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Dear Alex,

### **Scottish Draft Budget 2012-13 – Investment in Housing**

As organisations spanning the housing and construction sectors, we are writing to you on behalf of our members and of the homeless people and others in housing need who rely on our services, to urge you to argue for affordable housing to have a greater share in the Scottish Budget 2012-13.

Funding for affordable housing is proposed to be one of the biggest losers in the draft Scottish Budget.

The latest Scottish Housing Statistics show an overall decline in the number of new affordable homes being built by local authorities and housing associations taken together.<sup>1</sup> Our sector has the capacity to make use of the available funds to good effect now and long term, and we can deliver swiftly.

We understand that the recent Autumn Statement by the UK Chancellor has made available extra funds to the Scottish Government for capital expenditure. Added to the £57m Scottish 'consequential' from the English Council Tax freeze, this could be a substantial sum of money available to bolster government support for affordable housing, at an essential time.

According to research for the Scottish Government last year, investing in affordable housing is an effective way to boost jobs and stimulate the economy.<sup>2</sup> It would also meet huge need. Currently at least 156,000 households in Scotland are stuck on waiting lists.<sup>3</sup>

We know you know that when the economy is struggling, there is no better way than investing in housing to support jobs, apprenticeships and economic development in our communities hardest hit by recession. At the same time this would enable us all to meet overwhelming needs.

<sup>1</sup> Scottish Government, Housing and Regeneration Statistics November 2011  
<http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration>

<sup>2</sup> Monk, S, Tang, C and Whitehead C (2010), *What does the literature tell us about the social and economic impact of housing?*, Edinburgh, Scottish Government. Chapter 2. Available at <http://www.scotland.gov.uk/Resource/Doc/1125/0099401.doc> (accessed 6th July 2011)

<sup>3</sup> <sup>3</sup> Statistics supplied by the Scottish Housing Regulator (5 July 2011) based on data in the 2009-10 Annual Performance and Statistical Return

Therefore we urge the Scottish Government to use this unallocated capital expenditure to help build more affordable homes, to benefit local economies and meet local need.

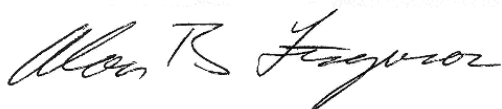
Yours sincerely,



Mary Taylor, Chief Executive  
Scottish Federation of Housing  
Associations



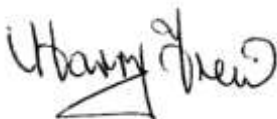
Graeme Brown, Director  
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Scottish Building Federation



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