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Kate Forbes MSP
Cabinet Secretary for Finance
Scottish Government
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cc. Aileen Campbell MSP, Cabinet Secretary for Communities

19th February 2021

Dear Cabinet Secretary,

Scottish Budget 2021/22

Last month, Shelter Scotland together with 32 of Scotland's leading advocacy, support and housing organisations wrote to you calling for a substantial commitment for the Affordable Housing Supply Programme (AHSP) to be in the Scottish Budget to ensure we can reach the goal of reducing affordable housing need over the next five years.

Consequently, we recognised and were pleased to see this week that, following the initial commitments outlined in the Budget, Infrastructure Investment Plan, and Capital Spending Review, you have proposed an additional investment of £120m in the AHSP for next year, on top of the £711m already committed to in the Affordable Housing Supply Programme for 2021/22. This significant investment for 2021/22 – currently over £830m – will play a vital role in the efforts to reduce housing need in Scotland, as part of the total 5-year investment of £3.4bn. However, it is important that we continue to assess the impact of rising costs on the number of high-quality social homes that can be delivered over the next 5 years, to ensure we can reduce housing need.

As noted by the First Minister, Aileen Campbell and yourself, an investment in affordable housing is also an investment in our economy and society, which is why it is crucial that an adequate level of investment is maintained over the next parliamentary term. We were particularly pleased to hear you state at the Local Government and Communities Committee evidence session on 17th February that housing would continue to be 'top priority' if further Capital and Financial Transaction consequentials come to Scotland. We therefore hope to see, after the UK Budget is announced on 3rd March, further increases to the Affordable Housing budget.

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We also look forward to the forthcoming publication of Housing to 2040, which we hope will outline in detail the long-term plan needed to deliver the high quality, affordable homes in the right places to reduce housing need in Scotland. The required level of funding is of course vital, but we remain eager to see the strategy that will turn this money into action, reducing housing inequalities in Scotland.

Yours sincerely,

Alison Watson

Director, Shelter Scotland

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