Local Government and Communities Committee

Scrutiny of Draft Budget 2017-18

Supplementary Written Submission from Homes for Scotland

I am writing in response to the Committee’s request for further information on a question asked by Kenneth Gibson MSP at the meeting on 16 November.

We have had further discussions with members on the matter and are pleased to say that we have also noted examples where projects have been substituted because they have stalled and replaced with projects that are able to deliver spend within allocated years in the SHIP timely. It seems Local Authorities and the Scottish Government Area Teams are promoting flexibility to ensure much needed homes can be funded and delivered within programme targets set on an annual basis. Whilst this is encouraging we would prefer to have more private sector engagement in SHIPs to begin with.

We would strongly encourage greater discussion and collaboration between Scottish Government, our members and RSL delivery partners to ensure prioritisation of projects which are sufficiently developed in terms of pre-construction activities to deliver site starts and spend within allocated funding years. Technical consents are regularly taking significantly longer to achieve than they should, despite statutory periods. Whilst Scottish Government tender approvals in advance of all technical consents provide RSL’s with confidence that funding is available for a project, tender approvals too far in advance of receipt of all technical consents can result in slippage which causes difficulty for all parties.

This problem can be heightened in different areas of Scotland where land ownership by RSLs is low and much of the land is in the control of the private sector. The private sector should be consulted where they control the land and are leading on consents and programme delivery. This is essential to allow discussion on project prioritisation which considers not only unit delivery and spend for RSLs for affordable housing but also the impact of issues such as onerous S75 obligations, local authority completion restrictions, wider infrastructure funding and the interaction of tenures and sales strategies. A more collaborative approach should add greater certainty and control over SHIP delivery, increase awareness of priorities and grow our members confidence in promoting projects where there is greater certainty of funding and programme.

With the private sector playing such a vital role in the delivery of affordable housing it makes no sense for them to be excluded from the SHIP development process.
Best wishes

Karen Campbell
Director of Policy & Operations
Homes for Scotland