



Glasgow and West of Scotland
Forum of Housing Associations

Keep it Local!

Unit 3D, Firhill House

55-65 Firhill Road

Glasgow G20 7BE

Tel 0141 946 0645 web: www.gwsf.org.uk

GWSF is a company registered in Scotland (Company Number SC307677)

Registered Office: Merchants House, 7 West George Street, Glasgow G2 1BA

Nicola Sturgeon MSP
The First Minister
Scottish Government
St Andrew's House
Edinburgh EH1 3DG

11 November 2019

Dear First Minister

Maintaining Scotland's flagship Affordable Housing Supply Programme

On behalf of the Forum's Board I am writing to you to seek assurance about the future of Scotland's affordable housing supply programme after the end of March 2021, and about the share of the programme allocated to councils in Glasgow and the west of Scotland.

We would firstly want to thank you for your warm words about the importance of high quality, new social housing at the opening of New Gorbals HA's Sandiefields development in late August. You also highlighted the particular contribution made by community controlled housing associations, and this too was very much welcomed.

The move to a 50,000 homes programme was a hugely significant step change in the Scottish Government's policy and funding priorities, and was a real challenge for councils, housing associations and the construction industry. Many GWSF members are busy progressing developments for completion by 2021, and we are hugely encouraged at the indications from officials that the target is on track to be achieved.

This means that delivery of one of the Scottish Government's flagship policies in the current session looks likely to a resounding success. Failing to continue to invest in social and affordable housing would be a missed opportunity to further contribute to addressing a range of key national priorities, as we have outlined below. Now is surely not the time to pull the plug well before any of us can say the job has been

finished, and we do not believe that ministers want to see the legacy of the current investment diminished by a reduced investment programme from 2021.

In recent weeks we have become anxious at indications that (a) despite being on target with the current programme, the Scottish Government is unlikely to accord the same degree of priority to new social and affordable housing in the period from April 2021 onwards, and (b) that Glasgow and the west of Scotland may see a reduction in its share of the overall programme as resources partly shift elsewhere.

Whilst we appreciate that the budget process for the period from 2021 is some way off, and dependent too on processes at Westminster, the early signs are nonetheless very worrying for our member associations. The 'Housing to 2040' vision paper from July 2019 states that *'...to build a further 50,000 homes over the next parliament would cost £4 billion. This would be difficult to sustain.'*

We are keen to highlight the significant extent to which housing investment contributes to a number of the Scottish Government's key strategic priorities:

- **Inclusive economic growth:** House building generates thousands of jobs and apprenticeships and makes a very significant contribution to the Scottish economy. Apart from these shorter and medium term benefits, high quality, new homes boost educational attainment which, in turn, leads to a more skilled and competitive workforce in the long term.
- **Tackling child poverty:** We know that the provision of new social housing helps keep families out of the private rented sector, where rents can be two or three times higher than social rents. In October, the Joseph Rowntree Foundation published a report showing that lower housing costs in Scotland – primarily through social housing rents – were the primary reason for child poverty increasing more slowly in Scotland than elsewhere in the UK.
- **Carbon reduction:** By nature, new housing has the highest standards of energy efficiency, contributing to climate change targets and to the alleviation of fuel poverty.
- **Homelessness and Housing First:** The sector's capacity to respond positively to recent increases in homelessness, the implementation of local authorities' Rapid Rehousing Transition Plans, and the growth of the Housing First initiative are all reliant on the right supply of new social housing to complement relets of existing stock: many of our members aim to allocate a significant proportion of their new homes to homeless households.

The housing and construction sectors need to be able to plan for the period after March 2021 in such a way as not to lose all the investment of staff and supply chain resources which have gone into the current programme. If the programme is left to wind down, we face a cliff edge which will see very few homes completed in 2021-22 and potentially 2022-23 too. This makes it crucial that, as soon as possible, local

authorities are given a guarantee of the minimum resources they will have at their disposal, for at least 2021-22 and 2022-23.

In terms of the regional distribution of the future programme across Scotland, we recognise that there will always be specific arguments and demands from different areas. But what remains unchanged is the greater levels of poverty and deprivation in Glasgow and the west, and the consequent need for ongoing regeneration programmes with new social housing supply at their centre.

Healthy levels of investment – in both new and improved homes – in GWSF's area will continue to bring huge added value to our communities. When community controlled housing associations invest they do so with an intimate understanding of the wider needs of the area. Community empowerment becomes real and meaningful when it is communities building for communities: as an example you will have seen the importance which New Gorbals HA attached to the provision of the piazza as a new community space at Sandiefields.

Within the overall housing investment resources allocated to local authorities in Glasgow and the west, the Forum is keen to engage with Ministers about the critical need for additional resources to be invested in existing stock, most notably poor private tenemental blocks. We will shortly be publishing a new report highlighting the continuing deterioration in the condition of privately owned tenements across our area, and arguing that local housing associations are willing to work with their local authority partners to tackle the problem if the right resources are made available.

Whilst the circumstances leading to the input of Scottish Government funding to tenemental improvement in Govanhill were felt to be unique at the time, we believe that the next Govanhill is not far away. Our report calls for this three-way partnership approach – Scottish Government, local authority and housing association – to be replicated where the local authority has set out specific stock improvement plans.

Investment in existing stock complements the new supply programme. Indeed the latter does support the tackling of poor private housing as it can and does fund councils and housing associations to acquire private housing – something that both increases the supply of social housing and helps tackle tenemental disrepair.

The Forum would be happy to provide more detailed evidence in support of our arguments around the regional allocation of resources. In the meantime we would very much welcome any reassurance you can provide about future funding for the housing investment programme in Scotland.

With thanks and very best wishes,



Helen Moore, GWSF Chair