

Housing Associations: Building Scotland's Future

Priorities for the next Scottish Parliament





A new vision for housing in Scotland

Everyone deserves a warm, safe, and affordable home.

For all of us, when it comes down to it, home is everything. It's where you find safety, comfort, connection and community and the chance to build a life of quality and fulfilment.

But right now, too many people do not have the home they deserve. and the consequences are devastating for individuals, families, communities and Scotland as a country. 250,000 people are currently waiting for a social home in Scotland.

Our current housing system is failing. It's never been clearer: Scotland needs a new vision for our housing system backed by radical change to put us back on course to ensure everyone has a place to call home. This is why our polling shows that housing is a top concern for voters at this election.

Social housing deliver warm, safe, affordable homes for around a quarter of the population in Scotland – but for too many of us the choice to live in one does not exist. Social housing can and should play a much larger part in providing homes for Scotland's population, reducing pressure on other parts of the housing system.

A housing system with a larger proportion of social homes means we can improve Scotland's health, tackle poverty, boost our economy, and foster thriving, well-connected communities for people across all income levels, not just the lowest.

We must move social housing from being considered as the option of last resort, to one seen as the foundation for societal wellbeing.

Housing associations: the building blocks for a fairer, healthier, wealthier Scotland

Housing associations are not-for-profit organisations who exist to provide affordable, highly regulated, rented homes for life - currently, they have over 300,000 homes across Scotland supporting more than half a million people.

Proud social justice organisations, they exist to tackle homelessness and poverty, and provide homes that meet people's needs. They work every day to support tenants, whether that's with welfare rights, direct financial support, employment or wider health and social care.

And they invest heavily in their communities, with a long track record of creating thriving places and great jobs. They employ over 13,000 people, contribute significantly to their local economy, bolstering contractors, partner organisations and supply chains.

Without shareholders, they reinvest all their income into delivering their social purpose. Housing association rents are generally half that of the private sector, even less for larger family homes.¹

Housing associations and co-operatives are steeped in communities from Shetland to the Borders. For decades they have met real housing need. And they stand ready to do that for more and more people, working to ensure that everyone in Scotland can live the good quality of life we would all expect.

For over 50 years, they have existed to do just what we need the next Parliament to do: **make lives and places better.**

1. Private Sector Rent Statistics, Scotland, 2010 to 2024 - gov.scot



“We look at housing as to be one part of it, the other parts are the social and personal development side of it. ...We’ve got a great community here, right, but sometimes people have a wee diversion in life. And it’s not always a positive thing, right. And we want to try and assist them to bring it back on track.”

**Eddie Cusack,
Calvay Housing Association Centre Manager**

What does Scotland need from the next Parliament?

There are clear, urgent national challenges that the next Scottish Parliament must address if we want to build a healthier, wealthier, fairer Scotland:

1

Tackling the housing emergency and meeting the sheer scale of housing need. With 250,000 people on waiting lists for a social home and over 10,000 children growing up in temporary accommodation,² we simply need far, far more secure, warm affordable homes.

2

Drastically reduced poverty. The Scottish Government has not met the interim child poverty reduction targets and is not on track to meet the 2030/31 final targets. Relative poverty, absolute poverty and persistent poverty will all need to close by more than 10 percentage points over the next Parliament.³ Every child should be afforded the best life chances, but real change is needed if we're to make that a reality.

3

A healthier Scotland. Over the last decade, there has been a slowdown in life expectancy growth, with Scotland currently having the lowest average life expectancy at birth in the UK, one of the lowest in western Europe and facing significant health inequalities.⁴ The strain this puts on people, families, the NHS, the economy through lost wages and our social security system is huge.

4

A more prosperous Scotland, where the economy is working for each of us. The Scottish Fiscal Commission has forecast that economic growth will slow to 1.1% in 2025.⁵ Citing weaknesses in the labour market, the Fraser of Allander Institute, in July, also revised down its forecasts for Scottish GDP growth to 0.8% for 2025, before rising slightly to 1% in 2026.⁶

5

A Scotland where our remote, rural and island communities can flourish. The critical shortage of affordable housing in remote and rural Scotland is blighting communities and impacting people from all walks of life. Key workers, young people, and families- people who are essential for rural communities to thrive - are being priced out, or pushed out, of rural areas due to a lack of affordable housing. Our remote and rural communities also face distinct challenges like higher rates of fuel poverty.



2. www.gov.scot/publications/homelessness-in-scotland-2024-25/pages/temporary-accommodation

3. www.jrf.org.uk/poverty-in-scotland-2025#_poverty-rates-and-progress-on-targets

4. www.health.org.uk/reports-and-analysis/reports/leave-no-one-behind

5. www.gov.scot/publications/scottish-economic-insights-september-2025/pages/8

6. fraserfallander.org/optimism-fades-as-economists-downgrade-growth-forecasts

What do our housing associations and co-operatives need from the next Scottish Government to make this vision a reality?

Over the past year, we have published a series of policy papers that examine the key areas where our social home providers need government support. The solutions they set out are clear.

The funding to build the homes Scotland needs.

We need to build 15,693 affordable homes annually, requiring £1.6bn every year over the course of the next Parliament according to independent, academic-led work. This is the only concrete assessment of the real scale of housing need in Scotland, and it is the reality the next Parliament must face if it to achieve its missions and not fail the people of Scotland.⁷

We must see every party commit to this scale of build.

Affordable warmth in our homes.

Eight out of every ten homes standing in Scotland today will still be in use in 30 years' time, so we need to ensure those that need it are retrofitted to meet energy efficiency standards and can tackle fuel poverty. Housing associations are committed to playing their part in this important agenda and already provide the highest proportion of energy efficient homes by tenure-type. However, they need clarity early in the next Parliament from the Scottish Government on what the net zero standards for social housing will be going forward as well as statutory funding commitments to enable them to develop long term sustainable plans for their housing stock. Government must also take a fair, all-tenure approach to this agenda. It should not be put on housing associations and social homes to lead the way.

To tackle climate change and ensure our homes are warm, the next Parliament must commit to providing fair and substantial funding available to all housing associations to ensure our social homes can meet energy standards. Without funding from government, this cost lands on the shoulders of tenants through rents - those least able to pay and counter to the idea of a just transition.

7. www.sfha.co.uk/our-work/executive-summary-affordable-housing-need-scotland-post-2026



To give our housing associations the tools to tackle and prevent homelessness.

Housing associations work every day to do this, but they can't do it alone. There is a clear, evidenced case for long-term funding to ensure they can help people stay in their homes with the right support that meets their needs.

Long-term tenancy sustainment funding available to all housing associations to ensure everyone can stay in their homes whatever challenges they're facing, is key to tackling homelessness.

Homes that are fit for the future.

Making sure our homes suit us as we age is fundamental to independent living, shifting the balance of care and supporting the NHS. Across Scotland there are around 78,000 people who currently need an adaptation to live independently, which will only increase.

Our aging population will pose numerous challenges for the next Parliament, if we don't begin to adapt our homes for varying needs. This requires significant adaptations funding and an accessible housing strategy commitment in the first programme for Government.

End social tenant hardship.

People who live in social homes are more likely to be on lower incomes, with evidence from our members showing the sheer scale of need they face.

While housing associations will always do what they can to support tenants, the next Scottish Government should reform the Scottish Welfare Fund to allow for more flexibility in the support available and replace the Investing in Communities Fund with a source that allows housing associations to keep investing in communities.

National support to keep our homes safe and healthy.

Tenant safety will always be a housing association's top priority. We have witnessed a number of issues arise as a result of construction industry oversights in recent years, such as cladding and RAAC, leaving many housing associations having to pay for the remediation, which can lead to rent increases (the major source of income for housing associations). Tenants shouldn't have to foot the bill through higher rents, for the mistakes of industry and failed building safety.

The Scottish Government must ensure fair funding for remediation works where needed is vital, that means extending funding to any issues identified by building assessments.

Proportionate regulation.

Regulation should always enable and facilitate housing associations to deliver safe, warm and affordable homes.

We need the next government to commit to working with the sector to ensure any new regulations -including to retrofit homes and on new building requirements - are realistic, achievable and focused on delivering the best outcomes for tenants.

Every regulatory demand made on housing associations increases costs which are ultimately paid for by tenants through their rents. A proportionate, evidence-based approach to regulation is therefore essential to ensure that well-intentioned policy does not inadvertently undermine affordability or detract from the core purpose of delivering high-quality social homes for tenants.

With the right conditions, our housing associations can play a huge role in creating a fairer, healthier, wealthier Scotland, where every child can prosper, and where more people have a chance to flourish in thriving communities.

“It makes me feel secure. So, all of that panic and that stress that I went through, it was gone. It’s brought me back to life again almost.”

Alex – West Central - lives alone, waited six months for a social home.



The building blocks for Scotland's future

Housing is undeniably a key challenge for Parliament – but, crucially, it's also the foundation for solving every single major issue we face.

If we commit to a new vision for Scotland's housing system where social housing plays a larger role, it could be transformative. The wide-ranging benefits – and return on investment – of a social home are well-evidenced. Each new social tenancy in Scotland generates on average **£11,639 in social value within six months of a tenant moving in**: £990.44 saving to the public purse (social security etc) and £10,648 in wellbeing to the tenant, who benefits from improved opportunities like securing employment, better health, transport connections, and reduced housing costs.⁸

With social homes already the most energy-efficient of any in Scotland, housing associations are also leading the way in the transition to a cleaner, greener future. In fact, homes account for a fifth of greenhouse gas emissions in the UK.⁹ Decarbonising our homes is not only an essential part of tackling the climate emergency, but it also combats fuel poverty, supercharges the economy, creates jobs and cleaner air. Our members want to do all that, but they need government support to ensure the huge costs don't fall on tenants.

When it comes to child poverty, Scotland has typically had a lower rate than other parts of the UK due to a higher level of social homes.¹⁰

Social homes protect against poverty – with up to 20,000 children lifted out of it by living in a social home. But as the number of social homes Scotland builds stalls, so does the impact on poverty rates.¹¹ **We cannot end child poverty in Scotland without delivering the social homes we need.**

Our health also starts at home. The conditions in which we're born, grow and live are absolutely crucial to our health outcomes and **without the warm, safe, affordable homes that housing associations provide we will continue to see consistently poor health outcomes and stark health inequalities in Scotland**^{12,13}

And the economic value of both building and living in those homes is substantial. Our housing associations are wealth creators, and that wealth largely benefits their communities. SFHA members, themselves significant employers, also provide employability support for tenants. Alongside that are the contractors and local supply chains that are boosted.¹⁴ At an individual level, simply moving into social housing raises a person's chance of both gaining and sustaining employment. **If we want Scotland to prosper, it begins at home.**¹⁵

8. scotland.shelter.org.uk/professional_resources/policy_library/the_social_value_of_social_housing_year_2_report

9. commonslibrary.parliament.uk/research-briefings/cbp-8830/#:~:text=Residential%20buildings%20are%20a%20significant,the%20energy%20performance%20of%20homes.

10. Congreve, 2019

11. www.ippr.org/articles/tipping-the-scales

12. Health inequalities: What are they? How do we reduce them? Inequality briefing Housing and health

13. Moving to healthy homes | The Health Foundation

14. ceci.hact.org.uk/wp-content/uploads/2020/09/The-Impact-of-Social-Housing-Report.pdf

15. static1.squarespace.com/static/59b82ed532601e01a494df34/t/68d7a8aaf7755c0349b4187d/1758963882908/Prosperity+begins+at+home%2C+D+Maclellan%2C+David+Hume+Institute+September+2025+FINAL.pdf

“I could rebuild my life again. Once you fix a person’s housing, you fix so many other things. Employment opportunities, your education outcomes, your physical and mental health. With good housing, you can be the best version of yourself. It’s not just a roof over your head, it’s your life’s opportunities.”

Alec, Linthouse Housing Association



Allocations, social homes and migration

The housing emergency exists because of decades of underinvestment in social homes and is not new or caused by migration. A quarter of a million people in Scotland are on waiting lists for social housing, with only a small percentage due to international migration.

Our housing associations are proud social justice organisations who exist to provide homes for anyone who needs one. People who have settled in Scotland are not in any way prioritised for a social home because of their immigration status.

The lack of homes is the cause of the housing emergency, not the people who need a home. Any focus away from that fact is a distraction from solving the emergency.

CASE STUDY

Allocation of new homes

The way we rent homes is open, clear and fair. Our homes are let to the people who need them most. Anyone aged 16 or over can get personalised and clear advice through our housing information, advice and letting service.

The demand for social housing is far greater than the number of homes we have available. We have a legal responsibility to let our homes for social rent to people considered to have the greatest housing need. This means we give reasonable preference to groups including homeless people and families living in overcrowded homes.

When you go into our [lettings] website, you will be asked to register for an account. You will be asked to answer some simple questions about your household and circumstances. We will give you a Housing Options Plan with information about your housing needs and advice on your best options. We will advise you what priority you have for social housing. If you have no or low priority you will be given advice on other housing options.



To start toppling the big issues and build a brighter future, we have to start with housing.

If we want to see a fairer, healthier, wealthier Scotland that we would all expect for ourselves, then the next Scottish Parliament cannot be the one to fail social housing. It must be the Parliament that ends the housing emergency by ensuring that everyone who needs one, has a secure, warm affordable home.

Contact

Jen Gracie, Public Affairs and Media Manager | Jgracie@sfha.co.uk



I'll stand
up for
Scotland's
Housing
Associations

sfha.co.uk