

## Audit scope

# Affordable housing



ACCOUNTS COMMISSION 

AUDITOR GENERAL 

Prepared by Audit Scotland  
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### Background

Housing can make a substantial contribution to economic growth, prosperity, education, health and wellbeing and social care. A supply of good quality, affordable housing is a central part of resilient communities. If well-planned, housing can contribute to economic growth and help prevent additional costs to the public sector, such as the health service.

Councils have a key role in assessing the need for affordable housing in their areas and planning to meet those needs. The Scottish Government will invest £3.3 billion to meet its target to deliver 50,000 affordable homes between 2016 and 2021, 35,000 of these will be for social rent. Councils, along with registered social landlords, are responsible for delivering much of this target. Both will also invest their own funding in addition to the Scottish Government.

Our 2013 report, [Housing in Scotland](#)  found that the supply of housing was not meeting current need. We found that councils have an important role but have few direct powers and funding arrangements are complicated and hard to track. We also reported that the Scottish Government and councils need to show effective leadership so that housing is well planned and linked to other policy areas.

### Why is this audit important?

The scale of the investment and the long-term impact of the policy means that the audit will add value by reporting on progress and the impact of that investment.

An investment in housing could have a positive impact on the Scottish Government's overall objectives of inclusive growth and closing the disadvantage gap and

other locally identified priorities. But our 2013 report identified that:

- a focus on numbers alone creates a risk that homes are built where it is easy and most cost-effective, not where they are most needed
- planning for housing was challenging and housing did not always play the role it could in improving outcomes in health, economic growth and community empowerment
- funding for housing was complex and lacked transparency.

## What the audit will look at

This audit will report progress against the Scottish Government's affordable housing target to date, consider what impact it has had and identify opportunities for improvement in delivering affordable housing in the longer term. The specific audit questions are:

- What progress has been made in delivering the Scottish Government's affordable housing target and what impact has it had?
- What more do the Scottish Government and councils need to do to support the continued increase in the availability of affordable housing for those in need?

Within these two questions we will examine the key roles that councils play in ensuring a supply of affordable housing in their areas.

Although the audit will consider the impact that the affordable housing target has had on homelessness it will not be a core focus of the audit. This is because there is significant scrutiny work ongoing by the parliament, the Scottish Government, the Scottish Housing Regulator and Shelter Scotland around homelessness. Similarly, although we will consider whether the housing being delivered is fit for purpose with an ageing population, we will not be considering in detail housing and support services for older people. The Accounts Commission and the Auditor General have committed to a further audit on this in 2021/22.

## How we will carry out the audit

We will gather evidence using a range of methods, including:

- Interviewing a range of stakeholders, including the Scottish Government, COSLA, Scottish Housing Regulator, Shelter Scotland, Tenants Participatory Advisory Service, Association of Local Authority Chief Housing Officers and Scottish Federation of Housing Associations.
- Reviewing documents including local housing strategies.
- Analysing housing data including spend, approvals and completions.
- A more in-depth consideration of four case-study councils.

## What impact will the audit have?

The audit will assess progress against the strategic objectives for affordable housing and consider the impact it has had. We will make recommendations to the Scottish Government and councils on areas for improvement. We will also report on examples of good practice.

## Audit timetable

We plan to carry out the fieldwork for this audit in the summer of 2019 and publish our final report in Spring 2020. Following publication, the Auditor General for Scotland will present the findings to the Scottish Parliament's Public Audit and Post-Legislative Scrutiny Committee. This is one of a range of reports Audit Scotland plans to publish in 2020. Our work programme can be accessed at <http://www.audit-scotland.gov.uk/our-work/our-work-programme> .

## Contact

If you would like to get in touch to discuss any of the issues that will be covered in this audit, please contact Ashleigh Madjitey, Senior Auditor, on 0131 625 1621 or by email at [amadjitey@audit-scotland.gov.uk](mailto:amadjitey@audit-scotland.gov.uk) .



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