



# Scottish housing green paper: Initial response from Shelter

Shelter welcomes the housing green paper; the first since 1999, as an indication of the priority that the new Scottish Government attaches to housing.

## **“Firm Foundations: the future for Scottish housing”**

The paper sets out proposals in a number of areas, including:

- A commitment to increase overall housing output, in all tenures, from around 25,000 homes per year, at present, to 35,000 by 2015;
- Reform of planning and land assembly mechanisms: including better use of public land; more strategic allocations of land; and a possible national role for land assembly;
- Greater emphasis on the environmental impact of housing: including a Scottish Sustainable Communities Initiative for new settlements;
- A new Low Cost Initiative for First Time buyers, bringing together public and private mechanisms to support marginal home-owners;
- Abolition of Communities Scotland by Spring 2008 with many functions being taken into core Government functions, but an independent regulatory function retained;
- A review of and possibly greater role for the private rented sector including a strengthened role in relation to meeting the 2012 homelessness target;
- The ending of Right to Buy on new build social housing and new arrangements for funding and supporting social housing providers.

## **Housing Supply**

As a member of the Housing Supply Task Force Shelter welcomes commitments to increase overall housing supply to 35,000 per year. However, we are unclear as to the derivation of that commitment and its precise impact, if any, on runaway house prices: modelling of this would be helpful. If, for example, the increase in supply is at higher ends of the market it will do little to tackle the housing crisis. We still believe that the critical target is the provision of affordable homes, particularly affordable rented homes to meet the most pressing housing needs. We have called for 10,000 affordable rented homes per year over the next three years (30,000 in total). The Green Paper remains silent on that target, leaving it to the Spending Review in two weeks time.

We welcome the importance placed on planning and land release becoming more strategic. At the same time, we want to see effective community engagement over long-term land use, lest we get bogged down in protracted battles over where new homes are to be sited.

## **Housing providers**

The paper, usefully, opens up a range of options for housing provision, including new council housing, stock transfer, arms length management organisations (ALMOs) and even supporting other providers of housing. Shelter would like to see this taken forward but set against overall housing investment needs in each area. There is also a discussion on allocations: while Shelter has been happy to engage in dialogue about choice-based lettings, we believe that their implementation poses formidable problems for the most vulnerable people. It is essential that their interests are not forgotten.

## **Homelessness**

Shelter is encouraged by continued support for Scotland's internationally acclaimed target which will make all homeless people eligible for a home by 2012. We agree that there is a legitimate discussion to be had about how that target can be met, marshalling all possible options to ensure that the *right* to a home becomes a *reality*. We recognise that there is a possible role for the private rented sector in areas where social housing is in particularly short supply and where it is about increasing choice for people in housing need. However, there is also a critical discussion needed on security of tenure and quality of management before taking forward any plans.

## **Right to Buy**

Shelter strongly welcomes proposals to end Right to Buy for new build social housing. This is an important recognition that the housing landscape has changed utterly since the Right to Buy was introduced in 1980. The reform should give added confidence to councils and housing associations in undertaking new build programmes. At the same time, we recognise that the initial impact of this specific reform will be modest in relation to numbers and we agree that a more thorough review of Right to Buy is needed.

## **Home ownership and first time buyers**

We are pleased that the pre-election flagship policy of a first time buyer grant of £2,000 is now placed in the context of different ways to engage with home-owners. We take this as a welcome sign that ministers will be open to dialogue about the effectiveness of such a grant. Shelter does not believe that the grant, at an annual cost of £70 million, offers good value for money for the public purse. It would provide public money for many home-owners who do not need it, while providing only modest help for those who are genuinely struggling. Development of shared equity schemes, both public and private, offer a better way forward.

## **Communities Scotland**

We support the need for an independent regulator which is able to span both councils and other social housing providers. The success of taking the development funding role into central government will depend on the extent to which a genuine local and regional presence is maintained such that funding decisions are based on good understanding of local markets. The pressing priority is to handle the transition from one set of arrangements to another without distracting attention away from delivery on the ground.

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