:30
- 17 May 11:00 – 12:30
- 21 June 11:00 – 12:30

Action Points

Action Point 1 – [redacted] to discuss detail of Glasgow programme separately with KH.

Action Point 2 – Central Team to consider analysis that can be carried out to explore what was delivered where following year end

Action Point 3 – [redacted] to follow up on issues with the process for securing surplus NHS sites through the trawl process.

Action Point 4 – [redacted] to explore the potential for joined up approach with other large scale construction projects to procure contractors in [redacted].

Action Point 5 – [redacted] to keep the Central Team appraised of progress with [redacted] housing projects.

Action Point 6 – [redacted] and [redacted] to follow up with [redacted] and [redacted] regarding additional capacity for Adaptations spend.

Action Point 7 – [redacted] to circulate draft SHIP feedback letter to Area Teams for use in drafting their own letters.

Action Point 8 – Area Teams to have SHIP letters drafted and reviewed for issuing prior to 11th March.

Action Point 9 – Area Teams to continue to ask Local Authorities who have Local Housing Strategies due to be updated when they are expected to be complete and for Area Teams to update [redacted] and [redacted].

Action Point 10 – [redacted] to recirculate spreadsheet showing which Local Housing Strategies are due to be updated this year.

Minute
Virtual Programme Co – Ordination Group
Tuesday 18th January 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] Chair	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM)	

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Tuesday 14th December

[redacted] noted the following updates to the December PCG Minutes, page 5:

The text

[redacted] noted that a contractor on a project has indicated a substantial increase to price due to significant cost increases, primarily related to material price increases. However, this project is a fixed price contract.

To be updated to

[redacted] noted that a contractor on a project has indicated a substantial increase to price due to significant cost increases, primarily related to price increases for materials. However, this project is a fixed price contract.

The text

[redacted] highlighted the recent article on Saltire relating to preparing for the COVID Inquiry [redacted].

To be updated to

[redacted] highlighted the recent article on Saltire relating to preparing for the COVID Inquiry [redacted] Given this, it was noted that we should ensure that information which we had previously gathered on interventions which had been introduced to ease the impact of the pandemic was up-to-date.

Text removed

[redacted] noted previous work which had been undertaken to collate interventions to support developers [redacted]. It was suggested that it would be useful to update this work and make sure the material was up to date if required for the Inquiry.

Action Point 1 – [redacted] to organise follow up sessions for **Area Teams** on the continuous improvement proposals in early 2022. – **ONGOING**

[redacted] noted that plans for future meetings were still to be finalised.

Action Point 1 – [redacted] to include agenda item of ‘Cost Increases’ in any future ‘Continuous Improvements’ meetings planned with **Area Teams**.

Action Point 2 – [redacted] to circulate summary email on update to SHIPs admin process including the additional template to **PCG Members**. – **COMPLETE**

Action Point 3 – **Area Teams** to forward any queries or feedback on the update to SHIPs admin to [redacted] and [redacted]. – **COMPLETE**

Action Point 4 – [redacted] to provide update to **Central Team** following meeting with [redacted] Chief Executive. – **COMPLETE**

[redacted] noted that future meetings with [redacted] have been scheduled

Action Point 2 – [redacted] to provide **Central Team** with update following any future meetings with [redacted].

Action Point 5 – [redacted] to provide update to **Central Team** following meeting between [redacted] and Highland Council. – **COMPLETE**

Action Point 6 – [redacted] asked **Area Teams** to track and record significant differences in Local Authority RPAs and outturn spend and to flag areas where it may be productive to escalate further.

Action Point 7 – [redacted] asked for details of projects where completion is at serious risk, as a result of material price increases post tender approval. **Central Team** to issue spreadsheet and [redacted] to arrange meeting with procurement colleagues to discuss SG approach.

Post meeting note – [redacted] and [redacted] will issue a spreadsheet for completion as soon as possible. – **COMPLETED**

[redacted] asked **Area Teams** to please ensure ‘Completions at Risk’ spreadsheet had been updated with requested information pending any future discussions.

Action Point 8 – [redacted] to recirculate to **Area Teams** spreadsheets relating to COVID specific new build off the shelf purchases from developers and additional costs claims for them to be checked and updated, where required, in anticipation of the COVID Inquiry. – **COMPLETED**

2. Programme 2021/22

[redacted] provided an update on the programme.

Spend in December was £55.1 million. Total spend has now reached £390.9 million which is [redacted] of the current expected outturn. Compared to £368 and £426 million in 2020-21 and 2019-20 respectively. The current spend is approximately £36 million behind the last normal year of programme. Capital grant is behind profile by £44.1 million and financial transactions are behind by £10.5 million. The

expected outturn has reduced compared to last month [November] and this has increased the [redacted]. Capital receipts are sitting at £17.4 million against the expected £20.4 million for the year.

In December there were 533 approvals, 426 starts and 807 completions. Expected outturns have all decreased since November. Approvals have decreased by 81, starts by 118 and completions by 207. The total expected outturn of completions is now 10,458 which would bring the end of year total to [redacted] against the 50,000 target. The end of year expected social split is 73%.

[redacted] also noted that below the line spend expected outturns, have also decreased. [Redacted]

[redacted] noted the previous extra capacity of [redacted] has been agreed. With the exception of [redacted] all areas are progressing well with spend and RPAs are expected to be met. Any underspend [redacted] the [redacted] will be absorbed through other areas. [redacted]. [redacted] spend has increased, however, there remains work to do to reach the expected outturn. [redacted] have only taken [redacted] in extra capacity, however, it is unsure if any further funds will be requested. There is potential for even more extra capacity [redacted] if, all current targets are met. There are approximately [redacted] homes remaining to approve, with half of those in [redacted]. The team are confident in reaching targets by year end and there may be potential to exceed. [redacted] have already exceeded their target and [redacted] are nearly there. Site starts are proving more difficult. These are reliant on approvals. Overall these may fall short of target but not by many. Any that do slip from this year will be picked up in 2022-23. The team are still expecting a post-Christmas/New year boost. There are still a lot of completions left to finalise. All areas, apart from [redacted] who have reached their target, have a lot to do. Final position is expected to be close to the target.

[redacted] noted there was no real change to the figures provided in the PCG report and best estimates have been provided with the information made available. [redacted] spend expected outturn has now dropped below £5 million. [redacted] spend still expected to meet RPA. However, there are issues with approvals, starts and completions which has led the team to expect that spend may decrease in quarter four. There is a potential delay to [redacted] approvals which may affect spend. Areas are reliant on ROTS homes with associated monies. These may be affected by market availability. The team continue to promote any potential acquisitions and land banking.

[redacted] requested any potential lines or procedures for dealing with potential high cost tenders, as more are expected in quarter four.

[redacted] suggested that careful consideration should be given to any potential external communications to partners [redacted]

[redacted] also stressed the importance of internal messaging [redacted]

[redacted] highlighted problems surrounding communication with Councils, leaving the team to investigate problems and source specific information themselves.

Meetings today to be held with all RSLs and development partners associated with [redacted] Previous meeting with [redacted] was disappointing. [redacted] are facing difficult times ahead with not enough RSLs to cover the area and lack of capacity within the Council. Figures provided are realistic with the best information available. Overall, starts expected outturn have decreased by [redacted] homes. [redacted] have indicated their remaining tenders will be submitted 26th March 22, however, the team have indicated this may be a risk. Overall, completions are on track. There are a lack of projects going on site which is affecting spend. [redacted] are looking to secure big sites, however, they lack the capacity. One large project in [redacted] still to approve, however, there are doubts here. More information will be available next week [week commencing 24th January]. [redacted]

[redacted] also noted that following an appeal by [redacted]

[redacted] noted to date there has been spend of [redacted] million in January. To date approvals have increased to [redacted], starts to [redacted] and completions to [redacted]. Delay in [redacted] with starts to the [redacted] project ([redacted] homes), slipping into February, however, the team are still confident the project will start this year. There are no changes to the [redacted] figures, however, Council staff have been informed they may be redeployed to Health and Social Care which could impact on resources for the programme. Some projects are still to be approved in the area, staff movements may affect this. Figures are still being sought from [redacted] for projects. Some figures were provided before Christmas, but there were discrepancies. The team hope to have a clearer picture soon regarding extra capacity. There is [redacted] million slippage in [redacted] due to delays, legal issues and high costs. There is no change to [redacted] figures. Large spend profiled for March, which is concerning which involves a [redacted] £1.5 million acquisition. It is proving difficult to get information here. No change to [redacted]. Additional spend reported in [redacted] with opportunity for additional [redacted] off the shelf homes and [redacted] off the shelf homes. No change to [redacted]. An agreement has been made here to increase grant per unit for 2nd hand purchases. [redacted] Both [redacted] have projects at this site.

[redacted] noted the figures provided were the worst case scenario with the best information provided. [redacted] dropped in [redacted] due to planning issues. A new system has been setup to improve this issue. Sites in the area are mainly brownfield sites which require additional cleaning. There is a meeting planned this week with RSLs in [redacted]. The biggest concern in the area is [redacted]. [redacted] have [redacted] spend to go ahead with signed missives, legal have confirmed. [redacted] are progressing well. There is a [redacted] acquisition in [redacted] due to arrive by the end of March, however, will be processed this year. Nothing major to report in [redacted] overall, quiet.

[redacted] noted OMSE has dropped £5 million from their spend expected outturn.

[redacted] noted that RIHF spend expected outturn has dropped and there is still some risk, however, there is currently no slippage expected.

[redacted] mentioned she would check Veterans figures again.

Action Point 3 – [redacted] asked **Area teams** to compile a list of outstanding completions for each of their local authorities and highlight those at risk of not completing before the end of March.

Action Point 4 – [redacted] asked **Area Teams** to write to Councils and RSLs to remind partners what is expected of them with regards to spend this financial year and to reinforce what still remains to be done before the end of March.

3. AOCB

[redacted] reminded PCG members about the current Rural Space work and asked members if they could communicate any issues surrounding remote rural and island areas.

Action Point 5 – **LB** asked **Area Teams** to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted]

[redacted] suggested to **Area Teams** that the next stage of issuing SHIP letters would be postponed to next PCG Meeting [10th February 2022]. This would allow for all to reach the same position and establish cohesive messaging.

PCG members agreed.

4. Future Dates

- 15 March 11:00 – 12:30
- 21 April 11:00 – 12:30
- 17 May 11:00 – 12:30
- 21 June 11:00 – 12:30

Action Points

Action Point 1 – [redacted] to include agenda item of 'Cost Increases' in any future 'Continuous Improvements' meetings planned with **Area Teams**.

Action Point 2 – [redacted] to provide **Central Team** with update following any future meetings with [redacted].

Action Point 3 – [redacted] asked **Area teams** to compile a list of outstanding completions for each of their local authorities and highlight those at risk of not completing before the end of March.

Action Point 4 – [redacted] asked **Area Teams** to write to Councils and RSLs to remind partners what is expected of them with regards to spend this financial year and to reinforce what still remains to be done before the end of March.

Action Point 5 – [redacted] asked **Area Teams** to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted]

Minute
Virtual Programme Co – Ordination Group
Tuesday 15th March 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM) (part)	

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Thursday 10th February

Action Point 1 – [redacted] to discuss detail of [redacted] programme separately with [redacted] – **ONGOING**

Action Point 2 – Central Team to consider analysis that can be carried out to explore what was delivered where following year end – **ONGOING**

Action Point 3 – [redacted] to follow up on issues with the process for securing surplus [redacted] sites through the trawl process – **ONGOING**

Action Point 4 – [redacted] to explore the potential for joined up approach with other large scale construction projects to procure contractors in [redacted] – **ONGOING**

Action Point 5 – [redacted] to keep the Central Team apprised of progress with [redacted] council housing projects – **ONGOING**

Note: Area team has set deadline for applications from [redacted] at 15th March

Action Point 6 – [redacted] and [redacted] to follow up with [redacted] and [redacted] regarding additional capacity for Adaptations spend – **COMPLETE**

Note: £2 million reallocation of funding to Adaptations following submission to Minister

Action Point 7 – [redacted] to circulate draft SHIP feedback letter to Area Teams for use in drafting their own letters – **ONGOING**

Action Point 8 – Area Teams to have SHIP letters drafted and reviewed for issuing prior to 11th March. – **ONGOING**

Note: 5 letters remaining from [redacted] area

Action Point 9 – Area Teams to continue to ask Local Authorities who have Local Housing Strategies due to be updated when they are expected to be complete and for Area Teams to update [redacted] and [redacted] – **ONGOING**

Action Point 10 – [redacted] to recirculate spreadsheet showing which Local Housing Strategies are due to be updated this year – **COMPLETE**

2. Programme 2021/22

[redacted] provided an update on the programme to end of February and, using 'Daily Reports' provided by the Central Team, up to 15th March.

In February a total of £58.4 million had been spent taking the total spend to £481.460 million, which is [redacted]% of the current expected outturn. Capital grant is behind profile by £133.4 million and FT spend is behind profile by £19.89 million. Grant expected outturn spend has reduced by £38 million since last month to £[redacted] million and, FT expected outrun spend has reduced by £8 million to £[redacted] million. Capital receipts are at £20.374 million against the outturn of £20.4 million with potential for a further £2 million.

In February, there were 831 approvals, 771 starts and 1,494 completions. Overall, expected outturns have reduced by 352 approvals, 687 starts and 620 completions. The overall expected completions outturn for the year is now 9,415. The actual social/ affordable split is 66% with the expected outturn for the end of the year at 75%.

To date £37.984 million has been spent, with the total spend now at £519.408 million. This is [redacted]% of the current expected outturn. This leaves £[redacted] million left to spend. To date there are £2.198 million worth of claims currently on HARP.

To date, there have been 374 approvals, 267 starts and 178 completions. This now leaves 1,624 approvals, 1,159 site starts and 1,197 completions yet to deliver by end of the year. The overall expected completions outturn for the year, to date, is now 9,468.

[redacted] noted that total completions against the 50,000 target were, to date, 46,635.

[redacted] noted minor changes. Approvals in Highland are down, due to a loss of one project. However, there is potential for [redacted] in [redacted] to contribute 72 homes, a net increase of 41 homes. The [redacted] project will be above benchmark and will need delegated authority and will require a quick turnaround. One project may slip in site starts, and reduce outturn to [redacted] homes. Completions may increase by [redacted] homes, all in [redacted].

Action Point 1 – Central Team to distribute spreadsheet (eRDM Link) to **Area Teams** to populate with any upcoming acquisitions or tenders which will require approval from Colin MacBean before end of financial year.

*Post meeting note: deadline for return ASAP as information to be passed to **CM** by Monday 21st March*

[redacted] noted spend and approvals are fine, but, starts and completions are down. Spend increased by £15.5 million with some further potential extra capacity available, with early estimates at £2.5 million, but potential for more. [redacted] spend had dropped by £1.7 million from RPA, which will be absorbed within the wider [redacted]

Post meeting note: [redacted] spend outturn now increased again by £1.7 million to original RPA.

Other local authorities will either meet or exceed their RPAs. No indications have been made this will not be achievable. Approvals now increased to [redacted] over target. [redacted] have indicated potential for approximately [redacted] over their target, however, this will be monitored. Site starts will not meet their target. To date there have been a further [redacted] starts recorded. [redacted] will need to remove some starts from their estimated figures. No change to expected completions, which should not worsen.

[redacted] asked [redacted] to provide more details regarding the potential £2.5 million extra capacity.

Action Point 2 – [redacted] to provide breakdown of available extra capacity in [redacted] to Central Team. Post meeting note – completed.

[redacted] noted that the expected out-turn figures are still the same. To date, spend has now increased to [redacted] million, with the expected outturn of [redacted] million still achievable. [redacted] million of this target relates to acquisitions, with the vast majority of these already been submitted. [redacted] claim expected this week [beginning 14th March] relating to [redacted] buyback programme, with an associated [redacted] homes. [redacted] payment has been approved with £4.6 million due to be claimed, following signatures from lawyers. 194 approvals left to approve, 100 of which have been submitted. Site starts total [redacted] with 216 left to deliver. 273 completions remain. Two projects, totalling between 40 and 50 homes, from [redacted], will now complete in April. However, in [redacted] have indicated a 76 home project for completion that was expected in 2022-23.

Action Point 3 – [redacted] to provide an update, as soon as possible, to Central Team regarding progress of [redacted] project claim.

[redacted] noted that expected spend outturn continues to drop. Rental off the shelf programmes across all local authorities have decreased due to market factors. [redacted] initially noted that their RPA would not be met. This was reduced to between [redacted] million. Further decreased to [redacted] and now, to date, [redacted] million. Factors still ongoing include [redacted] Indications are that [redacted] do not have enough programme to deliver against their 5 year RPAs. [redacted] spend outturn is now under their RPA. [redacted] underspend in [redacted] further reduced by £600,000. This outturn assumes the outstanding £3 million will still be endorsed and processed. Top-sliced programmes; [redacted] and

[redacted] are all still indicating they will outturn their targets. Approvals impacted by rental off the shelf issues. [redacted] tender, 5 homes, in [redacted] still not submitted due to outstanding issues including de-crofting. 3 projects awaiting endorsement, slowly moving forward with discussions held between the Cabinet Secretary and [redacted] Council Convener. [redacted] from Chief Surveyors team, has been drafted in to help with technical appraisals.

[redacted] asked for an update to [redacted] spend and expected outturn.

Action Point 4 – [redacted] to provide update to **Central Team** regarding outturns for core programme and top-sliced programmes; [redacted]

[redacted] noted that there appear to be significant structural and delivery issues across rural local authorities.

Discussion took place around rural issues including allocation of resources and SHIF [redacted] noted the ongoing discussions around the Remote Rural Islands Action Plan and mentioned the importance of looking at our programme and how we can develop capacity.

[redacted] suggested a separate meeting around rural issues.

Action Point 5 – [redacted] to organise a further meeting with **Area Teams** to discuss rural housing issues

*Post meeting note: **Action Point (February PCG Meeting)** – [redacted] asked Area Teams to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted] – still applicable to **Action Point 5***

[redacted] noted concerns with [redacted] outstanding spend in [redacted]. Three tenders still to come in with associated spend. It is hoped the outturn will be met, however, there may be some slippage. [redacted] build submission is due today for approval with large claims associated. One of these submissions requires to be submitted to **CM** for delegated authority approval. Three big projects on site with large claims still expected. There are also buybacks expected. Expected outturns for approvals and site starts to be adjusted. **CM** is considering potential uplift relating to [redacted] project where contractor has indicated they cannot deliver on original tender price. If approved, potential for £1.5 million spend. There is also a potential [redacted] project which could spend an additional £700,000 relating to acquisition. [redacted] is trying to accelerate an acquisition, with potential spend attached. No change in [redacted] or [redacted]. [redacted] outturn spend to be increased by £500,000, [redacted] homes still expected to be approved. Two tenders in from [redacted], however, both are considerably over benchmark. Potential additional spend could total £3.8 million, however, this may come from [redacted] slippage. No request for additional funding as of yet.

Post meeting note: [redacted] noted the potential acquisition [redacted] had been trying to accelerate would not happen this year due to disagreement over site valuation and purchase price. [29th March]

3. AOCB

[redacted] noted that a draft Benchmark Calculator had been issued to teams for internal testing. [redacted] reminded teams to please utilise and provide feedback. The plan is to incorporate the calculator into updated guidance and potentially integrate with the HARP system.

CM noted a thank you to all **PCG members** in recognition of all the work and creative thinking by all to overcome some of the challenges that have arisen this year.

Action Point 6 – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already undertaken.

4. Future Dates

- 21 April 11:00 – 12:30
- 17 May 11:00 – 12:30
- 21 June 11:00 – 12:30

Action Points

Action Point 1 – Central Team to distribute spreadsheet (eRDM Link) to **Area Teams** to populate with any upcoming acquisitions or tenders which will require approval from Colin MacBean before end of financial year. – **COMPLETE**

Post meeting note: deadline for return ASAP as information to be passed to Colin by Monday 21st March

Action Point 2 – [redacted] to provide breakdown of available extra capacity in [redacted] to **Central Team** – **COMPLETE**

Action Point 3 – [redacted] to provide an update, as soon as possible, to **Central Team** regarding progress of [redacted]. - **COMPLETE**

Action Point 4 – [redacted] **Team** to provide update to **Central Team** regarding outturns for core programme and programmes below the line; [redacted] **COMPLETE**

Action Point 5 – [redacted] to organise a further meeting with **Area Teams** to discuss rural housing issues

*Post meeting note: **Action Point (February PCG Meeting)** – [redacted] asked Area Teams to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted] – still applicable to **Action Point 5***

Action Point 6 – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out.

Minute
Virtual Programme Co – Ordination Group
Thursday 11th November 14:00 – 15:30
Microsoft Teams Meeting

Attendees:

[redacted] Chair	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM)	

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Tuesday 19th October

Action Point 1 – [redacted] to follow up with construction colleagues on procurement issues in relation the Scottish Government's position on the matter. – **ONGOING** – [redacted] **will follow this up**

Action Point 2 – [redacted] asked **Area Teams** to continue efforts to maximise any potential land acquisitions this financial year. – **COMPLETED but area teams asked to continue this**

Action Point 3 – [redacted] asked **Area Teams** to:

- reinforce messaging with partners around the purpose of the benchmarks system, which is simply a tool to determine the appraisal route that an application for grant funding follows rather than a grant rate or grant ceiling
- ensure that no tender offer of grant is issued from now on until a Housing Tender Return is submitted (as per the Cabinet Secretary's decision), and
- familiarise themselves with the content of the final report on the outcome of the review, and the letter communicating the Cabinet Secretary's decision (when issued), in order to be able to respond to questions from partners. Any questions which cannot be answered following consideration of this material should be directed to [redacted] and [redacted]. – **COMPLETED**

Action Point 4 – [redacted] reminded **Area Teams** to continue to update the RSL social rent benchmarks monitoring sheet throughout the year, noting that a number of PQs had been received on this topic in recent weeks. – **COMPLETED**

Action Point 5 – [redacted] also asked **Area Teams** to remind partners to correctly code known veterans' homes on HARP at tender stage and, if **Area Teams** become aware of homes being allocated to veterans post tender approval, to notify [redacted]. – **COMPLETED**

[redacted] asked **Area Teams** to confirm partners are aware of the Tender Return process now in place. **Area Team** leads confirmed this.

2. Affordable Housing Investment Benchmarks

[redacted] noted that a number of emails had come in from Area Teams from partners surrounding the new benchmarks and confirmed that these would be answered shortly.

Action Point 1 – [redacted] to issue responses to Area Team queries on the implementation of the new benchmark system.

[redacted] also noted that the Cabinet Secretary and Sally Thomas from the SFHA would be meeting later that day and that they are expected to discuss, amongst other items, proposals to introduce a programme of continuous improvement as a condition of grant funding.

[redacted] proceeded to open the discussion to **PCG members** to provide any feedback from partners regarding the new benchmarks with the following actions agreed.

Action Point 2 – [redacted] to organise a meeting with **Area Team** leads to discuss Scotland's Housing Network's "Value for Money in New Affordable Homes Tool" at an appropriate point.

Action Point 3 – [redacted] to update the [redacted] over the coming months to reflect current borrowing assumptions.

Action Point 4 – [redacted] to circulate feedback following the upcoming meeting with Cabinet Secretary and the SFHA.

3. Grant Offer Letters

[redacted] noted that SGLD has confirmed there is no requirement to retrospectively issue hard copy offers of grant.

Action Point 5 – [redacted] to provide written confirmation to **Area Teams** on the decision that hard copies of grant offers do not have to be issued retrospectively as soon as this is available from SGLD.

4. Programme Update 2021-22

[redacted] noted in the month of October a total of £41.9 million was spent, bringing the total to £289 million, which is 35 per cent of the total expected outturn spend. This was compared with £218 and £297.4 million in 20-21 and 19-20 respectively. Both capital and financial transaction spend is below profile. [redacted]. Financial transactions expected outturn had decreased by £4 million. Receipts were at £18.3 million with an unchanged outturn of £20.4 million.

In October there were 539 approvals, 711 site starts and 1,157 completions, all were below profiles. The social split was still at 73 per cent.

[redacted] noted that to date, approximately, a further £20 million had been spent in November. On average per month there had been £50 million spent; in October this had dropped to £42 million.

[redacted] also noted that, reflecting the challenging position, a proposal [redacted] has been submitted to the Cabinet Secretary.

[redacted] noted that underspend had previously been recorded. Projects that were delayed previously due to COVID are now on site and maxed out on expenditure creating a gap until new projects are approved and on site. There are ongoing issues in [redacted] over the ability to deliver. Unexpectedly, some [redacted] houses have potentially become available in [redacted] with an estimated £3 million attached. [redacted] projects continue to struggle, particularly the [redacted] with materials, high costs and labour issues. There is a meeting planned with [redacted] and the Cabinet Secretary. [redacted]

Original Line:

There is a delay with the [redacted] project in [redacted] as a result of issues with [redacted] planning and road design.

Updated Line:

[redacted] has completed and was officially opened by Cabinet Secretary. There were issues with [redacted] whilst it was being designed and then on site due to inflexibility. [redacted]. Ms Robison has asked for some further information which will hopefully assist where there is such an inflexible approach to design.

[redacted] also noted that [redacted] Council had lost all staff with HARP training and were in the process of retraining staff to use HARP which is causing delays.

[redacted] noted that all parties are trying to mitigate slippage. The latest submissions are returning project costs around £200,000 – £212,000 per unit, mainly in [redacted] and [redacted]. One RSL has stated that development costs are causing them to reconsider viability of developing. Projects were being submitted over benchmark ranging from £95,000-£150,000 3pe. There are no changes to date to figures previously submitted. There is slippage in [redacted] of [redacted] due to planning and material shortages. [redacted] approvals and starts have decreased due to a project being re-tendered. [redacted] have dropped 10 completions due to slow progress. [redacted] potential for [redacted] extra spend. RSLs continue to communicate with the team around issues.

[redacted] noted no change to outturn figures reported. [redacted] had signed off on a [redacted] home project in [redacted] which has now started. Costs per unit are increasing upwards of £206,000. Tenders have been going back and forth due to increase in costs. Completions have been low but are expected to pick up in January. Approvals have been challenging, however, there are no confirmed issues as yet. Potential spend could decrease in [redacted] and [redacted]. [redacted] has some acquisitions which could be viable. [redacted] outturn spend has reduced to [redacted], but talks are ongoing to source future acquisitions. Potential acquisitions in [redacted] are being progressed to absorb any slippage. To date spend has

increased to [redacted] million, approvals increased to [redacted] and an increase in site starts to [redacted].

[redacted] noted there is a meeting tomorrow [12 November] with [redacted] Council to discuss the programme. [redacted] noted that an extra £3 million capacity can be taken in the [redacted] and £1 million in [redacted]. £3 million will be split equally between [redacted] and [redacted]. There may be potential for more spend in [redacted] with a possible [redacted]. [redacted] position similar to [redacted], with some acquisitions still to materialise. There are potential extra approvals in [redacted], however, need to keep an eye on carry-forward into next year. [redacted] is moving extremely fast, there may be some potential for further extra capacity but it's unlikely this will be known for another 6-8 weeks. [redacted] spend is slow, but they have identified how they will further spend in the remaining months. There is another possible [redacted] which could produce extra spend. Approvals all fine with the exception of [redacted]. [redacted] saying they will do [redacted] approvals in November, and that they could potentially exceed their target. The team will monitor this. Overall, there are more site starts to go but they are reliant on approvals. Completions still expected to hit target.

Action Point 6 – [redacted] asked [redacted] to escalate the situation regarding [redacted] progress to [redacted], if there are no signs of improvement.

Action Point 7 – [redacted] asked [redacted] to provide an update on [redacted] potential extra capacity after follow-up meetings had been held with local partners.

[redacted] noted [redacted] outturn has decreased from original [redacted] million to [redacted] million, which potentially could still be difficult to achieve. There are issues associated with a large number of small projects; there is therefore concern this could decrease by another [redacted] million, however, that is not definite at the moment. [redacted] outturn still possible, less than original RPA, and to date [redacted] million spent but all profiled spend is end of the year loaded. [redacted] is expecting outturn of [redacted] million spend, good compared to previous years with spend associated to projects all end of year loaded. [redacted] is looking to spend slightly over their RPA. This includes Acquisitions of [redacted] for off the shelf purchases. [redacted] is expecting to outturn [redacted] above RPA but noticing slowdown. [redacted] spend should reach RPA but includes some high cost projects, which may impact on spend. [redacted] noted no extra capacity. [redacted] reduced spend outturn from [redacted] to [redacted] £4 million, due to delays at [redacted] project. [redacted] and [redacted] spend also looking fine. [redacted] spend about [redacted] to go. Large majority of that spend relating to off the shelf acquisitions. [redacted] To date spend increased in [redacted] area by [redacted] and [redacted] in [redacted]. Delays seen in local authority processes and staff shortages especially in [redacted].

5. AOCB

[redacted] noted the upcoming budget which is due to be published on 9 December.

Action Point 8 – [redacted] to circulate SFHA members' survey regarding material shortages to **PCG members**.

[redacted] noted the [redacted] affecting the progress of the programme.

[redacted] and asked members what could be done to help them.

Action point 9 –Central Team to forward to **Area Teams**, for completion, a refreshed template to capture any [redacted] which may impact on programme delivery.

[redacted] noted the draft NPF4 was published yesterday [10 November]. It includes minimum housing all tenure figures that have been signed off and agreed between housing and planning departments within all local authorities.

A consultation period is now open and will run up to around March 2022. A briefing with Q&A will be shared with **area teams** for their engagement with local authorities.

Action Point 10 – [redacted] to circulate to **Area Teams** briefing and Q&A which accompanied the recent publication of draft NPF4. – **Post meeting note - completed**

[redacted] also noted Homes for Scotland is approaching local authorities in relation to survey work that relates to the robustness of the HNDA in relation to existing need. [redacted].

6. Future Dates:

- 14 December 11:00 – 12:30
- 18 January 11:00 – 12:30
- 10 February 11:00 – 12:30
- 15 March 11:00 – 12:30

Action Points

Action Point 1 – [redact] to issue responses to Area Team queries on the implementation of the new benchmark system.

Action Point 2 – [redact] to organise a meeting with **Area Team** leads to discuss Scotland's Housing Network's "Value for Money in New Affordable Homes Tool" at an appropriate point.

Action Point 3 – [redact] to update the [redact] over the coming months to reflect current borrowing assumptions.

Action Point 4 – [redact] to circulate feedback following upcoming meeting with Cabinet Secretary and SFHA.

Action Point 5 – [redact] to provide written confirmation to **Area Teams** on the decision that hard copies of grant offers do not have to be issued retrospectively as soon as this is available from SGLD.

Action Point 6 – [redact] asked [redact] to escalate the situation regarding [redact], if there are no signs of improvement.

Action Point 7 – [redact] asked [redact] to provide an update on [redact] potential extra capacity after follow-up meetings had been held with local partners.

Action Point 8 – [redact] to circulate SFHA members' survey regarding material shortages to **PCG members**.

Action point 9 –**Central Team** to create and forward to **Area Teams**, for completion, a template to capture any potential [redact]

Action Point 10 – [redact] to circulate to **Area Teams** briefing and Q&A which accompanied the recent publication of draft NPF4.

Minute
Virtual Programme Co – Ordination Group
Thursday 21st April 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted],[redacted],[redacted],Colin MacBean
[redacted]

1. Minutes and Matters arising from PCG held Tuesday 15th March

Action Point 1 – Central Team to distribute spreadsheet (eRDM Link) to **Area Teams** to populate with any upcoming acquisitions or tenders which will require approval from Colin MacBean before end of financial year. – **COMPLETE**

Post meeting note: deadline for return ASAP as information to be passed to Colin by Monday 21st March

Action Point 2 – [redacted] to provide breakdown of available extra capacity in [redacted] to **Central Team** – **COMPLETE**

Action Point 3 – [redacted] to provide an update, as soon as possible, to **Central Team** regarding progress of [redacted] project. – **COMPLETE**

Action Point 4 –[redacted] to provide update to **Central Team** regarding outturns for core programme and programmes below the line; [redacted] – **COMPLETE**

Action Point 5 – [redacted] to organise a further meeting with **Area Teams** to discuss rural housing issues – **ONGOING**

*Post meeting note: **Action Point (February PCG Meeting)** – [redacted] asked Area Teams to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted] – still applicable to **Action Point 5***

Action Point 6 – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. – **COMPLETED**

*Note: [redacted] asked **PCG Members** to continue to flag any upcoming potential technical input*

2. Programme 2021/22

[redacted] provided the following update to PCG members. Total spend for March was £190 million taking the total spend to £[redacted] million; £[redacted] capital and £[redacted] million in financial transaction spend.

Post meeting note: total spend for the year increased to £[redacted] million; £[redacted] capital and £[redacted] million in financial transaction spend.

Total receipts had increased to £20.805 million. There were 2,102 approvals, 1,924 starts and 1,655 completions in March. This brings the total figures for the year to 7,829 approvals, 8,227 starts and 9,748 completions. [redacted] noted the completions figure was the highest recorded in 22 years.

Post meeting note: end of year figures reported as: 7,821 approvals, 8,227 starts and 9,757 completions.

[redacted] noted thanks to all PCG members for their work in delivering the programme for the year. Talks with [redacted] are ongoing surrounding the handling of reporting of the 50K target.

[redacted] noted the next PCG meeting would include a wash up and analysis of the 2021-22 programme and asked PCG members to submit discussion points relevant to this, ahead of the next meeting. These will then be pulled together to form the structure of the discussion.

Discussion took place around potential discussion points for the upcoming meeting.

Action Point 1 – [redacted] asked **PCG members** to forward any discussion points relevant to the planned wash up and analysis of 2021-22 and 50k discussion planned for the May PCG meeting. **Central Team** to forward on draft agenda once suggestions are received.

3. Programme 2022/23

[redacted] noted that templates for the profiling exercise for 2022-23 would soon be issued to teams. A return date of the first week in June was suggested and agreed.

Action Point 2 – [redacted] and [redacted] to forward on 2022-23 profile templates and deadline to **PCG members**

[redacted] noted a similar exercise will also be carried out for carry forward in 2022-23. Discussion then took place around the impact that underspend this year may have on carry forward into future years' programmes.

[redacted] noted that the issue of overcapacity in some areas had been raised with the Cabinet Secretary and there was agreement to identify and reallocate resources as necessary where appropriate.

PCG members discussed and identified potential capacity and high carry forward in their areas.

Action Point 3 – Central Team to draft template for collation of carry forward to be sent out to **Area Teams**

[redacted] enquired whether Charitable Donation funding may be an option in areas of high capacity.

[redacted] reported there is currently £17.5 million available in Charitable Donation funding, with the potential for this to increase should the procurement exercise be completed this year. Any decisions regarding the allocation of Charitable Donations will need to take into account the fact that spend within the main programme budget is the priority.

[redacted] explained the procurement process is ongoing and also noted that a two year update to funding for Charitable Bonds would hopefully be available after a refresh of the Capital Spending Review.

[redacted] noted that [redacted] is working on a paper for Ministers on the importance of long term assurance of funding for Financial Transactions.

Action Point 4 – Central Team to provide updates, when available, on the Charitable Bond programme.

4. Recent and Upcoming Ministerial Engagement

[redacted] and [redacted] recently attended a session with the Local Government, Housing and Planning Committee (LGHPC) where they provided an overview on the Affordable Housing Supply Programme (AHSP) to Committee members. [redacted] noted that [redacted] is in Parliament today [21st April] for further discussions surrounding the major issues within the programme.

[redacted] noted that the SFHA had asked whether or not the Cabinet Secretary could potentially visit sites and [redacted] will raise this again following the meetings today.

[redacted] updated the group on two pieces of work which had been agreed with the Cabinet Secretary. RSL social rent benchmarks have been approved and the process for the purchase of properties not for sale on the open market will both be included in the next update to the guidance.

[redacted] provided an update on the Remote Rural and Islands Action Plan. The next steps of the process are to provide joint advice to both the Housing Cabinet Secretary and Rural Cabinet Secretary. [redacted].

[redacted] noted to the group that work was ongoing for a draft version of the updated grant offer letter to be issued to lawyers. This is a high priority piece of work. [redacted] also noted that once the new grant offer has been approved a

session will be arranged with Area Teams to discuss the new material before guidance is issued.

[redacted] noted it would be worthwhile to consult with Glasgow and Edinburgh on wording of the TMDF grant offer before any changes to guidance were made.

5. Cost Increases Discussion

[redacted] issued a note from the meetings which took place on Tuesday 19th April, one between More Homes and Homes for Scotland and one between Ministers and the Scottish Building Federation (SBF). The meetings were positive and approached the unprecedented current volatility in the sector, with the Cabinet Secretary being positive in the support available from the Scottish Government, while at the same time making it clear that the Scottish Government does not contract directly.

[redacted] drafted, and issued, an informal note of the meeting with SBF to both Ms Robison and Mr McKee, the latter of which has responded as content. A response is expected today [21st April] from Ms Robison.

Following Ms Robison's response a communication will be sent to relevant stakeholders relating to the original meeting, addressed to: SBF, Homes for Scotland, ALACHO, SFHA and Glasgow West of Scotland Forum, which will reiterate the messaging that Scottish Government will offer support where possible, however, it is the responsibility of partners to address contractual concerns. Draft emails will also be issued to Area Teams for partners to clarify the position of the Scottish Government on this issue, re-iterating that it is the responsibility of partners to perform due diligence in respect of cost increases for projects at all stages.

Action Point 5 – [redacted] to forward on draft email responses to **PCG members** regarding meetings between the Scottish Government and Homes for Scotland and Scottish Building Federation.

[redacted] opened discussion to PCG members in relation to what potential further engagement or informal discussions could take place at a local level that may address these issues between RSLs and partners.

Action Point 6 – **Area Teams** to update **Central Team** on any local dialogue regarding contractor discussions

6. AOCB

[redacted] asked PCG Members to please provide final feedback on the draft 'Benchmark Calculator' before updates are made to the new guidance.

Action Point 7 – **PCG members** to provide feedback to the **Central Team** on Benchmark Calculator by week ending 29th April.

[redacted] discussed with PCG Members the possibility of June's PCG meeting being held in person. Members were asked to advise if they wouldn't be able to this.

Action Pont 8 – PCG members to advise if they would rather not have an in-person June PCG meeting to [redacted]

7. Future Dates

- 17 May 11.00 – 12.30 (Tuesday)
- 21 June 11.00 – 12.30 (Tuesday)
- 16 August 11.00 – 12.30 (Tuesday)
- 14 September 11.00 – 12.30 (Wednesday)
- 18 October 11.00 – 12.30 (Tuesday)
- 09 November 11.00 – 12.30 (Wednesday)
- 15 December 11.00 – 12.30 (Thursday)

Action Points

Action Point 1 – [redacted] asked **PCG members** to forward on any discussion points relevant to the planned wash up and analysis of 2021-22 and 50k discussion at May PCG meeting. **Central Team** to forward on draft agenda once suggestions received.

Action Point 2 – [redacted] and [redacted] to forward on 2022-23 profile templates and deadlines to **PCG members**

Action Point 3 – **Central Team** to draft template for collation of carry forward to be sent out to **Area Teams**

Action Point 4 – **Central Team** to provide updates, when available, on Charitable Bonds programme

Action Point 5 – [redacted] to forward on draft email responses to **PCG members** regarding meetings between Homes for Scotland and Scottish Building Federation.
*Post- Meeting Note: **Completed***

Action Point 6 – **Area Teams** to update **Central Team** on any local dialogue regarding contractor discussions

Action Pont 7 – **PCG members** to provide feedback on Benchmark Calculator by week ending 29th April

Action Pont 8 – **PCG members** to advise if they would rather not have an in-person June PCG meeting to [redacted]

Ongoing Action Points from Previous PCG Meetings

Action Point – [redacted] to organise a further meeting with **Area Teams** to discuss rural housing issues – **ONGOING**

*Post meeting note: **Action Point (February PCG Meeting)** – [redacted] asked Area Teams to communicate any discussions surrounding remote rural and island areas to [redacted] and [redacted] – still applicable to **Action Point***

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out – **COMPLETE**

*Note: [redacted] asked **PCG Members** to continue to flag any upcoming potential technical input*

Minute
Hybrid Programme Co-Ordination Group
Tuesday 16 August 11:00 – 12:30
Microsoft Teams Meeting / AQ5 Flemming A

Attendees:

[redacted](chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted](part)	[redacted](part)

Apologies: [redacted]

Item 1: - Minutes and Matters arising from PCG held Tuesday 21 June 2022

Action Point 1 – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted]. – **ONGOING**

Action Point 2 – [redacted] to organise meeting with relevant **Area Team** leads to discuss issues surrounding Health and Social Care Partnerships' (HSCP) contributions. – **ONGOING**

Note: **Action Point 1:** [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues.

Action Point 3 – [redacted] asked Area Teams to flag to partners that Charitable Bonds will become available again later in the year. – **ONGOING**

Note: [redacted] is now leading on Charitable Bonds procurement

Action Point 2: [redacted] to ask [redacted] to provide an update on procurement.

Action Point 4 – [redacted] to provide any further information to [redacted] from Catriona MacKean relating to face-to-face training in the central belt. – **COMPLETED**

Action Point 5 – [redacted] to issue updated SHIP guidance to **PCG members** once Cab Sec has signed off. – **COMPLETED**

Action Point 6 – [redacted] to liaise with **Area Teams** to provide a training refresh on SHIP reviews. – **ONGOING**

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Item 2: Ukraine

[redacted] provided an update on the Ukrainian Resettlement programme to **PCG members**.

[redacted] noted her team are working on long term housing solutions which aim to get arrivals out of hotels into more suitable long term accommodation. To do this local authorities and Housing Associations have been asked to come forward with any void stock or long term empty properties which, with support from the Scottish Government, could be brought back into use. North Lanarkshire are leading the way on this with tower blocks, previously earmarked for demolition, being brought back into use. Other bids have come from North Ayrshire for 30 homes, being brought back into use, originally planned for demolition, and Aberdeen with potentially 500 void homes. Other Councils have proposed initial, less detailed bids.

[redacted] is hoping to get a submission up this week [15th-19th August] to get a fund setup to allow applications to be fast-tracked as individual applications can be quite labour intensive. [redacted].

[redacted], along with [redacted] and colleagues have been looking to see if a research study to look at the long term housing options available and their associated value for money could be carried out internally.

Action Point 3: [redacted] asked **PCG members** to provide any views on whether or not councils should include in their SHIPs what work they are doing to provide any additional homes for the Ukrainian Resettlement programme.

[redacted] commented that as guidance had already been issued this would not be possible, there is also a broader question of whether emergency responses should be incorporated this way.

Action Point 4: [redacted] suggested to [redacted] that a picture at local authority level would be helpful.

[redacted] raised the issue of potential reconfiguration of buildings which may be suitable for short term accommodation such as office blocks.

[redacted] advised that any potential reconfiguration would likely be a part of [redacted] remit but would check.

[redacted] raised the issue of private sector involvement in acquiring potential vacant properties.

[redacted] noted there was a private rented sector team within the Ukrainian programme and reiterated that this scenario may also be a part of [redacted] remit.

Action Point 5: [redacted] to share structure organogram of Ukraine Team with PCG members once available.

[redacted] advised that any contact should go through herself, Colin MacBean, [redacted].

Item 3: Programme 2022-23 – Progress report to end July 2022

[redacted] provided the following update to PCG members.

Spend to the end of July was £104.2 million, [redacted]% of the current expected outturn. Total capital grant spend was £96.2 million, ahead of profile by £15.3 million. Financial transaction spend was £7.785, £12 million behind profile. At the same time last year, spend was sitting at £150.8 million, by comparison, spend is short of last year by £46.6 million. No capital receipts figure as yet.

There were 1,072 approvals, which is 389 behind profile. 1,379 site starts, 81 behind profile, and 1,469 completions, 753 behind profile. In terms of FTs, there were 128 approvals and site starts, behind profile by 242. There were 219 FT completions which is 262 behind profile. The social affordable split is currently sitting at 82%, with an expected outturn of 73%.

[redacted] noted that in August to date there had been a further £21 million spent with a couple of hundred approvals and starts and just over 100 completions.

Area Team Updates

[redacted]

[redacted] advised not many approvals had been approved, however, those which have come in are all going to technical for further work. Talks with stakeholders are indicating projects are difficult and expensive. Expected outturn figures for approvals are still the target, however, some issues may arise later on. Spend is slow, with to date £[redacted] million. However, a number of large projects are now on site which should spend particularly well. At this stage RPAs are still expected to be reached. Approvals to date are 285, but aware that projects are taking a long time to come in. Robust discussions ongoing with [redacted] with contractors surrounding funding issues. Site starts and completions are going well. To date starts are [redacted] and [redacted] completions. Struggles expected to appear in [redacted] however, further discussions needed to assess any potential slippage.

[redacted] noted the next quarterly Cabinet Secretary meeting [Wednesday 17th] includes an agenda item of cost measures and will involve Scottish Federation of Housing Associations (SFHA). At previous meeting SFHA proposed a specific group to address cost measures. Sean Neill and Colin MacBean will meet with SFHA to discuss this proposal on 26 August.

[redacted]

[redacted] advised spend was ahead of profile. [redacted] reporting a low spend, however, confident this will still reach outturn, with November a key month for spend. An extra £[redacted] million has been agreed for the [redacted]. This extra capacity will be identified in the next PCG update. By the end of this month all meetings will have been completed with partners. Further extra capacity may become available by Christmas, however, will confirm this closer to the time. Approvals are behind profile, but not a concern. Costs are high, but, possibly not as high as rest of country, which has allowed for projects to continue to be approved. Legacy approvals from previous larger projects are coming through, with this intake to finish shortly. New interest from contractors in [redacted] has been raised which may prove helpful in the future. Site starts are down, but no problems are expected. A large site to start in [redacted] in either August or September. Completions will happen when they do, however, some slight delays noticed here with snagging issues and getting work done on site to finish homes. Delays of around 2 to 3 months expected due to this. No major issues expected across areas. [redacted] may not spend full RPA but any slippage will be absorbed elsewhere. Will raise the issue of the delay in drawing down grant funding with [redacted] at a meeting being held on Friday.

[redacted]
[redacted] absent, update to be provided later.

[redacted]
[redacted] absent, update to be provided later.

[redacted]
[redacted], update to be provided later.

Item 4: AOCB

[redacted] reminded teams to please submit requested information on empty home buy backs by the end of August.

Action Point 6: [redacted] to forward on final draft of updated to guidance and procedures to [redacted] and [redacted].

[redacted] noted a meeting with SFHA, Construction Forum and building standards and energy colleagues regarding zero emission heating systems. A consultation is currently out to assess the impact of installing zero emissions heating systems in all new builds from 2024. However, Housing to 2040 states that we will lead by example and fit zero emissions heating systems ahead of the 2024 regulations come into force. Conversations were had to discuss the impacts of why the timescale was 2024 instead of now. Issues raised included supply, maintenance, cost for tenants and what efficiency of building would be needed for the new heating systems. It was noted that Glasgow City Council had already implemented that all new approvals had to include these systems. Housing associations did mention that they were not experts on these systems. Suggestions of a knowledge hub for the sector to be established to share expertise. Further discussions would take place on this.

Item 5: Future Dates

14 September:	11:00 – 12:00	Wednesday
18 October:	11:00 – 12:00	Tuesday
9 November:	11:00 – 12:00	Wednesday
15 December:	11:00 – 12:00	Thursday

PCG Actions

Action Point 1: [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues.

Action Point 2: [redacted] to ask [redacted] to provide an update on procurement.

Action Point 3: [redacted] asked **PCG members** to provide any views on whether or not councils should include in their SHIPs what work they are doing to help this situation.

Action Point 4: [redacted] asked [redacted] to provide a picture at local authority area.

Action Point 5: [redacted] to share structure organogram of Ukraine Team with PCG members once available.

Action Point 6: [redacted] to forward on final draft of updated process and procedures guidance to [redacted] and [redacted]

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Ongoing – teams are encouraged to continue with this practice.

Action Point – [redacted] to liaise with **Area Teams** to provide a training refresh on SHIP reviews.

Ongoing – [redacted] to organise training with Area teams

**Minute
Programme Co-Ordination Group
Thursday 15 December 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

Item 1: Minutes and Matters arising from PCG held on Wednesday 9 November 2022

The Minute of the previous meeting was accepted.

Action Point 1: Area teams are asked to encourage partners to engage with the Ukraine team – **ONGOING**

Action Point 2: Area teams to flag projects with similar energy issues to the **central team** to be feedback to energy colleagues – **ONGOING**

Action Point 3 – [redacted] to issue text/lines on the emergency budget to **area teams**. – **COMPLETED**

Action Point 4: [redacted] asked **area teams** to provide feedback on any issues with SHIPs not being received from local authorities – **ONGOING**

Note: majority have been received but still ongoing. [redacted] noted that her team would not be receiving a SHIP from [redacted] due to staffing pressures within the council. [redacted] will ask for confirmation in writing.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Ongoing – teams are encouraged to continue with this practice.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively. – **ONGOING**

Action Point – [redacted] asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance. – **ONGOING**

Update – PCG members asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Note: [redacted] provided the following update on Charitable Bonds to **PCG members**:

An update from Allia has indicated that two large bonds have been priced: totalling approximately £105 million. Allia also indicated they will contact those who had expressed an interest next financial year and offer the opportunity to bring their claims forward to this financial year due to additional FT capacity. [redacted]

Action Point – [redacted] to provide an update to the **Central Team** regarding [redacted] (meeting took place 8th November feedback to follow) – **COMPLETED**

Action Point – [redacted] to provide [redacted] with an update regarding the issues arising between [redacted] and [redacted] ([redacted] will speak to [redacted] separately about this issue) – **COMPLETED**

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs. – **ONGOING**

Action Point – [redacted] asked **PCG Members** to keep him informed of any matters relating to Homes for Scotland and [redacted] – **COMPLETED**

Item 2: Key Worker Housing

[redacted] provided an update to **PCG members** regarding a recent communication between himself and NHS colleagues

Discussion had been undertaken between Health Infrastructure Division and [redacted] members under the guise of potentially providing housing for new NHS recruits. The current policy is that NHS will provide housing for the first 3 months for new international recruits. [redacted].

Before any meeting would take place between [redacted] and NHS colleagues, [redacted] asked **PCG members** if there were any specific issues that should be raised with NHS colleagues or make them aware of:

[redacted] noted previous communication with, [redacted] – [redacted] in the Workforce Planning team, who was directed towards SFHA. other umbrella bodies and Better Homes colleagues.

[redacted] raised the potential issue of loss of available public land which may have otherwise come to the AHSP through a public tawl.

[redacted] highlighted a previous project, Burnside Gardens by Robertson in Aberdeen. The site was sold to a Housing Association by the NHS, with homes developed for mid-market rent. The initial idea was to make these homes solely available for NHS staff, however, this idea was rejected and instead a system was put in place were NHS staff could instead be prioritised for those homes.

[redacted] noted that mainstream tenancies are not short term. There have been opportunities for mid-market rent allocations for specific client groups in line with local authority strategies. [redacted] also noted the importance of communication between different health authorities especially across [redacted]. The processes before have been to align these issues with the local strategies. [redacted] also highlighted that [redacted]and [redacted] currently have their own short term accommodation for this specific issue.

[redacted] highlighted the importance of strategic requirements which relate to local authority needs. There should be a clear requirement from the NHS as to what their requirements are for workforce planning. Any sites for new builds must be strategic.

[redacted] highlighted that the Chief Executive of [redacted] had recently written to Scottish Futures Trust (SFT) on the subject of NHS housing.

Item 3: Programme 2022-23

[redacted] provided the following AHSP update to **PCG members**:

Spend – there was £57.3 million spend during November, bringing total spend for the year to £299.943 million; [redacted]% of the current expected outturn.

In terms of spend against profiles, the total capital grant spend was £218.498 million; £7.604 million behind profile.

Financial transaction spend was £19.445 million to end November, with an expected outturn spend of £[redacted] million. This all relates to Open Market Shared Equity spend, which is demand led.

At the same point last year, total spend was sitting at £335.763 million, so by comparison, spend is behind last year by £35.825 million.

Capital receipts are sitting at £10.459m against an original estimate of £18.4m although this is expected to be exceeded by £4m and has been factored into savings offered.

Homes – during November there were a total of 649 approvals, 680 site starts and 1,170 completions. For the capital programme, the figures are behind profile in terms of approvals, starts and completions by 1,408, 362 and 586 respectively.

During November for the Capital Programme the expected outturn for approvals dropped by 131, however, site stats increased by 63 and completions by 125. Lastly, the social affordable split for completions is currently sitting at 78%, with an expected outturn of 77%.

[redacted] noted that to date spend had increased by £33.6 million and completions had increased by 238. There is one large acquisition awaiting approval, with 11 tenders awaiting approval. Unallocated budget is £32.8 million, however, [redacted] noted further slippage, increasing this to over £40 million, and the identified extra capacity was now only £3.5 million with a potential further £6 million in Edinburgh Living. Decisions to be taken on further savings to be offered.

Input from Area Team Leads

[redacted]

[redacted] noted spend had increased by £6 million to date, totalling £[redacted] million, however, spend still slow. Issues such as delays in projects, planning issues and delays with value engineering work has impacted a project in [redacted] where expected spend has reduced from £2.18 million to £0.9m. Higher interest rates are also causing issues. The ongoing rent freeze is also causing concern. [redacted] have paused their projects, however, the team has tried to encourage the HA to resume and complete a project in [redacted] Some RSLs have pulled out and others are now being very selective with what they take forward. Two acquisitions in [redacted] not coming in; one vendor has been in discussions for over a year. Larger projects are spending – [redacted]. [redacted] are dropping two projects but are bringing forward spend to compensate. Approvals are currently [redacted], but quite a few tenders are in.. Progress being made with buybacks in [redacted] and [redacted] and [redacted] now advertising for buyback opportunities. Site starts are now [redacted] and completions are [redacted]. Concerns with likely spend.

Action point 1 – [redacted] to provide an update to **Central Team** regarding approvals and starts relating to projects falling out of the programme.

[redacted]

[redacted] noted the [redacted] are at a red risk. Figures in report are the position, however, potential £1 million drop from [redacted] is under review. Critical acquisition for [redacted] waiting to go to Cabinet Secretary. £3 million spend going out to [redacted] housing in early 2023 [redacted]. [redacted] sites in [redacted] will need to be discussed with [redacted]. Questions raised in [redacted] as to capacity to actually deliver programme in future due to financial position of Council and Housing Associations. Looking for higher grants rates, although grant rates have been explained as flexible. Four tenders, over 60 units, are waiting to come in before end of December; one tender will go to technical. Two big tenders in [redacted] of [redacted] homes to go to technical – [redacted]; any delays to these may have a knock on effect to future spend. Issues have arisen with bursts installing

fire suppression systems in Islands, relating to storage and pressure – Shetland expected to raise further concerns when they regain communication.

Action Point 2 – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

[redacted]

[redacted] noted the figures in the PCG report are still accurate. [redacted] spend reliant on approvals. Site in [redacted] a potential but if not approved will affect spend. A number of issues have arisen in [redacted] after meeting with Council. Assumption was that council would acquire another phase of [redacted], with £1 million in spend expected. However, valuer has now reported site is worthless and vendor not willing to sell. Negotiations ongoing with [redacted] for two years over [redacted]. Originally planned to be acquired last financial year, then updated to this financial year and will not now settle until next financial year. One site in [redacted] which [redacted] will not be able to progress and settle. Tender cost issues with [redacted] Development, which has had a full appraisal and value for money discussions were had with [redacted]. This has had a knock on affect for another project at [redacted] which has now dropped out. Estimate now minimum loss to spend at £3.75 million. [redacted] has withdrawn a site in [redacted], however, this was part of shadow programme. [redacted] struggling to identify a development partner. [redacted] still reporting they will meet their RPA , however, no additional capacity. [redacted] will outturn to budget. [redacted] is progressing.

Action Point 3 – [redacted] to ask [redacted] to update [redacted] regarding issues surrounding the sale of [redacted] site in [redacted].

[redacted]

[redacted] noted ahead of profile on all. Good meetings with partners, PCG figures are as up-to-date as possible. [redacted] and both impacted by issues relating to Section 75s and materials. Slippage expected in [redacted]. [redacted] spend has reduced again. Total spend expected as £3 million under RPA. Potential NHT exit in [redacted], which has not been accounted for in figures. Still doubts surrounding this, but potential for £2.5 to £4 million spend capacity this financial year. [redacted] also involved in discussions. Unsure If achievable but will press for progress. [redacted] have provided figures for [redacted] with a potential [redacted] million in extra capacity. Two rural projects in [redacted] have been submitted with high levels of grant, approximately [redacted], no spend expected in this financial year – more detail to be provided on these.

Action point 4 – [redacted] to forward to **Central Team** any info on [redacted] potential extra capacity detailing actual works completed to date and projected spend.

Action Point 5 – [redacted] to provide advice paper to [redacted] relating to two rural projects in [redacted] requesting high level of grant funding.

[redacted]

[redacted] noted that extra capacity had been absorbed into programme. Spend is ahead of profile. To date an extra £[redacted]million has been spent, £[redacted] million in [redacted] which brings their total spend to around halfway of their target. The minimum of extra capacity which could be delivered has been indicated. There is a potential extra capacity for £[redacted] million in [redacted] – which could be spent this financial year if agreed. Approvals down by [redacted] all of which are in [redacted] Due to [redacted] not wanting to take forward projects until next financial year. Complex care project in [redacted] will not proceed due to tender high costs. Despite loss of these projects, still above original approvals target. Starts are head of profile. Behind profile on Completions but will still meet target – to date an extra 154 completions have been delivered. Programme meetings in November with no issues raised. [redacted] has started a temporary slow down of developments, with a watchful eye on next financial year's projects. Discussions to be had on the potential [redacted] million extra capacity in [redacted].

Action Point 6 – [redacted] and [redacted] to discuss the potential implications of providing additional grant to [redacted].

Item 4: Corporate Updates

[redacted] noted that there had been a positive Innovative Finance meeting last Tuesday [13 December]. The finance sector had indicated they were still happy to lend to Scottish RSLs. There was a target that in the next five years RSLs would provide 30,000 homes. However, it remains to be seen what impact the current financial climate would have on this target.

[redacted] asked [redacted] to distribute to **PCG members** the minute from the last Homes for Scotland meeting.

Action Pont 7 – [redacted] to circulate to **PCG members** note relating to Homes for Scotland meeting.

[redacted] noted another meeting [14th December] with Patrick Harvie, Shona Robison and energy colleagues regarding zero emissions heating systems in the AHSP. [redacted] is working on a letter and comms to go out, indicating meeting a commitment made in Housing to 2040, allowing for 12 months to comply with this decision. Energy colleagues are supportive and helping to provide funding.

[redacted] highlighted the new building regulations which should have come into force in December 2022 were delayed to February 2023 due to energy efficient standards and Alex Rowley's proposed bill on Passivhaus or equivalent.

Item 5: AOCB

[redacted] noted the Scottish Budget was to be delivered today. [redacted] noted that background briefing had been provided to the Deputy First Minister and Cabinet Secretary. Briefing would be provided to all PCG members to share with stakeholders.

Action point 8 – [redacted] to issue to **PCG members** briefing and lines relating to Scottish Government Budget [15th December] to be issued to all stakeholders.

Post meeting note - completed

[redacted] asked **PCG members** if any experience to share of adding details of a Fair Work First letter to tender applications.

[redacted] noted he would provide advice to assist this.

Action Point 9 – [redacted] to forward submitted Fair Work information and discuss with [redacted], re advice on info for grant offer.

Post meeting note - completed

[redacted] noted that he would provide lines to **PCG members** regarding the Fair Work First policy of grant recipients paying the real living wage in July 2023.

Post meeting note - completed

Action Point 10 – [redacted] asked for 'Admin and Administration Support' to be added to next PCG's agenda.

[redacted] enquired if it was possible to utilise any underspend towards the Rural Action Plan.

[redacted] noted that any underspend would be accounted for as portfolio underspend. Any requests would need to go through the accountable officer (AO) process.

Item 6: Future dates

24 January:	11:00 – 12:30	Tuesday
14 February:	11:00 – 12:30	Tuesday
14 March:	11:00 – 12:30	Tuesday

PCG Actions

Action point 1 – [redacted] to provide an update to **Central Team** regarding approvals and starts relating to projects falling out of the programme. – **COMPLETE**

Action Point 2 – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

Action Point 3 – [redacted] to ask [redacted] to update [redacted] regarding issues surrounding the sale of [redacted].

Action point 4 – [redacted] to forward to **Central Team** any info on [redacted] potential extra capacity detailing actual works completed to date and projected spend. **COMPLETE**

Action Point 5 – [redacted] to provide advice paper to [redacted] relating to two rural projects in [redacted] requesting high level of grant funding. – **COMPLETE**

Action Point 6 – [redacted] and [redacted] to discuss the potential implications of providing additional grant to [redacted].

Action Point 7 – [redacted] to circulate to **PCG members** note relating to Homes for Scotland meeting.

Action point 8 – [redacted] to issue to **PCG members** briefing and lines relating to Scottish Government Budget [15th December] to be issued to all stakeholders. – **COMPLETE**

Action Point 9 – [redacted] to forward submitted Fair Work information and discuss with [redacted], re advice on info for grant offer. – **COMPLETE**

Action Point 10 – [redacted] asked for 'Admin and Administration Support' to be added to next PCG's agenda.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams are asked to encourage partners to engage with the Ukraine team

Action Point: Area teams to flag projects with similar energy issues to the **central team** to be feedback to energy colleagues

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – [redacted] asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

**Minute
Programme Co-Ordination Group
Tuesday 14 February 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted] (part)
[redacted]	

Apologies: Colin MacBean [redacted]

Item 1: Minutes and Matters arising from PCG held on Tuesday 24 January 2023

[redacted] noted the following update to the January minute:

Original line:

47 homes at [redacted] are not likely to be approved until next financial year impacting on spend.

Updated to:

47 homes at [redacted] currently with technical, and hoping to get approval this financial year.

Action point 1 – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible. – **ONGOING**

Action Point 2 – [redacted] to forward details relating to NHS trawl site in [redacted] to [redacted] and [redacted] – **COMPLETE**

Action Point 3 – [redacted] to discuss with [redacted] the outcome of recent programme meetings. – **COMPLETE**

Action Point 4 –The **Central Team** to consider how appraisals could be further streamlined during the last quarter. – **ONGOING**

[redacted] raised the issue of increasing delegated authority. [redacted] asked [redacted] to look into the issue further.

Action point 1 – [redacted] to look into the possibility of increasing delegated authority for **Area Teams**.

Action Point 5 – [redacted] to provide **Central Team** with further details relating to the progress of [redacted] – **COMPLETE**

Action Point 6 – [redacted] and [redacted] to arrange meeting to discuss implications relating to expected spend updates by **Area Teams**. **CM** to also be included in this meeting. – **COMPLETE**

Update – A further [redacted]

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams to flag projects with similar energy connection issues to the **central team** to be feedback to energy colleagues

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – **CM** asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** are asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Update – [redacted] notified **PCG members** that Allia had submitted two further proposals for charitable bonds, however, finance colleagues have indicated these will not progress this financial year.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action Point – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

Action Point – [redacted] and [redacted] to discuss the potential implications of providing additional grant to [redacted]

Update – Initial discussions held. [redacted] will provide further information once submission received. – **COMPLETE**

Item 2: Ukraine

[redacted] provided the following update to **PCG members**.

As the one year anniversary of the war in Ukraine approaches, Area Teams were told to be aware of increased media interest in live projects. North Ayrshire have delivered 30 homes with over 20 already let with the others being let in the next couple of weeks. Mr Neil Gray had visited the project and viewed the remaining homes. Mr Gray had also visited projects in Aberdeen City where 140 homes out of 500 have been completed. [redacted] void proposals project with [redacted] were likely to be approved. A £50 million fund has been agreed [redacted]. The Cabinet Secretary has indicated a desire to widen the initiative to include off the shelf purchases. [redacted] reinforced to Area Teams existing procedure was to first direct all applicants to apply through the AHSP and then by exception applicants could be assigned to the Ukraine programme. An example of this procedure was examined in [redacted] where 5 homes through [redacted] were strategically not suitable in the AHSP and assigned to the Ukraine programme. A meeting was tabled for the 15 February to discuss this proposal. [redacted] reiterated the Ukraine programme was not setup to compete with the AHSP.

Item 2: Programme 2022-23

[redacted] provided the following AHSP update to **PCG members**:

Spend – there was £48.597 million spend in January, bringing the total for the year to £407.413 million, which is [redacted]% of the current expected outturn of [redacted], reduced by £6 million since the last report. In terms of spend against profiles, the total capital grant spend was £379.179 million, behind profile by £11.616 million. Financial transaction spend was £28.234 million to end January, behind profile by £23.766 million and with an expected outturn of [redacted] million. This spend relates to Open Market Shared Equity, which is demand led. The total expected outturn for financial transactions is £[redacted] million, which is made up of £[redacted] million for open market shared equity and Charitable Bond donations of £[redacted] million. At the same point last year, total spend was sitting at £423.025 million, so by comparison, spend is behind last year by £15.6 million. Capital receipts are sitting at £11.635 million against an expected £18.4 million.

Homes – during January there were [redacted] approvals, [redacted] site starts and [redacted] completions. For the capital programme, approvals are behind profile by 1,925, site starts by 1,030 and completions by 917. During January, the expected outturn for approvals dropped by 261, site starts by one, and completions 201. The social affordable split for completions is currently sitting at 81%, with an expected outturn of 76% social.

[redacted] highlighted the lag with approvals this year and would be kept under supervision. To date a further £22 million had been spent. Approvals and increased by 187, starts by 30 and completions by 112. Financial transaction spend was also planned to increase in the coming month. The total unallocated is £12.390 million, which was likely to increase due to HIF spend. Area teams had flagged a total of £21 million in potential additional capacity. [redacted] has noted a date of 21 April as cut off for 2022-23 accruals.

Input from Area Team Leads

[redacted]

[redacted] noted the report figures were accurate. [redacted] spend was low compared to budget, however, a further £[redacted]million related to [redacted] acquisitions was expected next week [week beginning 20 February]. [redacted] authorities still struggling and this will continue into next year. Cabinet Secretary meeting with [redacted] for programme meeting to discuss challenges. Small changes to approvals. MMR project in [redacted], 12 homes, may slip from programme. Issues with subsidy control in council. Site starts and completions are progressing. Risks include tender assessment. Two tenders in are to be approved on basis of comparison to previous tenders rather than going to technical.

[redacted]

[redacted] noted no change to figures supplied in PCG report. Possible underspends indicated at last month's PCG report have come to pass and further slippage has been highlighted. [redacted] spend has reduced by £0.3 million, [redacted] reduced by £0.5 million, [redacted] reduced by £0.25 million, [redacted] reduced by £1.1 million and [redacted] reduced by £0.5 million.[redacted]ROTS programme has disappeared. [redacted] have submitted claims, however, claims lack detail and may not be processed this financial year. [redacted] underspend reduced from £5 to £3.591 million. Acquisitions slipping due to a combination of no suitable properties available and staffing resources at RSLs.

[redacted]

[redacted] noted the figures in the PCG report were accurate and may only change a little in the remainder of this financial year. Total spend outturn has reduced to £[redacted]million. To date £[redacted]million has been spent, with currently an additional £0.5 million sitting to be approved. Approvals outturn increased to [redacted], starts increased to [redacted] and completions decreased slightly to [redacted]. Team are not confident the project at [redacted] will settle this financial year. 47 homes at [redacted] to be approved but currently with technical, tender expires 18 February. 43 homes with [redacted] for approval. 40 homes in [redacted] submitted with errors, returned for corrections but staff are on holiday, still expected back this year. Tenders still to come in but one may be very expensive. Some RSLs not performing, not a single tender from [redacted]. Councils have submitted [redacted] homes and RSLs under [redacted] so far this year. Email received from [redacted], project with [redacted] now not happening.

[redacted]

[redacted] noted spend to date at £[redacted] million. Approvals, starts and completions all over [redacted] homes. Total expected outturn spend decreased to £[redacted] million, however, [redacted] spend increased. 3 phases approved in [redacted] with potential £9 million in additional capacity. NHT exit in [redacted] not factored in to figures, potential for additional £3.5 million spend, however project high risk. Poor information available from [redacted] One [redacted] project needs a wayleave and unlikely this year. No further explanation provided for project at [redacted]. Some buybacks to come through, totalling 30 homes. some issues

arising inputting on HARP. [redacted] request for extra grant for buybacks won't affect approvals.

Action Point 2 – [redacted] and [redacted] to discuss issues surrounding potential extra capacity in [redacted].

[redacted]

[redacted] noted that [redacted] may look for further additional grant, [redacted] have exceeded their RPA. [redacted] expected to spend £[redacted] to £[redacted] million this month [February]. An Additional £[redacted] million has been requested. Large site in [redacted] expected to spend £[redacted] million by year end. There is a belief there is room for additional capacity, however, nothing confirmed as of yet. Some slippage in [redacted] and [redacted], however, will be absorbed elsewhere. Additional grant offer to [redacted] to be issued this week, will settle later this month. [redacted] approvals will be short around [redacted] homes, totalling between [redacted] homes. [redacted] approvals, progressing slowly, but all indicators say target will be met, starts will follow these approvals. [redacted] to exceed starts figures, all the rest are progressing. [redacted] both progressing well with completions. [redacted] completions increased to [redacted], all expected to complete this financial year.

Action Point 3 – [redacted] to confirm with [redacted] team date of Cabinet Secretary meeting with Edinburgh Council.

Action Point 4 – [redacted] to confirm authorisation of additional capacity with **Area Teams**.

[redacted] raised questions relating to the progress of [redacted] and the receipts figure.

[redacted] noted [redacted] progress was reliant on a few projects, however, still hopeful, more detail to be provided at next meeting.

[redacted] noted there was a glitch in the system relating to buybacks and resale receipts.

Action Point 5 – [redacted] to update **Central Team** on receipts following correction of balance of buybacks and resales.

[redacted] updated **Area Teams** on budgets for next financial year [2023-24].

RPAs totalled £620 million, with a capital budget of £581 million with budget gap of £38.7 million. Charitable Bonds should be approximately £50 million and a transfer of £15 million relating to zero direct emissions heating. There would be a minimum of £10 million required for top slice programmes. [redacted] asked Area Teams if it would be possible to undertake an exercise to get an early gauge on their respective programmes against the budget for next year and gauge RPAs.

[redacted] noted the [redacted] would struggle, however, figures could be supplied.

[redacted] noted their Block A is currently quite high in some areas, with some areas even exceeding 100%. [redacted] noted it could potentially be a balancing act for new projects.

[redacted] noted estimate figures could be supplied and highlighted potential struggles in [redacted].

[redacted] remarked Block A carryforward in [redacted] could be larger than expected.

[redacted] noted a return would be possible but stressed its potential reliability.

Item 4: Corporate Updates

[redacted] raised the issue of outstanding SHIPs on HARP as consultative drafts and councils who had not uploaded to HARP. [redacted] asked Area Teams to update HARP or press councils to upload their SHIPs to HARP.

Action Point 6 – [redacted] asked **Area Teams** to request LA partners to update any SHIPs currently sitting as consultative drafts to live. [redacted] also asked to remind any councils which do not currently have their SHIPs on HARP to action this.

[redacted] gave the following updates.

Poverty Commission meeting was scheduled for start of March.

[redacted] noted that questions had been sent relating to housing planning and AHSP budget. It was noted the last meeting was before March 2020.

[redacted] noted a variety of meetings had been or are due to be held with the Cabinet Secretary. Ms Robison has met with Homes for Scotland [date unknown], with [redacted] leading on that briefing. She will be meeting with Everyone Home Collective and Better Homes are leading on that briefing, including briefing on acquisition strategy and type of acquisitions.

[redacted] noted the Cab Sec had met with the Task and Finish group [Thursday 9th February] discussing temporary accommodation. Shelter report on recommendations due to be published today. Specific to AHSP relate to interim target for delivery, not just the 110,000 by 2032 and having an acquisition plan, [redacted].

[redacted] noted the upcoming CIH Housing Festival [8th March] with [redacted] leading on briefing and the SFHA Development Conference [15th March] with [redacted] leading on briefing.

[redacted] Rent freeze - legislation on rent controls was to be introduced after summer recess. Housing sector have raised concerns relating to MMR rent control.

The Cabinet Secretary planned to meet SFHA tomorrow [15th February] to discuss cost pressures.

Action Point 7 – Area Teams to flag work SFHA wants to do on cost pressures to local partners to encourage participation.

[redacted] noted Zero Direct Emissions Heating with Cabinet Secretary and will hope to issue imminently.

[redacted] made **PCG members** aware a submission was with likely to go to ministers this week or next [weeks beginning 13th or 20th February], focusing on funding for [redacted].

Item 5: AOCB

[redacted] explained to **PCG members** he had received an email in January from Fair Work First (FWF) confirming that Living Wage requirements of grant offers only apply to grant recipients. SGLD still to clear confirmation text, however, no obligation past grant recipients.

Item 6: Future dates

14 March:	11:00 – 12:30	Tuesday
18 April	11:00 – 12:30	Tuesday
16 May	11:00 – 12:30	Tuesday

PCG Actions

Action point 1 – [redacted] to look into the possibility of increasing delegated authority for **Area Teams**.

Action Point 2 – [redacted] and [redacted] to discuss issues surrounding potential extra capacity in [redacted].

Action Point 3 – [redacted] to confirm with [redacted] team date of Cabinet Secretary meeting with [redacted]

Action Point 4 – [redacted] to confirm authorisation of additional capacity with **Area Teams**. – **post meeting note completed**

Action Point 5 – [redacted] to update **Central Team** on receipts following correction of balance of buybacks and resales.

Action Point 6 – [redacted] asked **Area Teams** to request LA partners to update any SHIPs currently sitting as consultative drafts to live. [redacted] also asked to remind any councils which do not currently have their SHIPs on HARP to action this.

Action Point 7 – Area Teams to flag work SFHA wants to do on cost pressures to local partners to encourage participation.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams to flag projects with similar energy connection issues to the **central team** to be feedback to energy colleagues.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – [redacted] asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** are asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Update – [redacted] notified **PCG members** that Allia had submitted two further proposals for charitable bonds, however, finance colleagues have said these will not progress this financial year.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action Point – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in [redacted].

Action Point – The **Central Team** to consider how appraisals could be further streamlined during the last quarter.

Update – [redacted] and [redacted] to arrange meeting to discuss this issue further.

Action Point – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible.

**Minute
Programme Co–Ordination Group
Tuesday 24 January 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted](chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM)	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

Item 1: Minutes and Matters arising from PCG held on Thursday 15 December 2022

The Minute of the previous meeting was accepted.

Action point 1 – [redacted] to provide an update to **Central Team** regarding approvals and starts relating to projects falling out of the programme. – **COMPLETE**

Action Point 2 – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands. – **ONGOING**

Action Point 3 – [redacted] to ask [redacted] to update [redacted] regarding issues surrounding the sale of [redacted] site in [redacted]. – **ONGOING**

Action point 4 – [redacted] to forward to **Central Team** any info on [redacted] potential extra capacity detailing actual works completed to date and projected spend. – **COMPLETE**

Action Point 5 – [redacted] to provide advice paper to [redacted] relating to two rural projects in [redacted] requesting high level of grant funding. – **COMPLETE**

Action Point 6 – [redacted] and [redacted] to discuss the potential implications of providing additional grant to [redacted] – **ONGOING**

Update – Initial discussions held. [redacted] will provide further information for future discussions.

Action Pont 7 – [redacted] to circulate to **PCG members** note relating to Homes for Scotland meeting. – **COMPLETE**

Action point 8 – [redacted] to issue to **PCG members** briefing and lines relating to Scottish Government Budget [15th December] to be issued to all stakeholders. – **COMPLETE**

Action Point 9 – [redacted] to forward submitted Fair Work information and discuss with [redacted], re advice on info for grant offer. – **COMPLETE**

Action Point 10 – [redacted] asked for 'Admin and Administration Support' to be added to next PCG's agenda. – [redacted] confirmed that this discussion will take place at the next Team Leader's meeting.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams are asked to encourage partners to engage with the Ukraine team

Action Point: Area teams to flag projects with similar energy issues to the **central team** to be feedback to energy colleagues.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – [redacted] asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Item 2: Programme 2022-23

[redacted] provided the following AHSP update to **PCG members**:

Spend – there was £58.873 million spend during December, bringing total spend for the year to £358.816 million, which is [redacted]% of the current expected outturn of £[redacted]million. Total capital grant spend was £335.49 million, behind profile by £5.336 million. Financial transaction spend was £23.326 million to end December, behind profile by £24.674 million, with an expected outturn at the end of March of £[redacted] million. This all relates to Open Market Shared Equity spend, which is demand led. At the same point last year, total spend was sitting at £390.902 million,

so by comparison, spend is behind last year by just over £32 million. Capital receipts are sitting at £11.473 million against an expected £18.4 million.

Homes – during December there were 189 approvals, 281 site starts and 647 completions. For the capital programme, approvals, starts and completions are behind profile by 1,878, 1,002, and 615 respectively. The expected outturn for approvals dropped by 280, site starts by 415, but the expected outturn for completions increased by 74. The social affordable split for completions is currently sitting at 79%, with an expected outturn of 77%.

[redacted] noted to date, a further £38 million had been spent, and 234 approvals, 256 starts and 155 completions achieved. The PCG reports notes that [redacted] had given up [redacted] million in December. This is not accurate as approximately [redacted] million was given up at last PCG and an adjustment was made at that time. After updates in December, it was decided that a further [redacted], with a further [redacted] agreed based on returns in January. [redacted] with a £10 million transfer in from Heat and Energy colleagues, [redacted]. The current unallocated budget is now approximately £3.5 million, with around £8 million of potential extra capacity highlighted by teams.

[redacted] highlighted it was the first time both estimated approvals and starts had dropped below [redacted]. However, starts are [redacted]. Completions are still at the highest level at this point in the year, compared to the last four years.

[redacted] noted **Area Teams** should impress on partners to ensure any slippage in completions is minimised before the end of the financial year.

Action point 1 – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible.

[redacted] noted that two large Charitable Bonds are going out at the end of February and at the end of March and, as well as a smaller bond.

[redacted]

[redacted]

[redacted] noted the report provided was accurate at the time, however, a number of expected spend totals have recently changed. [redacted] spend has decreased by £[redacted] million as the acquisition of a design and build contract in [redacted] has fallen through as the contractor, [redacted] is unable to negotiate on the acquisition this financial year. A tender in [redacted] had been approved but planning issues have caused delays and costs have gone up with a revised tender now been submitted. [redacted] has reduced outturn spend by £0.868 million. Two projects affected here. [redacted] outturn spend has reduced by £[redacted] million as large acquisitions will not settle this financial year. due to title issues and lengthy negotiations. [redacted] site still not settled after lengthy negotiations, spanning over 2 years, pushed back to next financial year. A Council project has been delayed and is payment on completion. [redacted] has reduced their outturn by £2 million. Delays mean the golden brick agreement will not be reached until April rather than

March. [redacted] were highlighted as amber. [redacted] flagged as there as issue with vendors not willing to sell off the shelf homes, discussions are ongoing and, alternatives are being investigated. [redacted] has indicated they may not meet their RPA by up to £[redacted]m. An update will be given at the end of January. for programme planning purposed we have assumed £[redacted]m slippage at present with a potential further £[redacted] million in slippage.

Action Point 2 – [redacted] to forward details relating to [redacted] site in [redacted] to [redacted] and [redacted].

Action Point 3 – [redacted] to discuss with [redacted] the outcome of recent programme meetings.

[redacted]

[redacted] noted the figures submitted in the PCG report were accurate and the current figures are the aim. Difficulties in developing in [redacted] involving prices, difficulty sites to develop and contractors not wanting to develop, with some withdrawing and cutting back. [redacted] and [redacted] are the two main contractors at the moment. RSLs, including [redacted], are progressing slower than usual. Any projects that do come forward are very expensive. [redacted] had paused projects due to consideration of [redacted]. Decisions have now been made, however, this process has delayed approximately [redacted] homes being approved and started this financial year. Projects in [redacted] are proving expensive with [redacted] designing to Passivhaus standard.

Original Line:

[redacted] homes at [redacted] are not likely to be approved until next financial year impacting on spend.

Updated Line – February 2023 Minutes:

[redacted] homes at [redacted] currently with technical, and hoping to get approval this financial year.

Site starts have been impacted by delays in approvals. [redacted] section 75s have become the predominant work in the area. To date actual spend has increased to £[redacted] million, approvals increased to [redacted], starts to [redacted] and completions to [redacted].

Action point 4 –The **Central Team** to consider how appraisals could be further streamlined during the last quarter.

[redacted]

[redacted] noted the team were on track for outturn figures, with the potential for £[redacted] million extra capacity. Large levels of spend expected in [redacted] in coming weeks. [redacted] spend is better than this time last financial year. Approvals are progressing well. [redacted] will exceed their targets. [redacted] [redacted] are currently under target; however, other areas will absorb slippage. Starts are progressing, however, with delays. [redacted] have both exceeded their target for starts. Overall close to revised target for starts, depending on approvals. Projects due for completion have been moved closer towards end of financial year,

some may slip to 2023-24. [redacted] will exceed target. Programme meetings to begin again from 25 January, with [redacted] being the first. [redacted] are not performing as well as other areas and spend may come in under RPA, however, other areas will absorb slippage.

[redacted]

[redacted] noted the programme was progressing well. To date £[redacted] million has been spent, [redacted] approvals, [redacted] starts and [redacted] completions. Projected profiles have been exceeded so far. Discussions to be had with [redacted] regarding potential NHT exits. First committee meeting expected early February with final committee date expected 9 March. Valuations to be complete by end of week [27 January] and internal advice still to be sent to Cabinet Secretary. Potential extra capacity spend of £3.5 million not included in figures. [redacted] will not meet their RPA with some risk associated with an acquisition at [redacted], around £0.6 million. [redacted] are slowing down and delaying 7 to 9 projects in their SHIP due to costings, zero emissions and rent freeze. Staff change imminent at Council. Spend has increased in [redacted] by £1.4 million with further buybacks expected. The council has been asked for an update regarding [redacted] with estimated potential extra capacity of £[redacted] million, this has not been included in figures. [redacted] spend has been reduced as a [redacted] site delayed due to planning although now on site. [redacted] is now amber. Further details have been requested from [redacted] relating to their projects. Spend expected to reach £3 million by end of year. Resources are an issue in this area. [redacted] expected to exceed RPA. [redacted] project expected to spend £[redacted] million, confident will reach target. All other projects are on site. Staff changes at [redacted] have gone smoothly but spend outturn will be under RPA. Awaiting tender from [redacted] for £0.4 million. [redacted] expected to spend £[redacted] million which will be under RPA. Some further buybacks expected but [redacted] project issues with developer still to be resolved. Meeting arranged to discuss [redacted] projects; still hopeful some of these can progress.

Action Point 5 – [redacted] to provide **Central Team** with further details relating to the progress of [redacted].

[redacted]

[redacted] noted figures provided in the report would not change. Spend had dropped out of [redacted], however, expected spend had increased in [redacted]. To date £[redacted] million spent, substantial increase due to large acquisition in [redacted] settling. [redacted] and RSLs losing and changing staff. Delivery difficulties apparent in both [redacted] and [redacted]. Large numbers of tenders coming in, 18 in [redacted], with potential for many to go to technical, which could lead to delays in spend. Regeneration projects have been picked up in [redacted] which have been reflected in the figures. [redacted] are now working in [redacted] with one project so far and more to follow. Positive addition so far. Large payments due in February for [redacted].

[redacted] highlighted zero spend in [redacted].

[redacted] mentioned this would be checked with colleagues.

CM raised the importance of flagging instances where other public sector bodies are making it difficult to achieve acquisitions. Any concerns should be escalated to ensure they were addressed.

Action Point 6 – [redacted] and [redacted] to arrange meeting to discuss implications relating to expected spend updates by **Area Teams**. **CM** to also be included in this meeting.

Item 3: Corporate Updates

[redacted] noted the LGHP committee convened last week [week beginning 16 January]. Topics included local government, discussions surrounding the affordable housing supply programme budget figures. Responses mentioned that mitigating factors were in place, such as transfers in from other budgets and Charitable Bonds.

[redacted] noted two upcoming debates, both lodged by Conservatives. Firstly, homelessness and temporary accommodation. Secondly, topics including: £170 million cash cut to housing budget, SNP failure to build 50,000 affordable homes on time and the rent freeze.

[redacted] advised that Zero Emissions Heating Mandate letters would be sent out shortly. **CM** to speak to partners in advance of the letter going out from the Cabinet Secretary. **Area teams** to discuss with stakeholders.

Item 4: AOCB

No business.

Item 5: Future dates

14 February:	11:00 – 12:30	Tuesday
14 March:	11:00 – 12:30	Tuesday
18 April	11:00 – 12:30	Tuesday
16 May	11:00 - 12:30	Tuesday

PCG Actions

Action point 1 – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible.

Action Point 2 – [redacted] to forward details relating to NHS trawl site in [redacted] to **CM** and [redacted].

Action Point 3 – [redacted] to discuss with [redacted] the outcome of recent programme meetings.

Action point 4 –The **Central Team** to consider how appraisals could be further streamlined during the last quarter.

Action Point 5 – [redacted] to provide **Central Team** with further details relating to the progress of [redacted].

Action Point 6 – [redacted] and [redacted] to arrange meeting to discuss implications relating to expected spend updates by **Area Teams**. **CM** to also be included in this meeting.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams to flag projects with similar energy connection issues to the **central team** to be feedback to energy colleagues

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – **CM** asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** are asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action Point – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

Action Point – [redacted] and [redacted] to discuss the potential implications of providing additional grant to [redacted].

Update – Initial discussions held. [redacted] will provide further information once submission received.

Minute
Virtual Programme Co-Ordination Group
Tuesday 21 June 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

Item 1: - Minutes and Matters arising from PCG held Tuesday 21 June 2022

Action Point 1 – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Action Point 2 – [redacted] to organise meeting with relevant **Area Team** leads to discuss issues surrounding Health and Social Care Partnerships' (HSCP) contributions.

Action Point 3 – [redacted] asked Area Teams to flag to partners that Charitable Bonds will become available again later in the year.

Action Point 4 – [redacted] to provide any further information to [redacted] from Catriona MacKean relating to face-to-face training in the central belt.

Action Point 5 – [redacted] to issue updated SHIP guidance to **PCG members** once Cab Sec has signed off. – **COMPLETED**

Action Point 6 – [redacted] to liaise with **Area Teams** to provide a training refresh on SHIP reviews.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Item 2: Programme 2022-23 – Progress report to end May 2022

[redacted] provided the following update to PCG members. Total spend to end May was £35.211 million, split between £32.157 million in capital grant and £3.054 million in FTs.

Capital grant spend is ahead of profile by just over £2 million and FTs, are behind profile by £4.9 million.

Compared to the same time last year, grant spend is £12.3 million less than last year, and FT spend on OMSE, £7.1 million less.

The anticipated capital receipts amount will be added to the report as soon as it is confirmed.

In terms of units, for the grant programme to the end of May:

- there were 729 approvals, 9 ahead of profile,
- 524 site starts, one unit behind profile, and
- 650 completions, 41 behind profile

For FTs, there have been 48 OMSE transactions and behind profile by 102 units.

Compared to the same time last year, there are 208 more approvals, but 252 less site starts and 13 less completions.

The social/affordable split is sitting at 86% social rent with an expected outturn of 73%.

The expected completions outturn this year is [redacted]. The completions outturn for last year was 9,757, which was the highest figure in a single financial year since 2000-01.

[redacted] added that up to 21 June, there had been £21 million more spend, 75 approvals and 110 completions. There were seven tenders in the system and keen to know if these were likely to move swiftly. [redacted] also noted that there were a few LA areas that hadn't spent anything as yet.

[redacted] highlighted that the expected outturns for approvals and site starts are less than the expected outturns in 2021-22 and commentary from area teams on this was welcomed.

Area Team Updates

[redacted]

[redacted] advised:

- Contractor capacity, staffing issues and infrastructure making projects difficult
- hoping to get SLPAs out before the holiday period

- there are four tenders being worked on at the moment with costs issues being the biggest challenge
- [redacted] won't approve until the next Committee meeting
- also problems with the [redacted] with contractors withdrawing
- issue in [redacted] with public sector land as public sector vendors looking for maximum value
- there are projects on site and completing, it's getting approvals and site starts that are the problem

[redacted] advised that same issues are being experienced more widely and should be taken account of with regard to the Remote, Rural and Islands Action Plan.

Picking up on [redacted] point, [redacted] advised that [redacted] was in [redacted] to talk with a contractor. He also had a meeting arranged with a number of senior officials asking what they would suggest to take these issues forward. [redacted] mentioned that she expected that money will be raised - not in respect of uncertainty over budgets - but more in respect of the rising constructions costs and materials.

[redacted] suggested a further internal discussion on this as solutions were required. [redacted] agreed with all the points made and mentioned [redacted] and [redacted] in particular and that they are keen to get a steer from SG on this. [redacted] also agreed that price increases are making it extremely difficult and challenging.

[redacted] mentioned that there was a difficulty around [redacted] [redacted] suggested we should maybe explore what other parts of Government can do to help. [redacted] suggested that delegated authority levels could be looked at.

[redacted] added that [redacted] who account for around [redacted] units a year, have advised that moving forward the [redacted] will reduce to [redacted] because of the Association's commitments with existing stock.

[redacted]

[redacted] advised:

- approvals and spend could be less than previously estimated
- [redacted], [redacted], [redacted], [redacted] may not hit their RPAs
- [redacted] have had a lot of feedback regarding providers withdrawing from development delivery. Others if not withdrawing, are reducing
- real issues getting contractors to price even for urban projects
- very short timescales for technical staff looking at tenders as many tenders time bound
- being robust on existing projects but there are likely to be approaches further down the line
- in [redacted] where there are signed contracts, HAs are pushing hard
- big issues in [redacted] – [redacted] have no approvals as yet. There are major problems re site acquisitions and costs
- [redacted] should spend it's RPA but really challenging. No confirmation on whether [redacted] key staff will be replaced but will pick this up

[redacted]

[redacted] advised:

- SLPAs signed off with all [redacted] LAs
- need [redacted] offer signed by Colin and issued
- already speaking to [redacted] and [redacted] re additional money for the [redacted] – looking for £[redacted] million, and possibly [redacted] and [redacted] also, later in the year
- the knock on effect will increase approvals – possible an extra 400
- costs are going up but manageable and should hopefully be able to plug other gaps
- have built in a bit of leeway so there may be scope for additional approvals later
- added in [redacted] completions – these will come this year as a total and [redacted] has made [redacted] aware of this
- A lot more people are taking time to drive savings and these then need to go to technical. Costs per m² could be an issue moving forward. [redacted] noted thanks to [redacted] for her recent support.
- three new staff members at [redacted] and will require some support – [redacted] is doing HARP training with them
- The previous approach by [redacted] and [redacted] was that tenders should be at benchmark or below, however RSLs don't want this as a local policy, albeit they are trying to be as cost effective as possible

[redacted]

[redacted] advised:

- finding it difficult to get anything across the line
- there are three tenders in (145 units), none of which are moving quickly, and one is currently with [redacted] which needs to be approved by Colin by the end of June. A meeting has been arranged with Colin to discuss this
- drawing on every resource to try to get these approved
- [redacted] and [redacted] may make their RPAs and the profiles are realistic.

[redacted] flagged that South of Scotland Enterprise (SOSE) want to hold a housing summit in August. [redacted] advised that the biggest issue in [redacted] and [redacted] is that it's mostly brownfield sites. [redacted] advised that there are four RSLs developing this year in [redacted]. [redacted] will keep [redacted] and [redacted] informed.

[redacted]

[redacted] advised:

- looking not too bad re June
- have been realistic rather than pessimistic
- assuming LAs will balance out across the programme
- have a spend cap in place for [redacted]
- may get an extra 38 approvals in [redacted]
- had a couple of discussions with [redacted] re funding for [redacted]
- [redacted] council is a concern as they are losing three key staff members
- Issue with quality with some developments, with one project having more than 80 snagging items

[redacted] advised there is a £[redacted] million contingency pot and that [redacted] will take £[redacted]. Re Charitable Bonds, [redacted] is leading a procurement on this. [redacted] mentioned that Charitable Bonds may be back on stream later on this year and it would be good to let partners know this informally.

Item 3: Spending Review update

[redacted] confirmed that there was a capital grant cut, but we received additional FTs which brought the total to £3.6 billion. There could be an issue in years [redacted] also confirmed that we have now started to deliver towards the 110,000 affordable homes target, with 1119 homes delivered at the end of last year.

[redacted]: advised there is ongoing discussion around additional FTs that we had not asked for. [redacted]. There is deep dive meeting with the Cabinet Secretary re home ownership options.

Item 4: 8/9 person conversion factors

[redacted] advised that area teams will be familiar with the proposed conversion factor for 8/9p and that there are already figures on HARP for these. [redacted] were unhappy thinking the figures are too low and [redacted] asked area teams for their thoughts. The consensus was that they were happy with the figures on HARP and [redacted] confirmed that she would communicate this to [redacted].

Item 5: Guidance Note Update

[redacted] thanked everyone for their comments and will add into the guidance reference to include a project's cash flow as an example of the information that may be required in order to assess an application seeking grant in excess of benchmark.

Item 6: AOCB

[redacted] asked about any summer tours. [redacted] confirmed that all the information had been submitted but hadn't heard anything back.

[redacted] Re Better Homes request for face to face training, to send on anything from Catriona to [redacted].

[redacted] advised that she had an enquiry from [redacted] if any funding was available to lease on a long term basis. [redacted] mentioned that he and [redacted] were having discussions with [redacted] and suggested [redacted] contact [redacted].

[redacted] quick straw poll on when there is a mixed tenure project are individual offers issued for each. The consensus was yes, separate offers are issued.

[Redacted] update on SHIPS – The guidance is ready to go including the accessibility version. Also asked if it would be helpful for area teams to have training on providing SHIP feedback. Area teams to come back to [redacted] on this.

Item 7: Future Dates

16 August	11.00 – 12.30	Tuesday
14 September	11.00 – 12.30	Wednesday
18 October	11.00 – 12.30	Tuesday
09 November	11.00 – 12.30	Wednesday
15 December	11.00 – 12.30	Thursday

The last item was to say cheerio to [redacted] with all our best wishes in her new role.

Minute
Virtual Programme Co – Ordination Group
Tuesday 17th May 11:00 – 12:30
Microsoft Teams Meeting

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM)	

Apologies: [redacted]

1. Minutes and Matters arising from PCG held Thursday 21st April

Action Point 1 – [redacted] asked **PCG members** to forward on any discussion points relevant to the planned wash up and analysis of 2021-22 and 50k discussion at May PCG meeting. **Central Team** to forward on draft agenda once suggestions received.

Completed

Action Point 2 – [redacted] and [redacted] to forward on 2022-23 profile templates and deadlines to **PCG members**.

Completed – communication sent on 28th April, responses due back 6th June. **Noted that [redacted] and [redacted] final profiles may be slightly delayed due to ongoing programme meetings.**

Action Point 3 – **Central Team** to draft template for collation of carry forward to be sent out to **Area Teams**

Completed – communication sent on 28th April, responses due back 6th June.

Action Point 4 – **Central Team** to provide updates, when available, on Charitable Bonds programme

Ongoing

Action Point 5 – [redacted] to forward on draft email responses to **PCG members** regarding meetings between Homes for Scotland and Scottish Building Federation.

Completed

Action Point 6 – **Area Teams** to update **Central Team** on any local dialogue regarding contractor discussions

Ongoing

Action Point 7 – **PCG members** to provide feedback on Benchmark Calculator by week ending 29th April.

Completed

Action Point 8 – PCG members to advise if they would rather not have an in-person June PCG meeting to [redacted].

Completed – June PCG is to take place in Glasgow details to follow once confirmed.

Ongoing PCG Actions

Action Point – [redacted] to organise a further meeting with **Area Teams** to discuss rural housing issues.

Completed – meeting due to take place 8th June.

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. **Ongoing – teams are encouraged to continue with this practise.**

2. Programme 2021/22

[redacted] provided the following update to PCG members. Total spend is sitting at £4.834 million, and that's split between £1.97 million in Financial Transactions and £2.864 million in capital grant.

There is currently no capital receipts figure as yet, but this will be added to the report once known.

For units, there were 377 approvals, an increase of 101 units compared to the same time last year, and there have been 238 site starts and 295 completions.

The profiling exercise is currently in progress with all returns due by 6 June, so the information will be added to the report as soon as possible after that.

[redacted] commented that it would be challenging for City of Edinburgh Council colleagues to have up to date profiles for the requested deadline as they are still undertaking programme meetings which will inform the profiles. They should be able to provide draft profiles but these will need to be revised. [redacted] said a similar position exists in Glasgow.

3. Wash-up session 2021-22

Discussion took place around reflections on the programme last year and current and future position including the challenges faced in delivering the programme. This was followed up by some suggested actions on things that can be done to mitigate or address those challenges.

Reflections

All agreed a lot of good work and effort was put in to achieve the spend and units delivered in 2021-22. Area teams worked well with partners, maintaining focus on delivery amidst a challenging climate.

Action Point 1 – Central Team to provide breakdown of homes relating to 50K target by Local Authority after official figures published in June.

Action Point 2 – Central Team to circulate comparison tables and graphs relating to internal wash-up analysis of homes and spend covering 2016-17 to 2021-22.

Post meeting note - completed

The following were seen as the main challenges which will be faced moving forward:

Challenges

- Slippage levels – how much do we build in whilst managing risk
- Some areas already have high Block A funding
- Technical capacity and handling of over benchmark projects
- Rising costs – [redacted]
- [redacted]
- Area Team technical and financial skills – upskilling?
- Funding options are limited
- Rent levels influencing amount private finance available
- [redacted]
- SHIP capacity is limited
- LA resourcing
- Private sector capacity
- Withdrawal of RSL delivery partners
- [redacted] RSL partners
- Future staffing issues with partners – lack/loss of experience and essential skills
- Lack of public sector land and not cheap when it is available
- [redacted]
- Difficult sites
- Retrofit v New - tension/choice for providers
- Scale of environmental costs
- Need to keep strategic oversight – delivery of wheelchair and larger family homes

Action Point 3 – Area Teams to inform [redacted] of any planning issues should they arise.

Messaging to Partners – needs to be quick and clear

- Timing allowed by partners for us to appraise projects needs to be reasonable
- SHIPs all need to be on HARP
- Local Authority messaging to reinforce strategic planning

Actions

- Following up on SHIP feedback and ensuring focus remains on areas to improve linking to delivery – maintain the challenge
- Succession planning
- Delegated authority levels

- Ensure SHIP guidance reflects the correct messages and provides challenge
- Reinforce messaging around the achievement of delivering the 50K target.
- Focus on who benefits from this delivery

[redacted] is currently drafting SHIP guidance,[redacted]

Action Point 4 –PCG members to share any further thoughts or concerns in relation to end of year wash-up. [redacted] asked [redacted] and [redacted] to share any specific concerns relating to TMDF areas

4. AOCB

[redacted] mentioned the difficulty in getting a conversion factor for the 3p equivalent for 8/9 person accommodation. [redacted] and [redacted] met with [redacted] regarding this and [redacted] will be sending an email out shortly with advice for area teams.

Action Point 5 – [redacted] to circulate email to **PCG members** relating to 8 and 9 person conversion factors, for internal use only. – Completed 19 May

[redacted] re-iterated that there will be updated processes and procedures guidance published soon and sessions will take place with Area Teams to explain the new changes.

Action Point 6 – [redacted] to organise session for **Area Teams** to talk through updated guidance ahead of publication.

7. Future Dates

- 21 June 11.00 – 12.30 (Tuesday) in person meeting in Glasgow
- 16 August 11.00 – 12.30 (Tuesday)
- 14 September 11.00 – 12.30 (Wednesday)
- 18 October 11.00 – 12.30 (Tuesday)
- 09 November 11.00 – 12.30 (Wednesday)
- 15 December 11.00 – 12.30 (Thursday)

Action Points May

Action Point 1 – Central Team to provide breakdown of homes relating to 50K target by Local Authority after official figures published in June.

Action Point 2 – Central Team to circulate comparison tables and graphs relating to internal wash-up analysis of homes and spend covering 2016-17 to 2021-22.

Post meeting note - completed

Action Point 3 – Area Teams to inform [redacted] of any planning issues should they arise.

Action Point 4 – PCG members to share any further thoughts or concerns in relation to end of year wash-up. [redacted] asked [redacted] and [redacted] to share any specific concerns relating to [redacted] areas

Action Point 5 – [redacted] to circulate email to **PCG members** relating to 8 and 9 person conversion factors, for internal use only. Completed

Action Point 6 – [redacted] to organise session for **Area Teams** to talk through updated guidance ahead of publication.

Ongoing Action Points from Previous PCG Meetings

Action Point (March) – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practise.***

Action Point 4 (April) – Central Team to provide updates, when available, on Charitable Bonds programme
Ongoing

Action Point 6 (April) – Area Teams to update **Central Team** on any local dialogue regarding contractor discussions
Ongoing

**Minute
Programme Co–Ordination Group
Wednesday 9 November 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	[redacted]
[redacted]	Colin MacBean (CM)
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

Apologies: [redacted]

Item 1: Minutes and Matters arising from PCG held on Tuesday, 13 October 2022

The Minute of the previous meeting was accepted.

Action Point 1 – CM asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance. - **ONGOING**

Action Point 2 – [redacted] asked **Area teams** to forward any feedback relating to other [redacted] to the **Central Team - COMPLETE**

Action Point 3 – [redacted] to provide an update to the **Central Team** regarding [redacted]. – **ONGOING** (meeting took place 8th November feedback to follow)

Action Point 4 – [redacted] to provide **CM** with an update regarding the issues arising between [redacted]. – **ONGOING** ([redacted] will speak to **CM** separately about this issue)

Action Point 5 – [redacted] to provide an update to the **Central Team** following her team's meeting with [redacted]. - **COMPLETE**

Action Point 6 – Area Teams to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs. - **ONGOING**

Action point 7 – [redacted] asked **PCG Members** to keep him informed of any matters relating to Homes for Scotland [redacted]. - **ONGOING**

Action point 8 – [redacted] asked **PCG Members** to forward on any issues which could be relevant to [redacted] briefing on Homes for Scotland to the **Central Team** and [redacted] – **COMPLETE**

Note: [redacted] updated that the briefing is complete but the meeting has been postponed, Homes for Scotland have also asked to meet with **Sean Neill** and **CM**, [redacted] and [redacted] are meeting with Homes for Scotland on 10 November to discuss objectives for that meeting).

Action Point 9 – [redacted] to issue Benchmark Approvals Tracker, to end of August, to **Area Teams – COMPLETE**

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Ongoing – teams are encouraged to continue with this practice.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively. – **ONGOING**

Item 2: Ukraine Update

[redacted] provided the following update to PCG members:

Overall numbers remain high with downward pressure on accommodation costs. Ministers are keen to move from hotels to sustainable longer term accommodation to help people settle into communities and to reduce the resource costs of hotels. They want to explore opportunities to move displaced persons into social housing.

The £50m fund is now up and running. The Minister (Mr Gray) visited North Lanarkshire recently supported by [redacted]. He is pleased with progress and met a family who recently moved in and some of the support workers – the first tower block is now complete with support space on the ground floor for advice on schools, employment and language. 200 homes are expected from this project in total.

Aberdeen has had 500 homes approved across this financial year and next. North Ayrshire has had 30 units approved with homes ready for occupancy expected in the next couple of weeks.

There have been direct approaches from two Glasgow RSLs [redacted]. A meeting is scheduled with [redacted] supported by [redacted]. Talks are ongoing with [redacted] and a follow up will be made to [redacted] who showed early interest with possible tower blocks.

The Ukraine team is going to write out to RSLs and local authorities again to encourage them to engage further. Ministerial interest is widening from voids to also look at re-provisioning/remodelling properties for alternative use as independent homes, such as former care homes and hotels.

Action Point 1: Area teams are asked to encourage partners to engage with the Ukraine team regarding any suitable properties they may be able to offer.

[redacted] thanked area teams for their local input in assessing bids.

Item 3: Programme Update - national

Spend – there was £50.2 million spend during October, bringing total spend for the year to £242.631 million; [redacted]% of the current expected outturn.

In terms of spend against profiles, the total capital grant spend was £227.341 million; £3.36 million ahead of profile.

Financial transaction spend was £15.29 million to end October, which is over £22 million behind profile. This all relates to Open Market Shared Equity spend, which is demand led.

At the same point last year, total spend was sitting at £289.19 million, so by comparison, spend is behind last year by £46.8 million.

Capital receipts are sitting at £9.762m against an original estimate of £18.4m although this is expected to be exceeded by £4m and has been factored into [redacted].

Homes – during October there were a total of 520 approvals, 329 site starts and 921 completions. For the capital programme, the figures are behind profile in terms of approvals, starts and completions by 1,200, 324 and 940 respectively.

Estimated out-turn has dropped for approvals, starts and completions and with completions likely to drop further once the OMSE team complete their programme review. Lastly, the social affordable split for completions is currently sitting at 79%, with an expected outturn of 74%.

[redacted] noted good progress to date in November. £17.4 million had been spent with a further 324 approvals, 81 site starts and 157 completions achieved.

There has been some movement in estimated spend out-turn this month with [redacted] and [redacted] dropping and [redacted] increasing their expected out-turn and so offsetting this. We have [redacted] but with [redacted] capacity identified in [redacted] and potential for considerable additional spend and units in [redacted]. However, potential risk of £2.5 million slippage in [redacted] and [redacted] experiencing significant slippage affecting both FT spend and homes delivered.

Input from Area Team Leads

[redacted]

[redacted] noted she was unsurprised approvals are slower due to more applications coming in above benchmark and requiring technical appraisal which is adding time and contributing to delays alongside external factors.

There has been a reduction in overall spend, principally in [redacted] where there is a [redacted] underspend attached to the [redacted] acquisition, it was hoped this would be achieved this year but delays in the Master Planning process mean this will slip.

[redacted] spend is down £0.5m in large part due to a contractor administration and delays by the association in progressing procurement of a contract to complete the works.

Other areas are reporting the same as last month. There may be as yet unconfirmed potential for additional spend capacity in [redacted], the Council is in discussions with RSLs [redacted] about increasing off the shelf purchases linked to provision of homes for people from Ukraine in addition to their current acquisition programme. [redacted] NB off the shelf acquisitions have been problematic but will be achieved in December.

[redacted] asked if [redacted] are also targeting non-developing RSLs who could be interested in ex-right to buy that they want to take back into ownership. [redacted] noted she hasn't specifically asked that question but has been clear that they should speak to all organisations across the city.

[redacted] noted an issue with SSEN has come to light when discussing a project on Colonsay, SSEN flagged limited power capacity on the island and the availability of power is questionable, there are upgrading works programmed to facilitate Islay but Colonsay and Jura are both served by undersea cables from Islay and until the Islay work is finished in 2024 there are question marks for current developments on Colonsay and Jura and possible implications for Islay.

On SSEN, [redacted] noted this issue has come up in other areas, [redacted], and this has been fed back to energy colleagues. [redacted] noted SSEN issues with reference to a project in [redacted] where tenants were delayed moving in for 6 months but noted issues are not solely in rural areas.

Action Point 2: Area teams to flag projects with similar energy issues to the **central team** to be fed back to energy colleagues.

[redacted]

[redacted] noted a number of updates to [redacted] figures. [redacted] estimated spend has a slight downturn, their programme is reliant on achieving a couple of major site acquisitions and the first appraisal is now on HARP, there are [redacted] of acquisitions in total in [redacted].

[redacted] spend is looking okay and [redacted] has seen a bit of an increase but it has been difficult, a recent tender submission had rents 33% above the max level so they had meetings around that which has seen a new submission based on

reasonable rents ready for approval – [redacted] need support due to resourcing issues. The area team is going to the [redacted] next week to discuss their programme, one project approved over a year ago is not on site yet and has not spent which was most of their planned spend.

[redacted] also highlighted the [redacted] authorities as being a risk in terms of output, issues with resource capacity and issues with contractors are stalling some sites.

[redacted]

[redacted] noted the possibility of an additional £[redacted]m for [redacted], at the moment he suggested we formally add £[redacted]m to [redacted]. They have gone from the lowest spend in [redacted] to the highest since last month, things are picking up there and at a meeting last week they advised that they expect to push spend further between now and Christmas with acquisitions. It is too early to say anything about the remainder of the additional £[redacted]m, they will have a better idea in the new year.

Overall spend is ahead of profile in [redacted], £[redacted]m against profile of £[redacted]m and they have spent an additional £6m since the start of November,

Approvals are behind profile, an extra 30 have gone through this month and not anticipating any concerns there, expecting increased approvals in all [redacted] areas and in the process of meeting partners early this month. The team is not hearing of any difficulties at the moment. [redacted] noted prices are high everywhere, but probably slightly less high in [redacted].

Starts are ahead of profile, [redacted] against a profile of [redacted], expecting to add another 80 this week for both starts and completions. The team are finding some delays between approvals and site starts, same for completions, things are taking a little longer, e.g. final snagging issues and sign off, but nothing insurmountable.

[redacted] noted that any additional capacity for [redacted] beyond the £[redacted]m can be added towards the end of the year. [redacted] asked if [redacted] are asking for more money given they want to do more acquisitions. [redacted] noted they have not requested additional money yet but there is a meeting this month. They have a series of open market purchase records in, they have done [redacted] and have more waiting to be worked through. [redacted] took a lot of extra money last year so not expecting as big an overspend this year, any slight overspend could be managed with underspend from [redacted].

[redacted]

[redacted] noted spend and approvals are slow due to a number of issues including staffing resource in some local authorities, planning delays and cost increases resulting in discussions with technical about expensive projects. Not expecting an increase in overall spend from £[redacted]m but the team is expecting significant claims to come in from now onwards as there are some larger sites being developed in [redacted] this year which will generate big claims.

Approvals are behind profile but, since October PCG, [redacted] has been approved taking the figure up to [redacted], site starts are up at [redacted] and completions are going well with [redacted] and that number is going to go up as there are imminent completions.

[redacted] added that [redacted] have taken an extra £[redacted]m over the last two years so are a bit slower this year and that a meeting is scheduled with [redacted] about a potential [redacted] building in [redacted].

The [redacted] team do not require to be allocated any additional money this year.

[redacted]

[redacted] noted that things were progressing well in [redacted] with spend, approvals, site starts and completions all ahead of profile. A number of changes were made to the PCG report for this month, [redacted] recently dropped £[redacted]m but still confident an additional £[redacted]m can be allocated across the programme.

There are on-going discussions with [redacted] about their council build programme and any available funding. They are starting to bottom out numbers and phases but it's a complicated project with a large number of units.

Also discussing an [redacted] with [redacted] which might amount to a couple of million if they can conclude this financial year, work underway to look at their ask. [redacted] is going to overshoot its RPA by a considerable amount, the [redacted] project has significant associated spend but there might be a delay due to planning. In [redacted] the [redacted] issue needs sorted out, with the next phase unlikely to proceed until the current issues with piling and cracking in buildings is sorted. Lastly [redacted] noted the ongoing issues with [redacted] where there is a concern about lack of progress, all communication is being documented and the team will continue to pursue and try to arrange a meeting.

Item 4: Corporate updates

[redacted] noted the emergency budget was last week and added she would circulate text on what was in it to area teams in case they get queries.

Action Point 3 – [redacted] to issue text/lines on the emergency budget to **area teams**.

[redacted] added that in the emergency budget [redacted] The UK Gov budget is on 17 November with the Scottish budget due on 15 December. We know that regardless of the budget outcomes our budget was due to drop in 2023-24.

[redacted] provided an update on the internal audit report that was received on 9 November, once digested we can go back on any factual inaccuracies. The final report will go the audit committee, then our Director for any actions to be implemented.

[redacted] also updated on a meeting with Ms Robison about increasing the number of acquisitions across our programme, the number of people in temporary accommodation is Ms Robison's focus, Better Homes are leading on this and Shelter Scotland has a group looking at this - due to report on 25 January. [redacted] added there is a meeting between Mr Harvie and Mark Griffin MSP about how our programme can support purchases from the PRS off the back of the emergency legislation.[redacted] asked to be kept in the loop on acquisitions as it cuts across the housing planning framework.

Item 5: AOCB

[redacted] advised area teams that the median rent levels for MMR will be issued on 29 November this year, as opposed to the middle of November as in previous years. Following discussions with CAD last year we are now using published annual PRS stats for this purpose. The information to be issued to MMR providers will come with an appropriate caveat in light of the rent freeze.

Action Point 4: [redacted] asked **area teams** to provide feedback on any issues with SHIPs not being received from local authorities.

[redacted] asked about access to a final copy of the AHSP guidance to be shared with partners. [redacted] advised that work is being done to finalise an accessible version of the guidance which will be shared with area teams as soon as it is complete.

[redacted] advised PCG that she had met with energy colleagues to confirm the £15m budget transfer for next year, energy colleagues advised there is a £300m Heat Network Fund and area teams should be aware of that when discussing expensive projects with communal heating systems noting that double funding needs to be avoided. [redacted] added that he had met energy colleagues with [redacted] to discuss this fund, - the [redacted] was approved with the grant requested but they could potentially have sourced some monies through the Heat Network Fund. [redacted] noted that there is also an option to retrospectively reduce AHSP grant input and bring it back into the programme if projects can receive funding from other separate energy funds.

Item 6: Future dates

15 December: 11:00 – 12:30 Thursday

2023:

17 January: 11:00 – 12:30 Tuesday
14 February: 11:00 – 12:30 Tuesday
14 March: 11:00 – 12:30 Tuesday

PCG Actions

Action Point 1: **Area teams** are asked to encourage partners to engage with the Ukraine team

Action Point 2: Area teams to flag projects with similar energy issues to the **central team** to be fed back to energy colleagues

Action Point 3 – [redacted] to issue text/lines on the emergency budget to **area teams**.

Action Point 4: [redacted] asked **area teams** to provide feedback on any issues with SHIPs not being received from local authorities.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Ongoing – teams are encouraged to continue with this practice.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively. – **ONGOING**

Action Point – [redacted] asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance. - **ONGOING**

Action Point – [redacted] to provide an update to the **Central Team** regarding [redacted]. – **ONGOING** (meeting took place 8th November feedback to follow)

Action Point – [redacted] to provide [redacted] with an update regarding the issues arising between [redacted]. – **ONGOING** [redacted] will speak to **CM** separately about this issue)

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs. - **ONGOING**

Action Point – **CM** asked **PCG Members** to keep him informed of any matters relating to Homes for Scotland and [redacted]. - **ONGOING**

**Minute
Programme Co-Ordination Group
Wednesday 13 October 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	
[redacted]	[redacted]
[redacted]	[redacted] (part)
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Colin MacBean (CM)	[redacted]
[redacted]	

Apologies: [redacted]

[redacted] welcomed both [redacted] and [redacted] to the meeting.

Item 1: Minutes and Matters arising from PCG held on Tuesday, 14 September 2022

The Minute of the previous meeting was accepted.

Action Point 1 – Area Teams to continue to provide feedback on rural issues to [redacted] and [redacted]. – **ONGOING**

Action Point 2 – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively. – **ONGOING**

Action Point 3 – [redacted] flagged that Charitable Bonds will becoming available again and that procurement bids will be assessed. [redacted] leading on the Charitable Bonds procurement. [redacted] to ask [redacted] to provide an update on procurement. – **COMPLETE**

Note: [redacted] noted bids have been evaluated and letters are now being drafted by procurement for those that tendered. Hopeful these could be issued in November, however, realistically could be December.

Action Point 4 – [redacted] and [redacted] to liaise with **Area Teams** to provide a training refresh on SHIP reviews. This may be more appropriate when SHIPS are actually in – **COMPLETED**

Post meeting note – scheduled for 17 November

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential

technical input and to please provide feedback on any technical work already carried out. **Ongoing – teams are encouraged to continue with this practice.**

CM queried if it would be beneficial for him to speak to procurement to ensure letters are issued in a prompt timescale. **CM** also noted if Area Teams can flag to RSLs to raise publicity.

Action Point 1 – CM asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

[redacted] to ask **Sean Neill** to highlight this issue when meeting with Wheatley.

Item 2: Ukraine Update

[redacted] provided the following update to PCG members:

Grant offers have now been issued to North Ayrshire and North Lanarkshire Council. North Lanarkshire have, as of last week [week beginning 10th] rehomed 6 families. All properties in Coatbridge and Wishaw expected to be completed by early December. The Minister [Mr Neil Grey] is expected to visit the site on October 24th.

[redacted] are advancing their plans with a meeting scheduled for next week [week beginning 17th] to provide advice.

Meeting on Monday [10th] with [redacted], to emphasise the potential availability of properties in this financial year, [redacted] was in attendance. [redacted] has indicated that they will now approach all RSLs for support and potential homes.

Initial meetings to be held with [redacted], with follow up meetings planned for next week. Talks will be held with [redacted] and [redacted] respectively.

[redacted] indicated that there would be very limited options for available homes completing in this financial year.

[redacted] yet to return any information after initial enquiry. Team will follow this up.

CM thanked PCG members for their help at a local level for the Ukraine scheme whilst at the same time continuing progress in the main AHSP programme.

Item 3: Programme 2022-23

Progress report to end September 2022

[redacted] provided the following update to PCG members:

Spend – there was £40.3 million spend during September, bringing total spend for the year to £192.463 million; [redacted]% of the current expected outturn.

In terms of spend against profiles, the total capital grant spend was £179.882 million; £1.973 million ahead of profile.

Financial transaction spend was £12.581 million, which is over £19 million behind profile. This all relates to Open Market Shared Equity spend, which is demand led.

At the same point last year, grant spend was sitting at £247.3 million, so by comparison, spend is behind last year by £54.8 million.

The capital receipts figure on report is last month's amount and this will be updated for next month's meeting.

Homes – during September there was a total of 370 approvals, 377 site starts and 842 completions. For the grant programme, the figures are behind profile in terms of approvals and completions, with site starts being ahead of profile by 267.

Lastly, the social affordable split for completions is currently sitting at 78%, with an expected outturn of 73%.

[redacted] noted good progress to date in October. £23 million extra had been spent with an extra 111 approvals, 72 site starts and 255 completions. [redacted] noted that approvals were sluggish but site starts were higher than last year and completions were at the highest point at this time in the year compared to the last four years. [redacted] however, [redacted], with potential extra capacity in [redacted] of [redacted] which would reduce [redacted] and possible additional capacity in [redacted]. However, potential risk of £2.5 million slippage in [redacted].

Input from Area Team Leads

[redacted]

[redacted] indicated the programme was doing ok. To date total spend is [redacted] million ([redacted]% RPA), [redacted] approvals ([redacted]% approvals), [redacted] site starts ([redacted]% starts) and [redacted] completions ([redacted]% completions). RPA is expected to be achieved with some internal movements. [redacted] fine. [redacted] may both exceed their RPA, the latter by around [redacted]. [redacted] expected to slip by around £1 to £5 million. [redacted] exceeded RPA, however, allowed to continue spending. Potential extra capacity here, currently only estimates, more detail and certainty to be sought. [redacted] may potentially hit RPA. [redacted] spend is poor with to date only [redacted] spent. The team have continually chased the Council for updates and will document the correspondence attempts made. Programme is based on [redacted] project which has failed to progress due to difficulties with land owner. Communication from Council is lacking. [redacted] meeting with [redacted] next week. [redacted] spend not great. Projects coming in way over benchmark – technical are looking at them. [redacted] project completion has been moved back due to structural issues – [redacted] to provide a further update on this project. [redacted] provided a brief background to PCG members on the [redacted].

Action Point 2 – [redacted] asked **Area teams** to forward any feedback relating to other [redacted] developments to the **Central Team**

[redacted]

[redacted] noted no extra detail to provide outwith the PCG report submission. [redacted] spend should meet RPA but is now amber, will continue to keep an eye on this. Overall spend is more likely to go down than up – no extra capacity available in the area. Tender prices challenging and delays arising in submissions. Timescales have been difficult to assess tenders with input needed from technical, which has led to an impact in spend. [redacted] regeneration new build project above benchmark. [redacted] took time over contractor negotiations – 6 to 8 weeks. This has impacted the potential start date to be moved to after Christmas, with spend not likely to January 2023. Project could have started in October/ November. [redacted] noted that the contractor involved had approached them with intent to increase their price. However, [redacted] has indicated if the price does increase the project will be retendered in January/ February. Issue in [redacted], approximately 21 units. A small local contractor had issues with additional costs. The association was told that there would be scope for an application for additional costs. However, the contractor has since liquidated. The site remains paused, and no new contractor has been sought. The association's Chief Executive has indicated the idea of "mothballing" the site due to business plan constraints. [redacted]. [redacted] still aiming to hit RPA however, not looking for any additional funds. Spend more likely to go down than up. No update regarding [redacted].

Action Point 3 – [redacted] to provide an update to the **Central Team** regarding [redacted] spend.

[redacted]

[redacted] indicated slow spend. To date [redacted] million had been spent. Outturn reduced to [redacted] million. Spend difficult for a number of reasons including high costs and the impact of the rent freeze. Potential for further slippage. [redacted] both looking to meet RPA, however, [redacted] looking likely to slip. [redacted] will be kept under close monitoring. [redacted] has accelerated approvals, four projects approximately [redacted] homes. Sites have been acquired, however, tenders unlikely to come in until next financial year. Approvals have stalled, [redacted] homes currently under appraisal. [redacted] has submitted [redacted] project, [redacted] homes, which is going to **CM** for approval. [redacted] still has around 50 buy back homes to be approved. To date, 1,000 completions have been recorded across [redacted] with a number of other projects nearing completion. [redacted] has lost a number of senior staff. [redacted] is taking [redacted] to court over a buy back clause on a site bought years ago.

Action Point 4 – [redacted] to provide **CM** with an update regarding the issues arising between [redacted].

[redacted]

[redacted] noted nothing additional to report from what was reported in the PCG report. Conversations have taken place between [redacted], [redacted] and [redacted] regarding the [redacted] and the impact of the rent freeze announcement. One project in [redacted] has fallen out of approvals, approximately 42 homes, due

to [redacted] stepping back from development. [redacted] is delaying a total of c140 homes in [redacted]. Meeting later today with [redacted] to discuss programme and confirm upcoming big site acquisitions with a better picture available in [redacted] surrounding spend. Contractor availability a big issue in the sector across all areas. [redacted] have a trickle of off the shelf homes coming through.

[redacted] has some ongoing concerns. [redacted] due to the rent freeze and lack of financial backup. Will pick up with [redacted] on his return from leave.

Action Point 5 – [redacted] to provide an update to the **Central Team** following her team's meeting with [redacted].

[redacted]

[redacted]. [redacted] noted spend to date has increased by £5 million, totalling £[redacted] million, which is ahead of profile. [redacted] has spent their original RPA and have confirmed extra capacity. [redacted] has spent half of their original RPA and have confirmed extra capacity. Confident spend will happen with the potential for an extra [redacted]. [redacted] are expected to spend [redacted] in October and [redacted] in November. Will have a better picture by Christmas if they do have extra capacity. Only 64 approvals in October and behind profile, however, no concerns. [redacted] has already hit original approvals target. Starts are ahead of profile thanks to big projects coming through in [redacted]. [redacted] completions in October, totalling [redacted]. Still a lot to do, programme is a couple months behind schedule. However, nothing to flag as urgent/of concern.

Buy-backs/ Acquisition of Existing Properties

[redacted] reiterated to PCG members not to hold back on off the shelf purchases. The key message was to go ahead with all. The picture across the country will be different in each local authority but emphasis was placed on going ahead with these purchases.

[redacted] noted that a temporary accommodation Task and Finish group, has put forward proposals for a national plan for acquisitions, with conversations ongoing with Better Homes colleagues. Mark Griffin, Labour spokesperson for Housing, has also written to Patrick Harvie on the issue of private rented sector property sales with sitting tenants and whether they can be purchased.

[redacted] has noted the Cabinet Secretary is looking for advice and more information relation to acquisitions of off the shelf purchases and how to accelerate the programme. Plans are in place to submit proposals by 25th October. These may include a higher profile for acquisitions in the programme in the guidance, so as to reinforce messages surrounding the role acquisitions play in the programme.

[redacted] noted the uneven playing field across all local authorities, especially in her area and [redacted].

[redacted] highlighted the need for flexibility to cover the refurb of properties rather than equalising grant levels. [redacted] also raised the possible impact that

increased off the shelf acquisitions would have on OMSE and other parts of the programme.

[redacted] noted her area historically had a healthy programme of off the shelf homes, however, they have struggled in recent times.

[redacted] noted that [redacted] choose to take a certain amount of grant to facilitate open market purchases. [redacted].

[redacted]

[redacted] noted the recent changes surrounding mortgages could potentially increase opportunities for properties on the open market.

Action Point 6 – Area Teams to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Item 4: Corporate Updates

[redacted] provided the following corporate updates

Emergency legislation had gone through last week, with the social sector to be advised by the 14th January on the next stages.

[redacted] noted there was a stakeholders group taking this work forward who are meeting next week to look at this work with the social rented sector.

A date for the budget has been set for 15th December, with the UK Government planning another budget at the end of October.

[redacted]

CM provided feedback on Homes for Scotland meeting.

Issues being raised include the need for a clear definition of modern methods of construction.

There was an interest in the remote and rural housing action plan. [redacted] will speak to Homes for Scotland to provide more detail.

Questions were raised surrounding benchmarks and costs. Messaging was very clear that benchmarks are not a maximum, however, this would be a discussion between RSLs or Councils who are submitting tenders.

Action point 7 – CM asked **PCG Members** to keep him informed of any matters relating to Homes for Scotland and [redacted] contractor behaviour.

Challenges facing mortgages due to the UK Government were also raised. At present there is no rush to sell properties to the AHSP programme, however, it was

noted that if opportunities arose, discussions should be had, although value for money was still a factor.

It was raised that **Joe Brown's** team, who are developing short term modular accommodation for the Ukraine scheme, were interested in sites that may be waiting for development.

Housing Need and Demand Assessment process and planning were issues brought forward by Homes for Scotland. Future meeting will include **Fiona Simpson** to assist with planning queries.

Homes for Scotland also interested in the social impacts of housing.

Homes for Scotland's Chief Executive will have quarterly meetings with the Cabinet Secretary. The next meeting will be in the next few weeks [27th October]. The first meeting was an introductory meeting for subsequent meetings. There may be a need for other participants in these meetings depending on agenda items.

[redacted] noted that [redacted] is leading on the briefing for the Cabinet Secretary for the next meeting on the 27th October. Any specific points relating to this meeting should be forwarded.

Post meeting note: meeting now arranged for week commencing 3 November.

Action point 8 – [redacted] asked **PCG Members** to forward on any issues which could be relevant to [redacted] briefing on Homes for Scotland to the **Central Team** and **CM**.

Item 5: AOCB

[redacted] provided an update on the process and procedures guidance.

The aim is to publish this month, the impact of the rent freeze has had implications for social rent benchmarks and information provided surrounding mid-market rent. The publication is with Scottish Government Legal Directorate. The advice will be provided to Cabinet Secretary and hopefully published by end of October.

[redacted] noted to the group that the internal monitoring of projects approved against the benchmark had received positive feedback from area teams as to its usefulness. It was decided that area teams will see sight of this monitoring at the end of each month as a reference point and comparison tool.

Action Point 9 – [redacted] to issue Benchmark Approvals Tracker, to end of August, to **Area Teams**

Item 6: Future dates

09 November:	11:00 – 12:30	Wednesday
15 December:	11:00 – 12:30	Thursday

2023:

17 January:	11:00 – 12:30	Tuesday
14 February:	11:00 – 12:30	Tuesday
14 March:	11:00 – 12:30	Tuesday

PCG Actions

Action Point 1 – CM asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Action Point 2 – [redacted] asked **Area teams** to forward any feedback relating to other Robertson developments to the **Central Team**

Action Point 3 – [redacted] to provide an update to the **Central Team** regarding New Gorbals spend.

Action Point 4 – [redacted] to provide **CM** with an update regarding the issues arising between [redacted].

Action Point 5 – [redacted] to provide an update to the **Central Team** following her team's meeting with [redacted].

Action Point 6 – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action point 7 – **CM** asked **PCG Members** to keep him informed of any matters relating to Homes for Scotland and [redacted].

Action point 8 – [redacted] asked **PCG Members** to forward on any issues which could be relevant to [redacted] briefing on Homes for Scotland to the **Central Team** and **CM**.

Action Point 9 – [redacted] to issue Benchmark Approvals Tracker, to end of August, to **Area Teams** – **COMPLETED**

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].
Ongoing – teams are encouraged to continue with this practice.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively. – **ONGOING**

**Minute
Programme Co-Ordination Group
Wednesday 14 September 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	Colin MacBean (CM)

Apologies: [redacted]

Item 1: - Minutes and Matters arising from PCG held on Tuesday, 16 August 2022

The Minute of the previous meeting was accepted.

Action Point 1 – Area Teams to continue to provide feedback on rural issues to [redacted] and [redacted] – **ONGOING**

Action Point 2: [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues.[redacted] will feed back if anything needs to be raised collectively. - **ONGOING**

Action Point 3 – [redacted] flagged that Charitable Bonds will becoming available again and that procurement bids will be assessed. [redacted] leading on the Charitable Bonds procurement. [redacted] to ask [redacted] to provide an update on procurement. – **ONGOING**

Action Point 4 – [redacted] and [redacted] to liaise with **Area Teams** to provide a training refresh on SHIP reviews. This may be more appropriate when SHIPS are actually in – **ONGOING**

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Ongoing – teams are encouraged to continue with this practice.***

Item 2: Programme 2022-23 – Progress report to end August 2022

[Redacted] provided the following update to PCG members:

Spend – there was £47.9 million spend during August, bringing total spend for the year to £152.1 million, which is almost [redacted]% of the current expected outturn.

In terms of spend against profiles, the total capital grant spend was £142.353 million and that's ahead of profile by £11.2 million.

Financial transaction spend was £9.774 million, which is £16.2 million behind profile. This is all OMSE spend which is demand led.

At the same time last year, grant spend was sitting at £170.7 million, so by comparison, spend is short of last year by £28.3 million.

In terms of capital receipts, the estimate for the year is £18.4 million with £9.974 million already received.

Units, during August there were 403 approvals, 1,201 site starts and 1,377 completions. In terms of progress against profiles, approvals and completions are behind – approvals (by 1,051), and completions by (1,119) but site starts are ahead of profile by 248. FTS, are also behind profile.

The social affordable split for completions is currently sitting at 83%, with an expected outturn of 73%.

[redacted] added that there is still a £6.4 million unallocated sum .

Approvals, site starts and completions are up and this is associated with [redacted] taking an extra £[redacted] million. Spend to 14 September is around £20 million and should reach profile spend at the end of September.

[redacted]

Item 2: Programme Review – Input from area team leads

[redacted]

[redacted] advised that spend is slow and following meetings with stakeholders, expected outturns will require to be revised downwards. Realistically, this could mean a reduction of around [redacted] for the [redacted] programme.

The programme is healthy, but not spending at the moment due to issues with, for example, planning delays, ransom strips and losing developing RSLs. [redacted] are taking the longest to progress.

[redacted]

[redacted] advised that the extra £[redacted]million will be spent within the [redacted] (£[redacted]m), [redacted] (£[redacted]m) and [redacted] (£[redacted]m) council areas. [redacted] has potential to spend a further £[redacted] million.

There have been 99 approvals already to this point in the month and site starts are ahead of profile. Completions are a bit behind, adding about 2-3 months, but should be fine.

[redacted] mentioned that the feeling last month was that things were slow and that we may need to get more of a feel for the range of expected completions in Q4 and take a look at across the piece.

[redacted] added that [redacted] should get the extra £[redacted] million if they can show they can spend it. However, there is the issue that they do not claim funds early enough to back up their ambition.

[redacted]

[redacted] advised that in general, there are real delays in getting tender submissions in as they are trying to drive down costs prior to them being submitted. Tender acceptance periods are tight and there is a significant increase in projects being above benchmark and needing technical appraisal.

A decision has also been taken by [redacted] RSLs [redacted] to withdraw from new build development, including projects they were committed to. The programme in [redacted] will be dependent on [redacted] and [redacted]. These decisions were taken before the rent freeze announcement.

The [redacted] unit [redacted] project was approved on the basis of the provision of 40 NSSE homes. The rented element of these homes may be an issue. Also concerns have been raised about the valuations being unaffordable. Following a conversation with policy colleagues, the stake can be reduced to 51%. Factoring charges are also expensive, as is the Council Tax payment.

[redacted] still reporting that the budget will be achieved, but this will be difficult due to the delay in approvals because of high costs.

Also very high cost developments within the rural programme is causing delays in approving projects.

Technical staff very busy at the moment with VfM appraisals.

[redacted] asked area teams to encourage the submission of Housing Tender Returns.

The contract with BCIS expires on 31 December and a request has been made for assistance from Procurement colleagues regarding a new contract. The timeline is tight but should manage to appoint a new supplier in January 2023.

Also advised that space standards are up to 20-25% larger for HfVN and have cost implications for grant and it would be good to have a discussion to agree a consistent line for this.

[redacted] advised that she had looked quite recently at what projects were above and below benchmark and it was almost 50/50, with no particular pattern. Would be interested in knowing if technical colleagues are seeing a pattern. [redacted] said that we would have another look at this and if necessary, convene an internal meeting.

[redacted] mentioned that she is interested in knowing about excess size when appraisals are being carried out.

[redacted] commented that the table Stephen had produced for a PQ response had been very helpful. [redacted] advised that this can be shared more widely.

[redacted]

[redacted] commented that the quality of technical reviews being carried out were very helpful and asked that this be passed on to [redacted] and [redacted], and that he will discuss additional floor standards for rural projects with them.

The programme is behind targets on most things but not too bad. Struggling with staff shortages – both with construction and development partners. Not getting properties signed off impacts on not getting on with new projects.

[redacted] now has a new member in the development team which will help.

Section 75 projects are problematic on cost. [redacted] has set a Section 75 figure. [redacted] have said this needs to be more robust.

Rural costs are prohibitive – an 8 unit development on [redacted] is [redacted] per unit, excluding fees. A further 8 unit development on [redacted] per unit, also excluding fees.

The [redacted] is quite slow, and are meeting with [redacted]. Funds offering support for [redacted] on our grant.

[redacted] will deliver NSSE, but not rent.

[redacted] mentioned the money added to [redacted] for acquisitions and if [redacted] was still confident this would go ahead. [redacted] have chosen to drop some developments and instead taking forward second phases of others. Progress in terms of approvals has slowed down and just going through the planning process. Overall not too concerned and will happen later on in the year.

[redacted] clarified that it was the Section 75 conditions that are being varied.

[redacted]

[redacted] confirmed that the [redacted] programme was ok at the minute in terms of spend and units and profiles have been met. On looking at the best and worst case scenarios at the moment it could be that spend could range from £19 million over or £9 million under RPAs.

Areas are mixed – [redacted] will probably not meet its RPA, and [redacted] is performing poorly. The rest are ok with [redacted] spending well.

[redacted] will meet its RPA and may exceed. Council build is subject to a pause and want to pin down their costs. Re-tendering some projects and this process will take 4 – 6 months.

[redacted] has asked about another big council project and [redacted] to provide her with more context. Possible capacity for [redacted] phases over a number of years. To keep [redacted] and [redacted] up-to-date with discussions.

[redacted] programme is achievable but problems around [redacted] Most above benchmark and could slow the programme down. The [redacted] project is rural and is [redacted], with the [redacted] looking for [redacted]

[redacted] is fine, [redacted] are ok and will probably exceed their RPAs.

[redacted]

No other new announcements other than the rent freeze.

[redacted] said that regarding the rent freeze, he had met with [redacted], who were surprised and disappointed and that the knock on effect could be problematic going forward and may pull back. It could be inevitable that some RSLs may be a bit more conservative going forward.

[redacted] advised that Catriona MacKean is taking forward a Short Life Task and Finish Group and is keen to get intelligence. [redacted]. Keen that Ministers have information [redacted]. Hopeful that the Short Life Task and Finish Group will resolve uncertainty for what this means post March.[redacted] to send on SLWG membership to [redacted] ***Post meeting note – Membership of Group as follows:***

SG: Catriona MacKean, [redacted], [redacted], [redacted], [redacted], [redacted]
[redacted] Colin MacBean, [redacted], [redacted], Neil Ritchie, [redacted], Sean Neill, [redacted].

SHFA: [redacted], Sally Thomas [redacted]

GWSF: David Bookbinder

ALACHO: [redacted]

SHR: [redacted], Michael Cameron

Wheatley Group: Steven Henderson

COSLA: James Fowlie [redacted]

Councils: [redacted] (Fife), [redacted] (West Dunbartonshire), [redacted] (Orkney)

TPAS Scotland: [redacted]

UK Finance: [redacted]

RSLs: Jon Turner (Link HA Ltd), Larke Adger (West Granton Housing Co-operative), A Linton (Hillcrest Homes)

TIS: [redacted]

Ukraine

[redacted] advised that the Cabinet Secretary had approved an up to £50 million fund, which will be announced in due course. Hoping to launch formally around the first week in October and anticipating a lot of enquiries. Approval has been given for 200 flats in Wishaw and Coatbridge and first tenant housed yesterday (13 September).

30 flats in [redacted] should be approved hopefully within the next week or so. Also just received information from [redacted] and may wish to have further discussions re 150 replacement homes. have received other enquiries from councils, for example 23 flats in [redacted] to be improved, however this may not be at a scale that would be supported. [redacted] will be coordinating a response and [redacted] will talk to their RSLs.

[redacted] asked if the properties will just be available for a few years and not in perpetuity with a focus on tower blocks and voids. [redacted] advised that nothing is being ruled out and also looking at new build and modular construction.

[redacted] commented that a balance needed to be struck [redacted]. [redacted] also looking for feedback from area teams if partners have good ideas as it would be good to try to flush out what may be helpful going forward.

[redacted] will copy PCG into correspondence where appropriate, for interest. [redacted] mentioned that it would be good to have any Q&A available on the Fund. [redacted] confirmed there will be a briefing pack for the Minister which people can use. [redacted] will also attend the October PCG as [redacted] will be on leave.

Item 4: AOCB

[redacted] reminded the group that LA's are expected to put their SHIP on the website –most have [redacted]we couldn't find.

Also when they put it on line we expect this to include the tables - many have only published the narrative.

A reminder that last year 5 LA's didn't have a SHIP in HARP: [redacted]

And all LA's are expected to have tables in the right format.

[redacted] asked for an internal contact name for energy costs. The contact is [redacted] who can be contacted direct.

Item 5: Future dates

13 October:	11:00 – 12:30	Thursday
09 November:	11:00 – 12:30	Wednesday
15 December:	11:00 – 12:30	Thursday

2023:

17 January:	11:00 – 12:30	Tuesday
14 February:	11:00 – 12:30	Tuesday
14 March:	11:00 – 12:30	Tuesday

**Minute
Programme Co–Ordination Group
Tuesday 14 March 11:00 – 12:30
Microsoft Teams Meeting**

Attendees:

[redacted] (chair)	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	

Apologies: [redacted], Colin MacBean (CM), [redacted], [redacted]

Item 1: Minutes and Matters arising from PCG held on Tuesday 14 February 2023

Action point 1 – [redacted] to look into the possibility of increasing delegated authority for **Area Teams**. – **ONGOING**

Action Point 2 – [redacted] and [redacted] to discuss issues surrounding potential extra capacity in [redacted]. – **COMPLETE**

Action Point 3 – [redacted] to confirm with [redacted] team date of Cabinet Secretary meeting with Edinburgh Council. – **COMPLETE**

Action Point 4 – [redacted] to confirm authorisation of additional capacity with **Area Teams**. – **post meeting note completed**

Action Point 5 – [redacted] to update **Central Team** on receipts following correction of balance of buybacks and resales. – **COMPLETE**

Action Point 6 – [redacted] asked **Area Teams** to request LA partners to update any SHIPs currently sitting as consultative drafts to live. [redacted] also asked to remind any councils which do not currently have their SHIPs on HARP to action this.
Update: Area Teams to check progress and update as necessary

Action Point 7 – **Area Teams** to flag work SFHA wants to do on cost pressures to local partners to encourage participation. – **COMPLETE**

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: **Area teams** to flag projects with similar energy connection issues to the **central team** to be fed back to energy colleagues.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – **CM** asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** are asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Update – [redacted] notified **PCG members** that Allia had submitted two further proposals for charitable bonds, however, finance colleagues have said these will not progress this financial year.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action Point – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

Action Point – The **Central Team** to consider how appraisals could be further streamlined during the last quarter.

Update – [redacted] [redacted] and [redacted] to arrange meeting to discuss this issue further.

Action Point – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible.

Item 2: Ukraine

[redacted] provided the following update to **PCG members**.

5,500 currently in welcome accommodation situated in hotels and two cruise ships, the lowest figure for a while. Work ongoing to empty cruise ship based in Glasgow, approximately 400 remain onboard. More Homes Team continue to work closely with the Ukraine Directorate on maximising longer term solutions. Sean meeting with Ukraine board on Thursday [16th March]. A long term strategy has been put in place. To date 769 homes have been approved, with 400 homes completed. Two further projects have been approved by the Cab Sec, with a further 6 projects in the pipeline. Discussions with [redacted] and [redacted] ongoing relating to small scale projects. 6 off the shelf projects being looked at in [redacted] with some overlap for the Ukraine programme. [redacted] provided a note to the Cab Sec and DFM as part

of the capital commission exercise regarding funding requirements for the ULTRF in 2023-24. [redacted] raised who would account for these homes and where was best to record them.

Action point 1 –[redacted] to organise meeting with [redacted] to discuss how to account for projects approved in the Ukraine programme.

[redacted] asked if there was a tracker available to show where these homes had been approved?

[redacted] noted the projects that had been approved were to be found [online](#). The projects that were in the pipeline were available on an internal tracker.

Action Point 2 – [redacted] to distribute to **PCG members** internal tracker relating to Ukraine projects in the pipeline, not yet approved.

[redacted] made members aware of an upcoming Aberdeen site visit by Mr Gray on Thursday 16th April.

Item 2: Programme 2022-23

[redacted] provided the following AHSP update to **PCG members**:

Spend – there was £112.02 million spend in February, bringing the total to £519.433 million, which is [redacted]% of the current expected outturn of £[redacted] million. The expected outturn has reduced by £0.989 million since the last report. In terms of spend against profiles, the total capital grant spend was £433.226 million, behind profile by £43.159 million. Financial transaction spend was £86.207 million to end February, and includes OMSE spend of £[redacted] million and £[redacted] million in Charitable Bonds. The total expected outturn for financial transactions is £[redacted] million, which is made up of £[redacted] million for OMSE and Charitable Bond donations of £[redacted] million. Compared to overall spend at the same point last year, there has been an increase of nearly £38 million more this year. Capital receipts are sitting at £13.8 million against an expected £18.4 million.

Homes – during February there were [redacted] approvals, [redacted] site starts and [redacted] completions. For the capital programme, approvals are behind profile by 2,120, site starts by 1,116 and completions by 1,125. During February, the expected overall outturn for approvals dropped by 229, site starts by 22, and completions by 28. The social affordable split for completions is currently sitting at 81%, with an expected outturn of 77% social.

[redacted] noted there was [redacted] unallocated, with potential additional capacity totalling [redacted]. Confirmation was given to [redacted] and [redacted] to increase their spend expected outturns.

Input from Area Team Leads

[redacted]

[redacted] noted that the figures in the PCG report were accurate. £1.68 million Acquisition in [redacted] now amber. To date 3 of 4 [redacted] sites on track to transfer to HRA, however, checking the status of the valuations. Total spend across all [redacted] sites at £0.685 million. Recent submissions expensive and will required technical review. Grant offered less than requested following vfm appraisal. Offer was accepted by association and development can proceed. Spend to date increased by £4 million in [redacted] area and £7 million in [redacted]. [redacted] expected outturn reduced by £5 million but subject to change – [redacted] officials to keep SG advised.

Action Point 3 – [redacted] to ask [redacted] to provide further information on remaining acquisitions.

[redacted]
[redacted] noted figures in report were accurate. To date spend totals £[redacted] million and some additional capacity has been identified, however, the team will keep an eye on this. A number of approvals left to complete. 7 tenders in [redacted], 2 are in and 5 still awaiting submission. If these require technical approval this may slow down their approval process. £3 million claim in [redacted] relating to [redacted] site delayed as awaiting suitable back up documentation. Off the shelf homes in [redacted] continue to trickle in.

[redacted]
[redacted] to date spend totals [redacted] million with £5.6 million additional capacity identified. Slippage in [redacted] and [redacted] to be absorbed in other areas. Discussions still ongoing surrounding NHT exit. Figures submitted from SFT with additional information supplied. £1.5 million additional capacity highlighted in [redacted]. Completions reduced in [redacted] due to various issues surrounding [redacted] project, however, these may increase again. £1.2 million due in [redacted] associated with 30 approvals. Buybacks previously submitted but incorrect, another submission being prepared. Some tenders still expected in [redacted], with some spend. Buybacks submitted in [redacted].

[redacted]
[redacted] noted PCG figures were accurate. £2.5 million slippage still at risk in [redacted]; unsure if [redacted] will be able to be spent £1m earmarked this year towards 50 homes at [redacted], currently with [redacted] for approval, total spend associated with site £[redacted] million. Further 43 homes in [redacted] being appraised, however, unsure if these will get over line. Total spend at £[redacted] million to date. 71 completions at [redacted] at risk and may slip to next year. [redacted] meeting today to discuss buybacks for private rented sector.

Action Point 4 – [redacted] to confirm with **Central Team** possible slippage within [redacted]

[redacted]
[redacted] noted that spend was on track to meet original RPA. Additional capacity in [redacted] and [redacted] confirmed. Block A quite high in [redacted]. Potential for another £2 million within area team. [redacted] have raised the idea of a further £5 million additional capacity, however, talks ongoing this afternoon to discuss this.

[redacted] in [redacted] all spent out. Total approvals across area down by 200, however, these may increase again. Starts decreased a little but no major concerns. Completions decreased by 17 but [redacted] increased by 14.

[redacted] noted that HOSF and HIF all revised figures and RIHF on track. OMSE may exceed spend.

Item 4: Corporate Updates

[redacted] noted the Capital Commission had been submitted.

[redacted] noted that this had been sent to financial colleagues and not ministers. [redacted].

Item 5: AOCB

[redacted] noted the Highland and Islands Enterprise and Western Isles think tank proposal to discuss housing crisis. [redacted] noted [redacted] ongoing work in the area. Meeting arranged on 27th March with COHIE, which the DFM will be attending.

[redacted] raised the issue of monthly checklists with PCG members. It was noted that members should submit any updates they would like to see made to the monthly reporting procedures.

Action Point 5 – [redacted] asked **PCG members** to provide feedback and identify possible further data to be captured in monthly reports.

Item 6: Future dates

18 April	11:00 – 12:00	Tuesday
16 May	11:00 – 12:30	Tuesday
15 June	11:00 – 12:30	Thursday

PCG Actions

Action point 1 – [redacted] to organise meeting with [redacted] to discuss how to account for projects approved in the Ukraine programme.

Action Point 2 – [redacted] to distribute to **PCG members** internal tracker relating to Ukraine projects in the pipeline, not yet approved.

Post meeting note – circulated on 17.3.23

Action Point 3 – [redacted] to ask [redacted] to provide further information on remaining acquisitions.

Action Point 4 – [redacted] to confirm with **Central Team** possible slippage within [redacted].

Action Point 5 – [redacted] asked **PCG members** to provide feedback and identify possible further data to be captured in monthly reports.

Ongoing PCG Actions

Action Point – [redacted] asked **PCG members** to flag any upcoming potential technical input and to please provide feedback on any technical work already carried out. ***Teams are encouraged to continue with this practice.***

Update – [redacted] asked **PCG members** to please flag the tender expiration date when submitting projects to technical.

Action Point – [redacted] to ask **Area Teams** to continue to provide feedback on rural issues to herself and [redacted].

Teams are encouraged to continue with this practice.

Action Point: Area teams to flag projects with similar energy connection issues to the **central team** to be feedback to energy colleagues.

Action Point – [redacted] to discuss with [redacted] and [redacted] the need for any potential further meeting surrounding HSCP issues. [redacted] will feed back if anything needs to be raised collectively.

Action Point – **CM** asked **Area Teams** to flag to RSLs that Charitable Bond programme will soon be up and running again to raise the profile in advance.

Update – **PCG members** are asked to continue to raise the issue of Charitable Bonds to increase interest in the programme.

Update – [redacted] notified **PCG members** that Allia had submitted two further proposals for charitable bonds, however, finance colleagues have said these will not progress this financial year.

Action Point – **Area Teams** to provide to **Central Team**, where possible, information regarding off the shelf homes relating to; time taken to let property and, how many are ex right-to-buy homes and how many are private sector buy backs.

Action Point – [redacted] to provide an update to [redacted] regarding issues surrounding the installation of fire suppression systems in the Islands.

Action Point – [redacted] asked **Area Teams** to reinforce with partners the need for any slippage with completions to be reined in before the end of the financial year where possible.