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News release

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Ambitious housing vision needs clearer strategy

The Scottish Government's vision to provide an affordable home for all by 2020 is an ambitious one. The supply of housing is not keeping up with levels of need and the government needs to clarify how it will work with councils and other partners in the sector make sure its targets are met.

An Audit Scotland report, *Housing in Scotland*, published today, says there are significant challenges ahead. The population is growing and Audit Scotland estimates it could be twenty years before enough new homes are being built to meet the projected increase in households.

The number of new homes built by the private sector in Scotland has more than halved in recent years. Councils and Registered Social Landlords (RSL) have an important role to provide homes at low rents, but since 2005, they have built 14,000 fewer homes than Scottish Government research suggested were needed.

Changes to the benefit system, an ageing population and the increasing number of single person households are creating further pressures.

The Scottish Government and councils recognise that good housing can make a positive contribution to improving local communities and the broader economy; however the recession means less public and private funding is available.

The report, for the Auditor General and the Accounts Commission, notes that Scottish Government funding for housing fell by around a quarter between 2008/09 and 2011/12 with further reductions to come.

Caroline Gardner, Auditor General for Scotland, said:

"Housing is a significant national asset and the sector in Scotland is under increasing pressure. Budgets are tightening, while demand is increasing and fewer houses are being built. Housing needs long-term planning and investment, but planning and funding arrangements have changed frequently. Funding is hard to track which makes it difficult to know if money is being well spent and whether initiatives are successful.

"The Scottish Government has an ambitious vision for housing. It needs to work with councils and their other partners to make sure that clear, long-term plans are in place to address challenges and to help them tackle important issues like homelessness and the quality of housing."

John Baillie, Chair of the Accounts Commission, said:

"Good housing is important for individuals and families but also for wider society. It can support economic growth, promote strong, resilient communities and improve health. Links between housing and other policy areas at both national and local level should be stronger, to help improve the impact that good housing can make to our communities."

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Notes to Editors:

1. Registered Social Landlords (RSLs) are independent, not-for-profit organisations, most commonly housing associations. There are around 160 in Scotland and they range in size from those which manage and maintain more than 40,000 homes to those with 200 homes.

2. Twenty-six of Scotland's 32 councils are social landlords. That means they manage and maintain a stock of council homes for rent. The other six transferred their housing stock to RSLs.
3. Between 2008/09 and 2011/12, Scottish Government revenue budgets for housing fell by 24 per cent in real terms, from £199 million to £152 million and capital budgets by 29 per cent, from £534m to £378 million.
4. All Audit Scotland reports published since 2000 can be found on Audit Scotland's website www.audit-scotland.gov.uk
5. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. Audit Scotland has prepared this report jointly for the Auditor General for Scotland and the Accounts Commission for Scotland:
 - The Auditor General is responsible for securing the audit of the Scottish Government and most other public bodies in Scotland, except local authorities. The Auditor General is independent and is not subject to the control of the Scottish Government or the Scottish Parliament.
 - The Accounts Commission looks at whether local authorities, fire and police boards spend public money properly and effectively. It is independent of both central and local government. Commission members are appointed by Scottish ministers.