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building regenerating supporting housing

Manifesto 2011

Scotland's Housing Associations and Co-operatives



The SFHA promotes the work of Scotland's housing associations and co-operatives, not-for-profit bodies providing housing for over a quarter of a million households. Our members are the main developers of new-build affordable housing, providing jobs and quality housing in some of our most deprived communities.

From rural and island areas to urban centres, they meet specific community needs and provide specialist services. Our members are more than just landlords, providing a range of services and supports enabling individuals and communities to flourish.

Associations are major Scottish employers, with 11,600 full-time staff. There are 2,005 volunteers serving on the sector's governing bodies, half of whom are tenants or other service users.

We need your support to ensure our housing association and co-operative movement can continue to help communities prosper.



Building Homes and Creating Jobs

Investing in new-build affordable housing generates important social and economic benefits,¹ provides employment, and a long-term saving to the taxpayer, via less spending on welfare.

Building new homes meets need

250,000 households are on waiting lists for a home. Over the next 25 years, the number of households in Scotland is projected to increase, adding 10% to waiting lists each year.²

We built a record 8,092 affordable homes in 2009-10,³ but need to match this year-on-year to meet demand.

This achievement was underpinned by public and private investment.

Building new homes creates jobs

Leading Scottish economists agree that investment in affordable housing is the fastest way to boost economic growth.⁴

Every £100 million of investment supports 696 direct jobs and 557 indirect jobs.⁵

Every £1 spent on construction generates an extra £2.84 for the UK economy.⁶

Our sector brings in at least 40% of the cost of a new-build house from private finance. Housing associations and co-operatives are front-funding projects to the tune of at least £249m.⁷

Rural and island areas have a crucial need for homes and need higher grant to reflect higher unit costs.⁸

¹ Scottish Government, Input-Output tables and Multipliers for Scotland, 2004 www.scotland.gov.uk/Publications/2007/12/11153736/2

² www.news.bbc.co.uk/1/hi/scotland/8694137.stm

³ Scottish Government's Affordable Housing Investment Programme Out-Turn Report 2009-10, p12

⁴ Report on Scotland's Spending Plans and Draft Budget 2011-12 www.scottish.parliament.uk/s3/committees/finance/reports-11/fir11-02-vol1.htm

⁵ Scottish Government's Input-Output Tables published 13th October 2010

⁶ Construction in the UK: the Benefits of Investment

⁷ Figure supplied by the Scottish Government's Housing Investment Division

⁸ www.scottish.parliament.uk/s3/committees/rae/reports-09/rur09-05.html2

Scotland must:

- Target capital resources on new-build affordable housing for long-term social and economic benefit
- Open up more choice and flexibility in private lending to the sector
- Understand that expanded private lending is desirable, but not a substitute for public subsidy
- Honour commitments to repay the front-funding carried by housing associations
- Recognise the higher build costs per unit in rural areas

Examples

Ayrshire Housing, Ayr Cathedral

Creating 25 much-needed new houses, this project will contribute to the renewal of the area by creatively reusing a redundant building, an important part of the area's cultural heritage.

The £2.2m project will directly create 30 jobs and an additional 6 apprentices. A further 20 jobs amongst sub-contractors will be secured, and extra jobs amongst suppliers.

The Scottish Government provided £1.6m with a further £1.2m raised by the association through private finance.

North Ronaldsay, Orkney Housing Association

In 2010 Orkney Housing Association completed the first affordable rented housing in North Ronaldsay. The new families saved the local primary school which faced permanent closure without new pupils. In consultation with the community, priority was given to those who would bring children to the school and essential skills to the island.

Orkney Community Benefits

Orkney Housing Association has estimates that public investment of £5m is boosted by £2.7m in private borrowing by the association. This means:

- £3.42m goes directly into the local economy
- 57 houses are built
- 234 people are housed
- 105 short-term jobs and 2-long term jobs created

In fragile communities the benefits extend to: schools, ferries & buses, post offices & shops, filling skills gaps.





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More than Landlords

Associations and co-operatives perform vital regeneration and employment roles in their communities. Three-quarters of Scotland's associations are engaged in Wider Role activity. From helping tenants tackle fuel poverty and manage their finances, to supporting employment programmes, to physical regeneration and new play parks, the value of associations' work goes way beyond bricks and mortar.

Wider role includes a range of tenancy sustainment and welfare advice services for tenants. Working with tenants to keep them in their homes is better for everyone, financially and socially.⁹

Housing associations and co-operatives add value to Wider Role activities by bringing in additional funding - around £3 for every £1 of Government funding.¹⁰

Example

Fife Works, Fife Housing Alliance

Fife Works aims to improve employability of Fife residents by providing training.

To date the following has been achieved:

- 800 beneficiaries registered
- 316 people have secured employment
- 670 people undertaking additional training
- 36 work placements secured, with more due to start
- 16 individuals on re-apprenticeship programme, 6 new apprentice places secured
- 89 employers committed to providing employment and training opportunities

Scotland must:

- Commit to continue financial support for the Wider Role of housing associations and co-operatives
- Help us to maintain vital tenancy sustainment and welfare advice services and to alleviate financial pressures on vulnerable tenants

⁹ Investigating Tenancy Sustainment in Glasgow, research by Heriot Watt University, commission by Glasgow Housing Association, April 2006 www.gha.org.uk/content/mediaassets/doc/full_tenancy_sustainment.pdf

¹⁰ Since 2003/4 to present. Data provided by Scottish Government's Wider Role team

Supporting Individuals and Communities

Affordable housing providers help vulnerable people to live healthy, fulfilling lives in their communities. They lead the way in providing a broad range of high-quality, accessible housing and support services.

Example

Hanover Housing Association, Banktop Court

Banktop Court is a development of 25 very sheltered flats, including 10 dementia houses for rent. Built to accommodate the needs of older people with memory problems and dementia, the development's features include: design for flexible furniture layouts, level access showers and under-floor heating.

This is the association's third dementia development, designed with the University of Stirling Dementia Centre. The cost of the development, including ten amenity properties, was £5.4m. The Scottish Government contributed £3.8m.

Banktop Court helps to regenerate an area previously classed as 'low demand', and provides supported housing.

Housing Support

The Supporting People programme was set up in 2003 to help people live independently with appropriate housing support but is now under threat.

Investing in housing support delivers significant savings to other budgets. In England the reported spend of £1.6billion on housing support created £3.4billion benefits.¹¹

The Housing Support Enabling Unit (HSEU) found in 2009 that housing support services focused on prevention have struggled since 2008 to secure funding, often losing out to more intensive and costly social care.

¹¹ Department of Communities and Local Government: Research into the financial benefits of the Supporting People programme, 2009

Adaptations

Housing adaptations are a vital plank of preventative spending, saving public money and delivering better services.

A report for the UK Government's Office of Disability Issues, "Better Outcomes, Lower Cost" showed that where housing adaptations are "an alternative to residential care, or prevent hip fractures or speed hospital discharge; where they relieve the burden of carers or improve the mental health of a whole household, they will save money, sometimes on a massive scale."

The average cost of a fractured hip is £28,665. This is almost five times the average cost of a 'major' housing adaptation and 100 times the cost of 'minor' adaptations, fitting hand and grab rails.

Scotland must:

- Protect housing support funding
- Recognise the value of housing associations looking after people in their communities.
- Prioritise a preventative approach to care and investing in housing support
- Prioritise adaptations



Tackling Climate Change

Affordable housing providers are on the front-line of efforts to deliver on Scotland's world-leading climate change targets, by improving the energy efficiency of housing stock.

Consumer Focus Scotland noted that RSLs were the most energy efficient housing sector in Scotland, with most having met or exceeded the requirements in the Scottish Housing Quality Standard.¹²

Housing associations and co-operatives are involved in a range of innovative projects to reduce emissions and cut fuel bills for tenants.

Fuel poverty is a major challenge for many of our tenants, as we house some of the poorest in society. Over 25% of households are in fuel poverty¹³ and every 1% rise in fuel bills tips another 25,000 over.

The 2016 Scottish Parliament commitment to fuel poverty is at stake. We must invest more to tackle this now and deliver real efficiency savings.

Scotland must:

- Provide resources to insulate Scotland's existing housing stock, as the cheapest, fairest and best way of meeting our targets
- Maximise use of EU resources to meet our climate change and fuel poverty objectives

Examples

Fyne Homes, Tigh na Cladach Passivhaus, Dunoon

The award winning development of 14 new homes for Dunoon boasts the first accredited Passivhaus for Scotland and the first affordable Passivhaus for the UK.

Passivhaus reduces energy consumptions and CO2 emissions by 90% compared to a standard new build. The heating requirement is just one tenth of that for an average house. Solar thermal panels further reduce the hot water energy bill by over 50%.

The project created 20 local construction jobs and 4 apprentices and the £2.4 million contract boosted the local economy.

All 14 properties were sold in 2 months, mainly to first time buyers, and almost half the build cost was met by sales receipts.

Cube Housing Association

Cube Housing Association is embarking on an ambitious project to install a combined heat and power system (CHP) to provide low cost energy efficient heat to residents of the Wyndford Estate in Glasgow.

The CHP project will:

- Save thousands of tons of carbon from being emitted into the atmosphere
- Cut or eradicate fuel poverty for tenants and property owners
- Save energy by efficiently producing both heat and power
- Help make the flats sustainable and attractive to existing and prospective tenants



The Carbon Portal Project

A national pilot, the Carbon Portal is run by SFHA and funded by the Scottish Government, CERT and partner housing associations Dunedin Canmore, Riverclyde, Cairn and Clyde Valley. Thermal images were taken from ten thousand homes and run through software to ascertain the CO2 emitted and how much Energy (kWh) used for heating.

A selection of these homes are being insulated and later re-measured to assess the reduction in CO2 and energy use.

¹² www.scotland.gov.uk/Resource/Doc/47210/0030182.pdf

¹³ Scottish House Condition Survey

Photographs: Courtesy of SFHA Members