

Downloaded on 23-09-2016 10:59
Released on 13-09-2016 16:13

More Investment for More Homes Scotland - Housing Minister

Local Government and Housing Minister Kevin Stewart
Parliament
13 September 2016

Last week, the First Minister set out our Programme for Government. It is a plan to build a more prosperous nation with a dynamic, sustainable and inclusive economy, with public services that put people's needs first, and where every individual has true equality of opportunity. We can only achieve this ambition if people can access a good quality, warm and affordable home.

This Government is ambitious for housing: with a commitment of over £3 billion to deliver 50,000 affordable homes over the next five years, of which 35,000 are for social rent.

We already have a strong track record of delivery. We invested £1.7 billion in affordable housing over the lifetime of the last Parliament and we exceeded our target to deliver 30,000 affordable homes by over 10%. It shows what can be done when we all work together. But the targets we have set for this Parliament are much more challenging.

Our ambition for housing can only be met if we work in partnership with councils, housing associations and developers:

- to expand on what we do well
- to push the boundaries of innovation and
- to make the housing system work for people.

This is the More Homes Scotland approach. More Homes Scotland includes all the actions we are taking to increase the supply of every type of home and make the housing system work for people. Over the summer, I have been out and about speaking to many different people and I have been struck by how positive they are about this.

In August, I visited Fernan Gardens developed by Shettleston Housing Association in Glasgow. With solar panels on the roof, an efficient heat recovery system, triple glazing, a landscaped central courtyard and integrated wi-fi, these flats provide modern, attractive, safe and secure housing for older people. It just shows what can be done.

Expanding what we do well means more investment for more housing. To achieve our ambitions, we will invest more than £572 million this financial year in affordable homes. Councils have been allocated over £100 million more than last year and the basic subsidy rate for councils was increased by 24% in January. I am pleased to see in statistics published today that we have a 26% year-on-year increase in the number of affordable homes approved in the period to end June. This is a healthy start.

We are also supporting home ownership through our shared equity schemes. This year, £160 million is available to support up to 5,000 households to buy their own home, adding to the 22,000 who have already benefited through these schemes.

Government investment in housing is also good for the wider economy. It will support around 14,000 jobs in the construction and related industries in Scotland and will generate £1.8 billion of economic activity each year. A substantial contribution to boosting our economy, creating jobs and investing in our future.

But it can't be done with Scottish Government investment alone. Securing wider investment is just one reason why we keep innovating. We are the only government in the UK to invest in charitable bonds and we have invested over £40 million so far.

We are also pushing forward with innovation in mid-market rent. The Local Affordable Rented Housing Trust will deliver up to 1,000 affordable homes across Scotland over five years, supported by a £55 million loan from Scottish Government.

Our £25 million Rural Housing Fund is increasing the supply of affordable rural housing, promoting self and custom build and supporting smaller building firms. It is also important to focus on the housing needs of our island communities. The Government will therefore also establish an Islands Housing Fund with up to £5 million over the next three years. This accords with our positive and comprehensive vision for the islands, as outlined in Programme for Government.

Our National Housing Trust initiative uses guarantees to unlock the development of affordable rented homes. This morning, I was at Shrubhill in Edinburgh for the site start of the seventh NHT development in the city. This takes the total to 886 affordable homes in the city and over 2000 across Scotland.

But our housing sector can only deliver if we make the housing system work better, not least our infrastructure, land, planning and tax systems.

We have made supplying more homes a national strategic infrastructure priority. We are working with local authorities, and through our flexible five-year Housing Infrastructure Fund, to unlock strategically important sites.

The planning system has a critical role to play. We will bring forward a Planning Bill early in the Parliamentary session and we are pressing ahead with local authorities

to deliver Simplified Planning Zones to help attract investment and promote housing delivery. Earlier this year, we published the Place Standard to help people to work together to design and deliver successful places.

Last week, I met with representatives from Sanctuary Group, Robertson and Torry Community Council at Craiginches, near my own constituency. They had broken ground on a development of 124 new affordable homes for key workers in Aberdeen on land previously owned by the Government. This is an excellent example of making good use of public land, and of engaging local people, to provide much needed affordable housing and create a sense of place.

We will make more land available for housing by modernising compulsory purchase orders and empowering communities through implementation of the Land Reform Act.

In our approach to Land and Buildings Transaction Tax, we have prioritised support for first time buyers and those buying homes at the lower end of the market. In the first year of the tax, more than 41,600 buyers paid less tax than they would have under UK stamp duty.

Finally, we have ended Right to Buy to safeguard up to 15,500 existing homes for future generations.

We can only succeed if we all work together. Our integrated and collaborative approach to developing the Joint Housing Delivery Plan, published last year, demonstrates how highly we value our partners and communities. I look forward to working with this Parliament, the Joint Housing Policy and Delivery Group and the sector to transform our ambition into reality.

For more information contact:

SG Communications

Email: SGCommunications@scot.gov.uk