

STRATEGIC CONSULTANCY INFORMS GOVERNMENT POLICY TO ACHIEVE A STEP CHANGE IN AFFORDABLE HOUSING DELIVERY



The Scottish Government is working with the housing association sector to reform the way in which it provides subsidy to fund the building of new affordable homes.

Historically the government has funded over 100 individual associations every year, each of whom has delivered a comparatively small number of homes (average programme size less than 20 homes pa). This approach to the allocation of capital funding combined with other characteristics of the funding regime have not encouraged competition and innovation and the average grant per new home in Scotland, at c£85k (2006), is considerably greater than the per property subsidy in England.

Creating solutions

EC Harris has been tasked by the Scottish Government to provide strategic consultancy to identify ways of reducing the level of grant take per property. Any new approach, however, would have to ensure that it did not result in excessive rent increases nor a reduction in build quality or space standards. We have used our extensive experience of other funding regimes adopted in England and elsewhere over the last 15 years to help define a new model that is appropriate for Scotland.

Our focus has specifically been upon advising officials on how to reduce the number of developing associations by adopting the concept of preferred development partners and identifying the characteristics of associations best placed to be awarded this status.

“Our focus has specifically been upon advising officials on how to reduce the number of developing associations by adopting the concept of preferred development partners and identifying the characteristics of associations best placed to be awarded this status.”

Adding value

Our two reports drafted for officials to date have helped to shape the new policy context. In addition we have supported the Scottish Government in a programme of stakeholder engagement across the country as part of the consultation process underpinning the development and delivery of the new policy framework.

Our informed response to a pressing policy issue is helping to ensure that the Scottish Government can achieve a step change in the efficient delivery of affordable homes and is equipping us to support housing associations in Scotland to prepare for change and the challenges of managing their businesses in a new environment.

Contact

Rebecca Bennett Casserly

Partner - Head of Residential Affordable

t +44 (0)121 503 2712

e rebecca.bennett-casserly@echarris.com

w echarris.com/residential