

AWICS Scotland News

July 2015

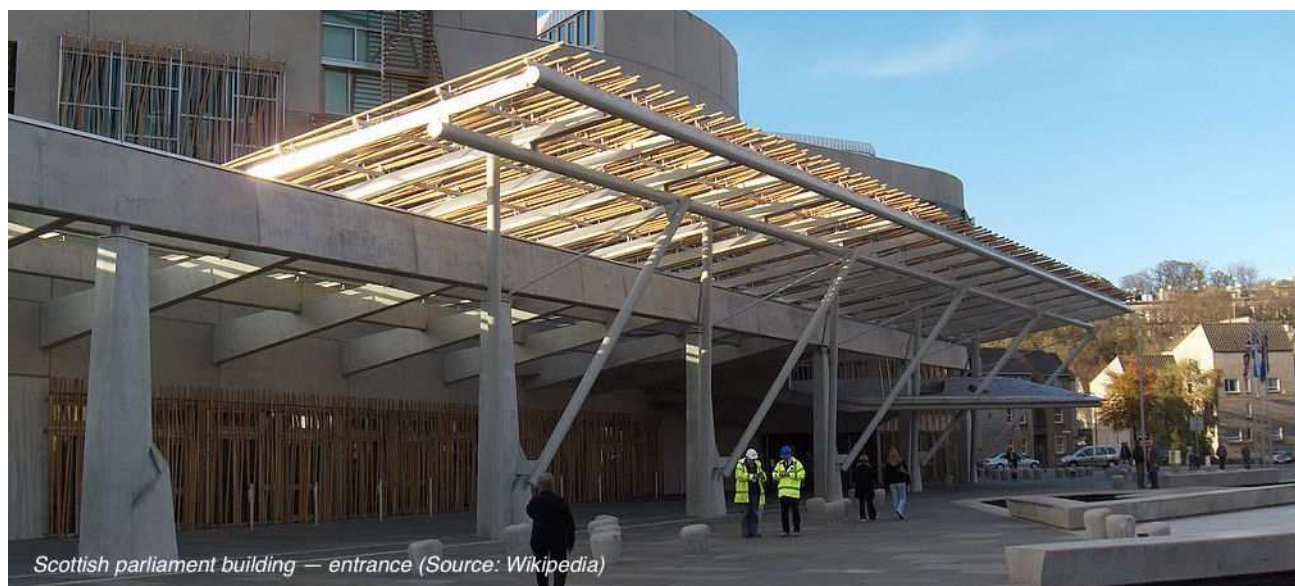


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Departmental spending cuts expected to impact Scottish Budgets by £107m

On 8th July 2015, George Osborne announced the summer budget of the new Conservative government. The budget has implications for the Scottish government's financial position in two primary ways. First, cuts in budgets of United Kingdom government departments translate to reduced transfer payments to the Scottish government. Second, as welfare is not yet a devolved budget, cuts to welfare and benefit payments are estimated to affect households in Scotland in the region of £700million. Here we briefly review both implications for Scotland.

Departmental budget cuts

Prior to the United Kingdom summer budget, Osborne announced £3billion in cuts in government departmental spending. The planned cuts affect all except a few protected departments. Departments with the largest cuts are the Department of Defence and the Department for Transport taking a combined third of the cuts (£500million and £545million). The Department for Business, Innovation, and Skills (BIS) and the non-school spending of the Department for Education received cuts of £450million each. £230million is cut in the Department for Communities and Local Government (DCLG) through efficiencies in using public sector land. The budget for the Department of Health (non-HNS funding) will be cut by £200million.

Through the Barnett formula, reductions in departmental budgets of health and education have knock-on effects on the Scottish Budget. Initial government estimates indicated a £176.8million reduction in fiscal transfers to Scotland. At the time when the Scottish budget had already been settled, Scottish Finance Minister John Swinney expressed his frustration that his government was not informed earlier. In early June, he said:

"The Scottish Parliament has already agreed our Budget for this year and that should be respected, not slashed as part of George Osborne and David Cameron's ideological obsession with austerity."

"Scotland has already seen our overall budget cut by 9% and our capital budget cut by 25% since 2010. Further cuts risk more damage to public services and will hold back economic growth, as underlined in the latest report from the Organisation for Economic Co-operation and Development (OECD)."

It later turned out that the cuts affecting Scotland are lower than originally estimated at £107million. Swinney said:

"The cut of £107million is substantially lower than the United Kingdom government's original estimate, but this still too bitter a pill to swallow. I made it clear today that it is completely unacceptable for reductions to be imposed in this financial year to the budget that has already been agreed by the Scottish parliament."

"The chancellor's decision leaves Scotland £107million poorer, but the Scottish Government will do everything possible to mitigate the impact and we'll continue to focus on our priorities of growing the economy, protecting public services and tackling inequality."

The Scottish government has the option to defer the £107million cut until next financial year.

Welfare cuts in the summer budget

Beyond the reduction in departmental budgets, the summer budget also contained a number of reductions to welfare payments. The planned £12billion reduction in expenditure on welfare is now to be spread over a longer period. Specific measures include:

- Working-age benefits, including tax credits and Local Housing Allowance, will be frozen for four years from 2016/17 (this doesn't include Maternity Allowance, maternity pay, paternity pay and sick pay).
- The household benefit cap will be reduced to £20,000 (£23,000 in London). According to the Treasury the benefit cap is likely to affect 89,000 households and save £1.67billion over the next five years. There are concerns that this will increase child poverty and oblige social tenants to leave high value areas.

- Support through Child Tax Credit will be limited to two children for children born from April 2017. There are concerns that this will also increase child poverty. It is not clear whether this means that the government now has a policy of limiting family sizes.
- Those aged 18 to 21 who are on Universal Credit will have to apply for an apprenticeship or traineeship, gain work-based skills, or go on a work placement six months after the start of their claim. Many people in this age group are very vulnerable and the assumption that they can all return to a parental home is not always the case. I hope that the detailed implementation of this policy will reflect this.
- There will be reductions to tax credits for people on low incomes. The government considers this to be a 'very expensive' system, costing £30billion. It is calculated that more than seven million children in 45% of working families will be affected by this.

In Scotland there are 77,000 individuals on job seekers allowance and more than 450,000 households depend on housing benefits. In a letter to the Treasury, Swinney identified that seven in ten Scottish Households who receive tax credits are actually in-work households. 90% of tax credits go to low households with incomes of £20,000 and less. He points out that already half of all households living in poverty are in-work households.

An analysis by the Scottish Government estimated that the measures of the Summer Budget might affect households in Scotland by £700million. Additional analysis finds that low-income households may be most severely impacted by the new measures. Changes to tax credits and benefits will reduce the incomes of 200,000 to 250,000 homes in Scotland. Households with incomes between £45,000 and £100,000 will benefit from tax breaks while those on lower incomes (below £10,600) will not see a benefit. The increases in the minimum wage will not compensate for all the cuts in welfare payments, which may be seen as a disincentive to work.

Commenting on the budget, Alex Neil, the secretary for social justice in Scotland, said:

"The shocking reality of the United Kingdom government's budget is that it will widen the poverty gap and push more families into desperate situations.

"To date, the United Kingdom government's austerity agenda has led to unacceptable levels of inequality, including child poverty, with the Institute of Fiscal Studies reporting this week that two thirds of children in poverty live in working households.

"Tax credits can be a lifeline for families on low incomes that rely on them to get through daily life, put food on the table, heat their home and pay their bills.

"By cutting tax credits, households across Scotland will be faced with nearly £700 million cuts and additional worries and stress about caring for their families."

In response to criticisms from the Scottish government, Scottish Secretary David Mundell challenged the Scottish Government to seize new devolutionary powers over welfare saying:

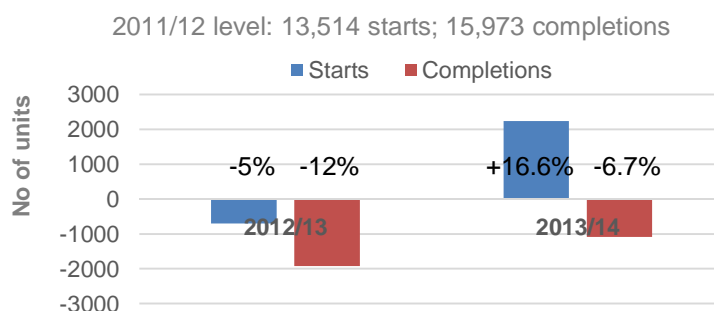
"If we are to provide the best possible service for people then Holyrood ministers need to start sharing their plans instead of looking for contrived complaints on the process.

"What new benefits are you planning? Which existing benefits do you want to top up? How are you going to pay for it?"

Positive outlook for number of housing completions in the Scottish housing sector

Housing statistics for the past year show an improved outlook for housing provision in Scotland. In 2011/12 there were 13,514 new starts and 15,973 completions by Local Authorities, Registered Social Landlords (housing associations) and private developers. Compared to the levels of 2011, new build activity was up by more than 2,000 units while completion slightly increased from a negative of 2000 units compared to 2011/12 to just about 1000 less units.

Housing completion & starts over 2011/12 figures



For the affordable housing supply figures show improvements, too. Compared to the first quarter of 2014, social landlords (including housing associations, councils, and private providers) completed twice as many developments. 1,677 were completed between January and March this year, compared to just 809 between January and March 2014. Starts in the social housing sector increased by 2% over previous year's quarter to 1,756 units.

Margaret Burgess, Scotland's housing minister, said:

'Housing is at the heart of the Scottish government's ambitions to create a fairer and more prosperous country and the supply of affordable housing is a key priority. I'm delighted to say we are well on track to meeting our five year target of 30,000 new homes by 2016.'

"The figures for the first quarter to the end of March 2015 are positive and we will work with partners to deliver our target of 30,000 affordable homes across Scotland by next year."

Regeneration in Edinburgh and Glasgow

The public sector can make a valuable contribution to economic regeneration and affordable housing certainly is a central aspect to this. Take Edinburgh for example. Here rent prices have surged in the past few years and Edinburgh City Council has now taken action to further the investment into affordable housing.

To aid its development of social homes, Edinburgh City Council has set up an arms-length development company called Edinburgh Homes that will be responsible to coordinate housing investment across both public and privately owned sites and it is hoped that this will unlock between 1,000 and 1,500 development starts per year.

The decision was made on the basis of consultation with developers. The report identified a number of barriers that may hold property investment in Edinburgh off, such as difficulty in securing investment opportunities at scale and for the long term that could be overcome by building mostly on public sector sites and Council backed long term guarantees of investor returns (linked to inflation).

Council-led place-based interventions can make great contributions to the reduction of deprivation. For example, The Royal Town Planning Institute (RTPI) recently released a report on the issue in which it reviews the progress achieved in Glasgow's Gorbals area. The report reminds us of the Gorbals' past as suburban accommodation for workers in the burgeoning ship building industry during the 1920s and 1930s. Until the late 1990s it had to fight with its image as highly socially deprived area with poor socio-economic context until Glasgow City Council invested into regeneration of the area under the Crown Street Regeneration Project.

The report finds that within a period between 2004 and 2012, income deprivation of local residents was reduced by 21%. At the same time, employment fell by 21% compared to the Glasgow-average of 16%. Given that many planning department budgets have been cut by up to 46% across the United Kingdom as non-protected local government services, the report reminds us of the positive effects of government interventions, such as place-based urban regeneration schemes, and highlights an avenue of opportunity for future council-directed investment.

Download the RTPI report here: [link](#)

Consultation on council tax reform receives more than 130 responses

Work is underway to establish an evidence base to inform future reforms to the Scottish Tax System. The independent Commission on Local Tax Reform is chaired by Marco Biagi, who is the Minister for Local Government and Community Empowerment, and David O'Neill, who is the President of the Convention of Scottish Local Authorities.

It is within the remit of the commission 'to identify and examine alternatives that would deliver a fairer system of local taxation to support the funding of services delivered by local government'. For this the Commission has established a community outreach website that can be found at <http://localtaxcommission.scot/>.

The commission published a call for written evidence earlier this year which closed on 22nd May. As a result of this call, the commission received over 120 contributions from a range of commentators including local government, individuals, think tanks, interest groups, and private companies.

The call for evidence asked respondents three questions. First, a comment as to what extent the current system is 'fair and effective' and what features should be retained. Second, what alternatives would be proposed and what their main features would be. Third, how well does the current council tax system account for local communities' priorities?

The current council tax system in brief

Under the current system, council tax is paid based on the valuation of property based on 1991 values. Discounts to the average council tax or payments beyond the average are established based on a median D band which contains properties valued between £45,001 and £58,000. Council tax payments are received by the local authority and contribute to the funding of local government services. Since 1993, it has raised about £1.9billion annually.

The Scottish Government has described the current system as unfair. Groups such as the Scottish Action against Council Tax (SAACT) list a number of reasons why this is so. First, basing the council tax on bands based on property values does not mirror the ability to pay it. Another caveat is that the current 1991 evaluation fails to account for valuation changes since then. They say that it is unfair to single households who pay the same as households with multiple residents in work. Lastly, council tax is difficult to collect costing up to £42million, nearly twice as costly as centrally collected taxes such as income tax.

Response by local government

Here we have briefly collated some responses by local authorities.

Aberdeen City Council that receives £103.6million (or 24%) of its annual funding in council taxes suggested the following alternatives:

- A alternative property tax adjustable by occupancy level;
- An income-based tax levied over and above the current national tax rate; a flat-tax (which has previously found unpopular);
- The breakup of council tax and allocation to location-specific services such as environment tax or a sales tax.

Aberdeen City Council notes that, at present, there is a limited link between the services used by residents in an area and their payment of council tax. The response states:

“The local taxation scheme, council tax and non-domestic rates, simply take into account local volumes, for example, number of properties and number of businesses. Whilst there is some correlation between property volume and occupancy and the provision of local services, e.g. refuse collection, street lighting etc., that is not the case for other locally provided services such as education.”

Angus Council suggests four tax reform options:

- A reformed council tax with additional bands at the top and bottom as well as a revised multiplier.
- A local income tax: This would include an updating of property valuations; a reform based on income-taxes. Income taxes are more progressive as they reflect ability to pay better.
- A reformed council tax on the basis of a new system of capital values for homes.
- A system based on local sales / duty taxes was seen as a supplement to a reformed council tax but questions exist over the yield, predictability and cost of collection of such a supplementary tax.

Response by the public finance sector

The Chartered Institute of Public Finance & Accountancy (CIPFA) submitted a response jointly with the CIPFA Directors of Finance Section. CIPFA was in favour of a reformed property tax system for raising council taxes in Scotland. They would like to see the following measures:

- Local tax should be set and raised locally without intervention by the Scottish Government;
- The tax base should be current. This means that there should be an immediate revaluation with ongoing property revaluation being undertaken. Going forward, the tax base could be an expanded range of bands or could be based on individual property values.
- A system of transitional arrangements to accommodate post-revaluation changes to the level of tax raised in each band and in each locality would be required.

- Local accountability will be better served by more clearly differentiating Council tax bills from Scottish water bills. For administrative efficiency, local authorities can continue to bill and collect on behalf of Scottish Water but there should be more clarity for the council tax payer between local tax and a water and sewerage levy.

Some thoughts and conclusions

The Scottish Government, when it first came to power in 2007, proposed the replacement of the Council Tax with a Local Income Tax but this did not occur due, in part, to the position of the United Kingdom government. Instead, Council tax has been frozen resulting in it providing a diminishing source of income for Scottish authorities in real terms. Furthermore, the valuation list has not been regularly updated. Council tax is also a regressive tax because while the 'bands' are based on property values the Council tax that is charged as a proportion of property value is greatest for the lowest valued properties. More fundamentally, others argue that property taxes do not reflect ability to pay because property values do not necessarily reflect levels of disposable income. It therefore seems an appropriate time to review the operation of Council tax and the funding of local government.

Collecting revenues on the basis of a local sales tax or environment tax appear to be interesting proposals. However, the nature of such taxes, namely dependency on use, make them variable and thus less predictable. Local government responses seem to see such a taxation option as a supplement rather than an outright replacement for Council Tax.

Alternatively, an extension of income tax to include a local levy that would be collected alongside nationally-set and collected income taxes sounds like an interesting alternative that would be more closely related to household income.

An option would be to reform the current council tax system. The option to add additional bands to the valuation and to update valuations as a whole appear to be amongst the most straightforward and obvious steps to take. Another radical step (which no one appears to be proposing) would be to reinstate the domestic rating system with tax being directly proportional to property values and rates of taxation set locally!

We look forward to the release of the final report.

Scottish Housing Regulator and Value for money

In March this year, the Scottish Housing Regulator published its first Report on the Scottish Housing Charter. The report reviews the satisfaction of tenants in Scottish affordable housing. It shows that a high proportion (9 out of 10) tenants are satisfied with their housing provider.

The report outlines key determinants for 'user satisfaction' which it associated with the following service areas that mattered most to tenants:

- Landlords keeping tenants informed about their services and decisions;
- The quality of tenants' homes;
- Good neighbourhood management;
- Having opportunities to participate;
- The time taken to complete non-emergency repairs; and
- The quality of repairs and maintenance to tenants' homes.

The outcomes of the report in combination with initiatives going on elsewhere in the sector will be used by the Scottish Housing Regulator (SHR) to come up with a Scottish interpretation of 'Value for Money'. As Michael Cameron, the chief executive of the SHR, writes in the 'Inside Housing' magazine, the Scottish regulator will try to evaluate Value for Money from the tenant's perspective. He said:

*"In England, the Homes and Communities Agency has its economic standard on value for money, and this is very closely aligned to its objectives. Our statutory objective is to safeguard and promote the interests of tenants and others who use the services of social landlords. This has to be the starting point for **our** development of a regulatory consideration of value for money.*

"We will view value for money from a tenant perspective, with a close relationship to landlords' achievement of the charter outcomes and the level and affordability of the rent tenants pay.

"So, we are likely to see the emergence of a distinctly Scottish regulatory approach to value for money that is firmly rooted in our statutory objective, has a clear line of sight to tenants, and builds on the work others are currently doing."



Michael Cameron (SHR)

Another initiative has been undertaken by the Chartered Institute for Housing (CIH) Scotland. In late June, the CIH launched 'How do you know if you are providing Value for Money?' at their annual conference. Based on a number of round table discussions, sounding boards, surveys and interviews with relevant representatives from the housing sector in Scotland, the CIH report comes up with three recommendations for defining VFM in Scotland. According to CIH these are:

- The Scottish social housing sector develops its own VFM strategy, which expands the focus of VFM to include tenants, future tenants and local communities
- The Scottish Housing Regulator should broaden its VFM focus in a similar manner
- Instead of requiring more data to be collected for the Annual Return on the Charter (ARC), the SHR should encourage social landlords to voluntarily collect data to evidence how they are providing VFM.

Annie Mauger, the director of CIH national business units, said on the report:

"Value for money is about doing the right things and doing those things right in the pursuit of social objectives. This is reflected in the expectations set out by the Scottish Housing Regulator, which focus quite rightly on rent affordability and what tenants get for their money.

"But there is a significant opportunity for social landlords to work with their tenants and other partners to define what value for money means locally in practice – we hope this report will help organisations realise this opportunity. Our research indicates that the sector has not only 'got the value for money message' but is capable of developing its own 'bottom up' approach which means there is no need for a significant increase in the regulatory burden."

Housemark Scotland's Kirsty Wells said:

"The report is a combination of thought leadership and practical advice. It demonstrates that VFM needs to be considered through a multi- stakeholder perspective, albeit with tenants at the heart of the strategy. It stresses the importance of local discussions on VFM, honest and transparent reporting of VFM outcomes and the need for all providers, large or small, to plan effectively if they are to meet the varying expectations of tenants, future tenants and communities."

Ian Brennan of the Scottish Housing regulator welcomed the report by CIH:

"We are pleased to welcome the report and the work that landlords are doing around value for money. Our statutory objective is to safeguard and promote the interests of tenants, future tenants and other service users. Our approach to value for money will be firmly rooted in that objective and we see no reason for additional regulatory requirements at this time."

The CIH's study on Value for Money can be downloaded here: [link](#)

The SHR's report can be downloaded here: [link](#)

Adrian Waite has previously supported the Scottish Housing Regulator as an Associate Inspector specialising in Value for Money.

Scotland Bill to receive its third reading in parliament shortly

Scottish Welfare devolution takes shape as the draft of the Scotland Bill is published. As of 20th July, the bill is at report stage in the House of Commons, one stage short of the third reading and before it will then pass on to the House of Lords. The bill was read in parliament on 8th June and it is expected that the legislation will apply before the next Scottish Elections in May 2016. It is proposed to devolve some £2.5billion in welfare spending to Holyrood. Measures in the bill include:

- Control over benefits, such as universal credit housing costs, disability payments, discretionary housing payments, and employment support.
- There's also a requirement for the Scottish government to consult with the United Kingdom government in case changes to welfare are applied.

There are still debates about the sufficiency of the bill amongst some Scottish representatives who would like to have further guarantees and powers. For example, it has been debated whether the need for the Scottish Government to consult the United Kingdom government on changes is to be seen as an opportunity for the United Kingdom government to veto Scottish welfare proposals. This has been repeatedly denied.

Earlier in July, changes were proposed to the Scotland Bill that would have extended powers to Scotland in such a way so that it would have the authority and measures to design its own welfare system with power to raise bespoke benefit payments. However, this was rejected. Commenting on the issue, Angus Robertson MP (SNP) said:

"We saw cross-party support on the Opposition benches for SNP amendments being voted down by a Tory government with a single MP in Scotland."

“At a time of savage cuts to the welfare state by the Tories – causing real hurt to hard working families and vulnerable people, and driving more and more people to food banks – the choice is between having welfare powers in Scotland’s hands, or leaving them in the hands of Iain Duncan Smith and George Osborne.”

Welfare cuts and the Scotland Bill

There are a number of other concerns with the practicalities of the Scotland Bill related to the £12billion welfare cuts that George Osborne has recently announced. For example, before the budget announcement, Alex Neil, the Social Justice Secretary in Scotland, called for an inter-government meeting to discuss any implications of the £12billion cuts on Scottish welfare recipients. His comments were:

“Personal Independence Payments will be devolved to the Scottish Parliament, but we have already heard the United Kingdom Government plans to slash it by 20 per cent – a move we have strongly argued against on the grounds of fairness.

“The United Kingdom government is planning make even more swingeing cuts to benefits and we need to know if this includes benefits that are to be devolved. This would be wholly unacceptable. “For the past five years we have had organisations lining up to tell us about the damaging effect of welfare reform and benefit cuts on the people of Scotland and we have seen report after report highlighting the distress and desperation caused. That is why I am so concerned about the further cuts that the UK government is planning to make.”

There is increasing concern about the implications of the welfare cuts for Scottish benefit recipients and less-well-off households. A number of reports document the challenges ahead.

A report by the University of St Andrews entitled ‘*Housing Generation Rent - What are the Challenges for Housing Policy in Scotland?*’ came out in June. The report finds that both youth employment and parental support are key factors in under-35 access to the housing market. Welfare reform are a particular challenge for these younger people who receive restricted access to public financial support. The report finds that:

- Urban city areas experience particular pressure on low-income households.
- Young welfare recipients are vulnerable in the private rented sector. Not being able to cover all of their rent they may increasingly rely on food banks or live in fuel poverty.
- Short assured tenancies provide additional insecurity to families trying to settle.

In a press release, co-author Dr Kim McKee said:

“Young people face considerable challenges navigating the housing market, with those on low and insecure incomes vulnerable and at potential risk of homelessness. The growth of the private rented sector not only includes frustrated potential homeowners, but also young people who would previously have rented from a social landlord.

“This underlines the importance of continuing to invest in affordable housing. This includes traditional social rented housing as well as low-cost homeownership and mid-market rent products.

Child Poverty Action Group in Scotland and UNISON have called on the United Kingdom government to tackle in-work poverty. In-work poverty, for those families in low-income jobs, is related to Child Poverty. Amongst other points, the organisations called on the government to increase the national minimum wage and provide the support for in-work parents. To some extent the summer budget has answered these calls as Osborne introduce his National Living Wage raising basic income levels until 2020. He has also promised free child care for those in-work. However, these measures are not sufficient to mitigate the effect of other reductions in welfare expenditure.

UNISON's paper can be downloaded from here: [link](#)

AWICS is offering seminars in welfare reform that can be tailored to the situation in Scotland. For example, training in the implications of welfare reform for local government and housing was recently provided to Perth & Kinross Council. Further information can be found on our website at: <http://www.awics.co.uk/welfare15.asp>

Initial meetings of Joint Integration Boards take place across Scotland

Local authorities across Scotland are making progress in their integration of health and social care. Under the scheme local NHS health budgets and local authority social care budgets, both aspects that have traditionally been managed separately rather than jointly, are merged under a joint board. Both responsibilities and budgets can be rearranged and in some local authorities local NHS staff may transfer into departments managed by the local authority. We have reported on this in our last newsletter.

This July more progress and several 'first' meetings of Joint Health Boards took place. In the City of Edinburgh the first meeting of the Edinburgh Integration Joint Board took place on the 16th July. Similarly, the first meeting for Shetland took place on the 20th of July.

As 'Shetland News' reported the chairman of the new Integration Joint Board, Cecil Smith, called the day of the first meeting "historic" as it has been the culmination of years of careful planning. Shetland's Integration Joint board is comprised of six members, three from the local authority and three from the local NHS. Soon the council's social services committee will be disbanded. Commenting on the changes, Cecil Smith said:

"What I want to see as chair is good partnership working between the two organisations, but most important is the delivery of the best outcomes for the people who require the services being offered through the Integration Joint Board."

In Edinburgh, George Walker was elected chairman of the newly formed Edinburgh Integration Joint Committee. For the city council, the benefits of integration will be in improved coordinated forward planning of health and social care, better and more efficient cross-over between health and social care services, jointly trained staff, and more efficient resource use. Similar to Shetland, preparations have been long standing and started as early as 2012. George Walker, the chairman of the Edinburgh Integration Joint Committee, said:

"There is no doubt that the next few years will be challenging. But, equally, I know we have a very committed Joint Board in Edinburgh, determined to make integration a success, and it was an honour to become chairman."

"Given our financial constraints, the challenge is large but the prize is huge. If we progress towards a much more integrated approach to health and social care, this has got to be better for the people we serve. We can work in a more streamlined way to deliver better outcomes for the people of Edinburgh."

All in all, the start of the integration of health and social care is a process taking place across all Scotland's 32 local authorities. In each locality, the work towards integration started a considerable time ago and reports indicate that the initial start-up has been smooth so far.

Client updates: Perth & Kinross Council

Perth & Kinross Council continues to make progress.

Redecoration and upgrades to Duke Road property in Perth

Property in Duke Road, owned by the council, is planned to receive investment for vital upgrade and renovation work. The building houses shops and residential flats. Redevelopment work would bring all shops up to date to match the current regulatory standards for fire safety, electrical, and hygiene requirements. Flats on the other hand would be upgraded to match the Scottish Housing Quality Standard. Speaking to Scottish Housing News, Dave Doogan, the convenor of housing & health, said:

"Once this work is completed the properties will continue to serve the community but will have a new appearance which will enhance the local environment and compliment the adjacent new housing due to be built soon."

Old school building to gain new life as council flats

A planning proposal has been received to transform the old St Stephen's school building in Blairgowrie into residential property. The school building is grade B listed. The developer, JR Brown Building Design, plans eight homes for affordable housing. So far the response from planning officers has been positive given the prospect to reuse the historic building with very few alterations to the exterior of the development.

£30million Mill Quarter development takes shape

The city centre of Perth will receive a £30million property investment. The project, secured by Perth and Kinross Council, will be developed by Espresso Property.

Once completed, the site will accommodate restaurants, bars, a cinema, a gym, housing, and car parking for retail and tenants. Overall, it is hoped that the project will generate 150 jobs once operational as well as 350 temporary jobs during construction. It is further hoped that the new amenities will attract 300,000 visitors annually.

The project was announced by Deputy First Minister John Swinney (who is also the MSP for North Perthshire). The scheme is partly supported by the Scottish Cities Alliance. He said:

"If Scotland's cities thrive so too does the rest of the country, and I am pleased to announce this exciting new £30 million venture for Perth."

"By providing a unique new destination for restaurants, retail and leisure, the Mill Quarter development will boost the local economy by creating jobs and attracting visitors to the area."

"The Scottish Cities Alliance provides a single point of contact for potential investors to access all seven Scottish cities. This success clearly signals the benefits of our cities and the Scottish Government working together in partnership. I am delighted that this is the first deal to be done, and I hope it will be the first of many."

Nicholas Robinson, representative of the developer, said:

"We are delighted to have been selected to create this new leisure quarter making it an ideal location to live, relax and entertain in the heart of the City."

"We are particularly focused on developments in Scotland. We have been impressed by the support given by local government and their agencies in making things happen."

"That forward thinking has been crucial in establishing the real business case for this development here in the heart of Perth and we are now excited to get the project underway."

Estate Based Initiatives call for resident's creativity

Estate Based Initiatives, a new scheme organised by the council, calls for residents to come forward with ideas for improvement. This provides tenants with the opportunity to identify places that require makeovers or that could be used in other creative ways.

Projects proposed by residents will have to be on council-owned estates, they would have to contribute to the look and feel of the area, and contribute towards improvements in safety. The votes will be cast by representatives from housing staff, elected members, and the local registered tenants' organisation. Overall, £100,000 is available for investment. Dave Doogan, the convenor of housing & health, said:

"As a council we are committed to investing in our neighbourhoods to ensure they are welcoming and safe places. This is a great chance for local communities to take a lead in projects to make use of disused land or improve existing buildings and make a tangible difference to the place where they live."

"I would encourage tenants and residents to put forward as many ideas as possible, as they will all be considered. They will take a lead role in seeing the successful projects through to completion, fully supported through the process by our staff and their local councillors. I'm looking forward to seeing what ideas local people come up with."

Tenants go digital

Since June, tenants in council-owned properties can use a smartphone application to pay their monthly rent. The payment application is called 'allpay' and enables residents to register a preferred credit or debit card, store their payment details, and pay their rent through the application when needed. Dave Doogan, the convenor of housing & health, said:

"It's very important that all of our tenants pay their rent in full and on time, so we have to make it as easy and convenient as possible for them to do so."

"The allpay app is a great addition to the range of existing ways that tenants can pay their rent, without having to visit a council office or the post office. They can make their payments wherever they are, anytime of the day or night, with a few clicks of their smartphone."

"I would encourage tenants who have a smartphone to download the app and give it a go. It will make their rent payments quick and simple, and the app is totally secure."

AWICS has supported Perth & Kinross Council by providing training in housing finance and welfare reform.

All You Want to Know about Scottish Social Housing Finance

Seminar: September 2015

Social housing is becoming increasingly important in Scotland at a time of rising demand for affordable housing and constrained resources. Scottish local authorities and housing associations face significant challenges. Housing association turnover increases but surpluses have started to decline. The economic background is one of recession. Terms on which loans are available are less favourable than in the past but a significant level of development is still taking place. The Scottish Government has passed the Housing (Scotland) Act 2014, reformed the Scottish Housing Regulator and is ending the 'Right to Buy'. The Scottish Housing Regulator's new approach emphasises 'Value for Money'. The United Kingdom government has 'reformed' welfare in a way that has significant implications for Scottish tenants and landlords but it is now proposed to devolve welfare to Scotland.

Whether you are in a Housing Association, Local Authority or another organisation with an interest in Scottish housing; whether you are a Housing Manager, Tenant Representative, Board Member, Councillor or even a member of the Housing Finance Team, you will need some knowledge of social housing finance. Many people have already attended and benefited from this course. You could also benefit from our seminar and workshop at which you will learn: **'All You Want To Know about Scottish Social Housing Finance 2015'**

The session will answer the following questions:

- What financial environment are Scottish local authorities and housing associations working in?
- How do the finances of Scottish social Housing work?
- How is the development of new social housing funded?
- What are the financial opportunities available to local authorities and housing associations?

Delegates will gain an overview of Scottish social housing finance and will keep up to date with developments. The session includes a participatory case study and is accompanied by a very useful book that is designed for reference after the session entitled: **'All You Want to Know about Scottish Social Housing Finance 2015'**

Venue and Date:

Falkirk: Best Western Park Hotel – 15th September 2015.

For more information and to book visit us online: [booking and information](#)

Editorial notes



This newsletter was edited by Sebastian Weise. He is a freelancer and PhD student at the Centre for Digital Innovation at Lancaster University. He is knowledgeable about participatory urban planning, local government, government reform, and geospatial services.

The AWICS Scotland News is published by 'AWICS' Limited. Articles are written by Adrian Waite unless otherwise stated. However, the views expressed in articles are not necessarily those of 'AWICS' or Adrian Waite unless expressly stated.

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