



# **Development & Regeneration**

## **Interim Strategy Statement**

**September 2025**



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# Purpose

In response to both short and long term investment challenges, Almond Housing Association (AHA), with the full support and encouragement of our Board of Management, has concluded now is the right time to look again at how best our resources, and those of our partners and stakeholders, can be deployed over the longer term to deliver our mission of **‘Homes, people and communities to be proud of’**.

To support this aim, we intend to explore the creation of a comprehensive, ambitious and long term Development and Regeneration Strategy (the Strategy) that will guide future investment. The nature and long term outlook of the Strategy will be a significant undertaking for AHA and this Interim Statement consolidates the:

- Rationale for developing it and why it is considered to be an appropriate commitment of the organisation’s resources;
- Initial vision and principles to guide the next stages; and,
- Shorter term steps to be taken between now and the end of the financial year to progress the Strategy and potential further timeframe to complete it

# Why now? Our operating context

A number of factors have come together in recent years that have led AHA to conclude that a shift in approach is required to make sure ongoing investment is best targeted at meeting the needs and aspirations of our tenants and addresses wider strategic trends.

Key drivers include:

- **Underperforming homes:** 1240 of our existing 2,500 units were built between 1966 and 1971 using non-traditional construction methods. Through consistent investment and maintenance these homes have served us well, however a number of challenges have emerged that highlight their increasing age, outdated design features and rising cost of maintenance to meet modern standards and customer expectations, for example:
  - Katherine Street fire (highlighted previously unknown risks and the high cost of net zero retrofit)
  - RAAC (requires costly remediation over the longer term)
- **Achieving net zero and high energy costs:** the Scottish Government has committed to achieving net zero by 2035, and decarbonising the way we heat our homes is expected to play a key part in achieving this. At the same time the rapidly rising cost of energy has highlighted the importance of reducing energy consumption and costs for our tenants

- **External funding:** recent years have seen significant pressures in the availability of funding to progress new developments and this has failed to keep pace with escalating development costs. The new UK Government has committed significant funding for affordable housing over recent months. Within Scotland there continues to be pressure placed on Scottish Government to increase funding for new homes particularly in view of the current homeless emergency

In April 2024 the Scottish Government created a Housing Investment Taskforce. The Taskforce published a report in June 2025, with a 28-point action plan aimed at unlocking both existing and new commitments to investment in housing by bringing together key interests of investors and investees

- **Build costs and access to land:** Livingston and the wider West Lothian region is growing and has become popular with families seeking more affordable accommodation. This represents an opportunity to cater to this growing demand for homes in our core communities but has also increased competition for land and pushed up its cost
- **Demographic trends:** ageing population, growing family demand, homelessness emergency

In the context of the above it is important that we invest both our own resources and those of our stakeholders and partners wisely to balance the investment needs of our existing homes with a desire to develop more homes to meet demand. This may require a focus on the replacement of existing homes which are either, not economically viable in terms of the investment required to meet energy standards, or no longer meet customer needs and aspirations.

At the same time we hope this approach will identify opportunities to develop more homes, better homes and more prosperous communities for both current and future generations. Part of this process will involve consideration of a mixed tenure approach and utilisation of both public and private finance.

## **Initial guiding principles & objectives**

We are ambitious in our Development and Regeneration objectives and recognise the significant opportunity to have meaningful impact on our tenants and wider communities. We have identified the following interim guiding principles that will shape the progress of the Strategy. We will:

- Be ambitious and think long term;
- Consult widely, openly and transparently with tenants and wider stakeholders;
- Be informed and invest in a way that is measured and proportionate; and,
- Be open minded
- Place communities at the heart of decision making

Our initial objectives in developing the Strategy are to:

- Address and remove the risks associated with underperforming homes
- Seek all opportunities to provide more homes overall by the end of the plan
- Provide homes that better meet the future needs and aspirations of tenants
- Deliver homes and communities that are environmentally sustainable
- Leverage the investment capacity of partners to deliver better outcomes and value for money than would otherwise be possible

## Timetable and next steps

So we can communicate clearly with tenants and continue to make informed business as usual decisions, it is vital that we adopt a comprehensive approach to analysing and identifying:

1. The scope of the Strategy and our objectives
2. AHA and partner delivery capacity
3. The key constraints and opportunities for delivery

In advance of detailed work, an initial timeline and envisaged series of activities is set out below and this will be further developed and detailed as work progresses. This has been informed by the HM Treasury Green Book process for major investment projects which is likely to be an expectation of public funders.

A link to the Green Book Strategic Outline Case (SOC) and Outline Business Case (OBC) templates is provided below –

[The Green Book: templates and support material - GOV.UK](#)

It is recognised that additional resource at a senior level will be required within AHA in order to take forward the activity outlined below. It is envisaged that this will be taken forward following the outcome of the workshops / during Phase 1b of the plan.

# Timetable and next steps

Envisaged Stage	Time Period	Indicative Activities / Outputs
<b>Phase 1a</b> Initial Vision and Objectives	<b>Year 0.5</b> April - Dec 2025	<ul style="list-style-type: none"> <li>Externally facilitated workshops with stakeholders and tenants to identify initial vision and objectives</li> <li>Baseline data gathering</li> </ul> <p><b>Output:</b> <i>Confirm direction and broad scope and review resourcing needs</i></p>
<b>Phase 1b</b> Strategic Outline Case (SOC)	<b>Year 1</b> Jan - Apr 2026	<ul style="list-style-type: none"> <li>Documented evidence base and alignment to organisational and key stakeholder policy</li> <li>Documented objectives and scope</li> <li>Option long listing and then shortlisting</li> <li>Identification of key constraints and dependencies (including resourcing needs)</li> <li>Options appraisal will form the basis for initial further engagement with stakeholders as to potential “asks” for support</li> </ul> <p><b>Output:</b> <i>Initial 5 year strategy and appointment of further resources</i></p>
<b>Phase 2a</b> Outline Business Case (OBC) & Masterplanning	<b>Year 2</b> May - Dec 2026	<ul style="list-style-type: none"> <li>More detailed work to identify preferred option and detailed objectives ahead of procurement</li> <li>Financial modelling and appraisal</li> <li>Treasury strategy</li> <li>Partner funding opportunities</li> <li>Assessment of planning considerations</li> <li>Appointment of master planners</li> <li>Document in an OBC for further engagement with partners</li> </ul> <p><b>Output:</b> <i>Detailed development and regen strategy and approval to procure partner</i></p>
<b>Phase 2b</b> Procurement of Development Partner	<b>Year 2</b> Jan - Mar 2027	<ul style="list-style-type: none"> <li>Detailed design, scheme costings, phasing and development of works contract</li> <li>Early pilot schemes</li> </ul>
<b>Phase 3</b> Early Delivery	<b>Years 3-4</b> Apr 2027 - Mar 2029	<ul style="list-style-type: none"> <li>Competitively procure development partner to progress delivery phase</li> <li>Board approval to appoint</li> </ul>
<b>Phase 4</b> Steady State Delivery	<b>Years 3-4</b> Apr 2029 - Mar 2050	<ul style="list-style-type: none"> <li>Rolling development programme</li> </ul>