

# AWICS Scottish News

## March 2016



**Flats in Edinburgh.**

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### Scottish Budget and Housing

The Scottish Government has announced a year-year increase of £90million to its affordable housing budget (an increase of 29%) to help it achieve its target of delivering 9,000 affordable homes in 2016/17 and 50,000 affordable homes during the next parliament. Delivering the draft Budget for 2016-17, Deputy First Minister and Finance Secretary, John Swinney said that the government was on track to meet its 30,000 affordable homes target for the current parliament and that the total investment in housing supply of around £690million for 2016/17 will go towards reaching the new target.

The capital budget has increased from £333.5million in 2015/16 to £430.5million in 2016/17, while the Treasury's financial transactions contribution for loans or equity investment for housing fell from £326million to £250.5million over the same period.

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The finance secretary also introduced a 3% supplement for second home purchases over £40,000 that is to be paid in addition to Land & Building Transaction Tax. The supplement brings Scotland into line with recent English changes and will come into effect from April 2016. It is estimated that this will raise between £17million and £29million in 2016/17. Individual Land & Building Transaction Tax rates and bands remained unchanged.

John Swinney said that:

*“The spending plans that I am announcing today will equip the country for the future and lay the foundations for the reforms that will define the next parliament - reforms that will reshape our health and social care services, deliver a step change in educational attainment, deliver a fairer system of local taxation and use new powers over tax and welfare in a way that supports our central purpose.*

*“This Budget is driven by two themes: supporting inclusive growth and protecting and reforming public services. We will deliver inclusive growth by focusing on investment in innovation, infrastructure, education and skills, and by maintaining a competitive business environment.”*

Keith Brown, the Scottish Infrastructure Secretary, described the Budget as a plan ‘to improve infrastructure and increase house building’ and said that:

*“We are committing to an increase of £90million in affordable housing supply compared to 2015-16 – and a total investment of around £690million in housing. This will support our overall commitment to delivering 50,000 new affordable homes by 2020-21.”*

The Chartered Institute of Housing (Scotland) welcomed the increased budget for affordable housing and the proposed increase on transaction tax for second homes and buy to let properties. However, they would like to see the income generated invested in increasing housing supply. Ashley Campbell, Policy and Practice Officer at the Chartered Institute of Housing (Scotland) said:

*“We welcome the Scottish Government’s commitment to increase the budget for affordable housing by £90million in 2016/17. For the benefits of this increased investment to be fully realised, this will need to be matched with action to address issues around land supply, infrastructure and construction skills.*

*“We welcome proposals to increase land and buildings transaction tax for second homes and buy to let properties but would like to see more details of where the additional revenue raised will be invested. Our preference would be for these funds to be re-invested towards increasing housing supply.*

*“Continued funding to the Scottish welfare fund and to offset the impact on housing benefit claimants of the so-called bedroom tax are also welcome. We have consistently highlighted concerns that, until the fiscal framework accompanying the new Scotland Bill has been agreed, it is impossible to judge to what extent more fundamental long term changes to welfare delivery in Scotland will be achievable. We heard those same concerns reflected by the deputy first minister today.*

*“Recent joint research by Shelter, the Scottish Federation of Housing Associations and CIH Scotland has shown we need to deliver 12,000 new affordable homes each year to meet demand. This will require a step change in funding and delivery to be achieved. In the lead-up to next year’s Holyrood elections, we will watch with interest to see to what extent all political parties are able to match their commitments on housing numbers with a similar level of ambition on funding and delivery.”*

The Scottish Federation of Housing Associations welcomed the £90million increase in spending for affordable housing as they consider that it will provide jobs in the construction industry in the short term and safe, warm, affordable homes in the long term. However, they said that housing grant must be increased to realise the government’s ambitious programme of affordable housebuilding. Mary Taylor, the Chief Executive said:

*“The boost in spending on housing for 2016/17 is very welcome. Upping spend on affordable housing by £90million per year within an annual total spend of £690million will help provide construction jobs in the short term and safe, warm, affordable homes in the long-term.*

*“However, as recommended by an expert group earlier this year, any increase in overall spending on housing must be accompanied by an increase in the rate of grant per home that Scottish Government provides to help housing associations to build new affordable homes. This is essential if the future development potential of the sector is to be unlocked.*

*“Only an increase in that grant rate will enable housing associations to lever in greater amounts of private finance, thus adding value to the public investment made and easing any further stress on the public purse.*

*“The Scottish Federation of Housing Associations is of the view that the grant rise is an essential step in realising the ambitious programme of affordable housebuilding, which all parties across the Scottish Parliament have recognised as essential to Scotland’s future health and well-being. We look forward to seeing further detail on this point from the Scottish Government in the New Year.”*

The Scottish Federation of Housing Associations also considers that the budget did not go far enough on funding for warm homes or low carbon infrastructure in light of fuel poverty figures and the Paris climate deal. Spending on energy efficient housing has only increased by £14million despite agreement that it should be a National Infrastructure Priority. David Stewart of the Scottish Federation Housing Association said that:

*“Research shows that no other investment can do so much to cut energy bills for the fuel poor, create 8-9000 jobs all over Scotland, reduce climate emissions and improve physical and mental health – a 2:1 benefit to cost ratio. This would be an important stimulus for the economy”*

Rosemary Brothie of Shelter said that the budget was a step in the right direction:

*“Many of these changes will need to be analysed in greater detail to assess what the combined impact of this budget is. For now, signs are positive that government is seeking to close the gap between the need for affordable housing and actual delivery.*

*“Shelter Scotland’s own research shows that we need to double affordable house building – from around 6,000 units per year to 12,000 – to meet need. But crucially, these homes must be genuinely affordable – with at least two thirds socially rented homes. With 150,000 people on local authority waiting lists and 4,896 children in temporary homeless accommodation the time to act on affordable housing is now.”*

However, Shelter has concerns with the budgeted reductions in legal aid stating that ‘legal aid is a fundamental pillar of the housing safety net in Scotland’ and without it those badly homed or homeless could struggle to assert their legal rights.

Philip Hogg of Homes for Scotland argues that while providing more ‘affordable housing’ is a key element in tackling Scotland’s chronic undersupply of housing, this alone will not address Scotland’s housing crisis or meet the diverse needs and aspirations of all those living and working in Scotland. He said:

*“Scotland needs a balanced housing policy which places equal emphasis on having enough homes of all tenures, recognising the economic and social benefits that this would bring for communities throughout the country.”*

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## **Scottish Budget and Welfare**

Alex Neil, the Scottish Justice Secretary said that the budget aims to tackle poverty and inequalities and to protect family budgets. A package of measures was also announced to help to protect low income households and some of the most vulnerable people in society from the United Kingdom government’s austerity agenda. A total of £35million is planned to fully mitigate Scots against the impact of the ‘bedroom tax’ while the Scottish Welfare Fund was increased by £38million to continue to give emergency support and to help people to stay in and set up their home. Up to £343million was also announced to protect vulnerable households from increased council tax liabilities through the Council Tax Reduction Scheme.

The measures include:

- £35million to fully mitigate the ‘bedroom tax’
- £38million for the Scottish Welfare Fund which gives emergency support or helps people stay in and set up their home
- Up to £343million to protect vulnerable households from increased council tax liabilities through the Council Tax Reduction Scheme
- Maintaining free higher education
- Funding for free prescriptions and eye checks
- Free concessionary travel for older, disabled and young people
- Free school meals for P1 – P3 children
- Free personal and nursing care
- Freezing the council tax for the ninth year

However, a number of local authorities have decided not to freeze the Council Tax in 2016/17 and have made increases for the first time since 2006/07 and contrary to the wishes of the Scottish Government.



The Scottish Government has also set a public sector pay policy for 2016/17 that targets support for those on low incomes. This includes a requirement on employers to pay the Scottish Living Wage and increases to £22,000 the low pay threshold beneath which employees receive a minimum pay increase of more than 1%. The No Compulsory Redundancy policy is also maintained.

New welfare legislation will bring about big changes for Scotland that David Mundell, the Secretary of State for Scotland considers can make a difference to the lives of people in Scotland. As he laid amendments to the Scotland Bill, David Mundell said that Holyrood was about to become one of the most powerful devolved parliaments in the world and that Scotland will be the winner if these new powers are used well.

However, Deputy First Minister John Swinney claimed the changes to the legislation to devolve more power to the Scottish Parliament 'still fails to deliver' on Smith Commission and United Kingdom Government promises.

The amendments to the Scotland Bill include a new clause on the power to create new benefits in devolved areas and a clause that makes clear that the United Kingdom government has no veto when it comes to any new welfare policies that are devolved to Holyrood. David Mundell said:

*"These changes put beyond reasonable doubt that the Government has delivered the Smith Agreement. The Scotland Bill means big changes for Scotland that can make a real difference to the lives of people in Scotland. Control over billions of pounds of tax and benefit powers is a huge responsibility that will affect everyone. If these powers are used well then Scotland will be the winner. The debate now is about how these powers will be used. It is time for the Scottish Government to set out what benefits they want to top up, what new benefits they want to create and how they intend to pay for it."*

The Scottish Government has said that it continues to have concerns that the United Kingdom government can still effectively veto the exercise of devolved powers over Universal Credit and there are constraints in the devolution of social security discretionary payments. It also believes there is not yet an amendment to give the Scottish Parliament new powers to create benefits in devolved areas. Deputy first minister John Swinney said:

*"The sole purpose of the Scotland Bill is to implement the Smith Commission in full. In June, I proposed amendments to do that. (The) amendments are a welcome admission that the Bill, as published, did not deliver Smith, despite United Kingdom government claims to the contrary. Unfortunately, the set of amendments the United Kingdom government have promised today still fail to deliver Smith, and still fail Scotland."*

*"In areas such as social security, employment support and the Crown Estate, the Scotland Bill does not fully devolve new powers and restricts the ability of future Scottish Governments to exercise power without interference."*

*"The Scotland Bill must also be accompanied by a revised funding settlement that is fair and workable. Work between both governments continues to reach an agreement, which is now likely to be after the UK Spending Review and the draft Scottish Budget. "(The) amendments need to be closely scrutinised by all parties. Further progress towards implementing Smith in full and agreement on a fair fiscal framework are needed before the Scottish Government can back this Bill."*

## **Participatory Budgeting**

In the budget the Scottish Government announced a £500,000 fund to promote participatory budgeting schemes in communities across Scotland. The allocation, to be match funded by the thirteen recipient local authorities, is expected to underpin fifty projects by both helping to finance community budgeting events and supporting communities to become engaged in the process. It reflects a growing interest in the participatory budgeting principle among Scottish Ministers. Local government minister Marco Biagi said the concept would enable people to address directly the issues that were important to their communities:

*“In these times of unprecedented political engagement in Scotland, there are many people who want to participate, but don’t get involved in traditional consultations. Participatory budgeting gives them a sense of ownership and removes barriers that can often come between them and being involved in local decision making.*

*“We are now seeing participatory budgeting building momentum in Scotland. This funding will help make it possible for more than fifty projects to take place in 2016, a huge expansion on the two dozen or so projects that have taken place in the last few years.”*

Around twenty of Scotland’s 32 unitary authorities are so far involved in participatory budgeting initiatives of varying sizes. One of the biggest is in the Western Isles, where some £500,000 has been committed to help communities shape delivery of a new bus service.

The allocation was welcomed by the working group representing organisations with an involvement in participatory budgeting that said that citizen involvement in budgetary decisions formed the foundation of a participatory democracy.

CIPFA’s Head of Devolved Government, Don Peebles was quick to issue a statement which was included on the front page of the Herald newspaper. Don Peebles said: ‘This is an historic budget. For the first time ever, Scotland has set its own income tax. ‘Even though Scots will pay no more or less, it is a locally set rate of 10p, which will generate £4.9bn and may vary in the future from the UK rate. ‘The NHS gains a real terms increase of 6.5%. However, local government loses out with a real terms reduction in funding of more than 7% over one year. ‘The budget also signals immediate tax reform. It proposes assigning income tax receipts to local government. ‘CIPFA welcomes this swift response to the report of the Commission on Local Tax Reform’.

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## **Housing Benefit and the Local Housing Allowance Cap**

The United Kingdom government has announced that from 2018 they intend to limit the amount of housing benefit payable to the level of the local housing allowance. This will affect all tenants who first took up their tenancy from April 2016 onwards (April 2017 in supported housing). It will have an especially serious effect in supported housing where rents and service charges are usually higher than in general needs housing and is a measure that is causing concern across the United Kingdom. The United Kingdom government has said that it values supported housing and is conducting a review of its financing but has yet to announce any proposals to ensure the viability of supported housing after housing benefits are capped at local housing allowance rates.

The Scottish Federation of Housing Associations is calling on the United Kingdom Government to rethink these changes to Housing Benefit as they could cost the social housing sector hundreds of millions of pounds a year and put the health and wellbeing of vulnerable tenants at risk. The Scottish Federation of Housing Associations said that the changes could threaten services, investment and jobs and have a devastating effect on vulnerable people, including older people and disabled people.

A preliminary study by the Scottish Federation of Housing Associations found that the loss to the housing associations sampled could range from £5.2million to £14.3million a year and this could potentially increase to hundreds of millions of pounds a year across the entire Scottish sector. While social rents are typically lower than Local Housing Allowance rates across Scotland, two groups are likely to be adversely affected.

Currently, single people under the age of 35 years who are living in private tenancies are awarded the 'shared accommodation rate' regardless of the number of bedrooms they have or whether they are actually sharing. The proposed cap on Housing Benefit will limit single social housing tenants who are under 35 to this 'shared accommodation rate' regardless of accommodation size and will apply to all new tenancies started after April 2016. The study showed that under the new policy, a single person under 35 who is paying an average social housing one-bedroom property rent could face a weekly shortfall of £6.22 or £323.44 per year.

People living in supported accommodation include homeless people, older people and disabled people. Across the housing associations surveyed by the Scottish Federation of Housing Associations, the potential loss (where a loss was identified) to a tenant per week ranged in value from £4.48 to £268.25. The federation said that housing associations cannot simply lower their rents to protect single under-35s and those in supported accommodation.

The potential loss to social landlords' incomes could jeopardise vital investment, jobs and services. And in terms of supported accommodation, the additional costs of accommodating or providing housing related services to people with support needs are directly reflected in higher rents and / or service charges. Disabled people may not be able to live independently in their own homes if the essential adaptations and services that they require cannot be funded. Mary Taylor, Chief Executive of the Scottish Federation of Housing Associations, said:

*"We are calling on the United Kingdom Government to re-think this policy due to the potential effect that it will have on social landlords and tenants... Not only has this change been made without consultation but it also interferes with devolved housing policy. It will save the government very little but will cost those affected a lot."*

*"While we welcome the announcement by the UK Government that it will undertake a proper economic analysis to gain an accurate figure of the impact of the LHA cap, we urgently need it to take further steps. We are calling on the government to suspend the implementation of the policy, at least until its own analysis is completed and published. The government must rethink the policy should it become obvious that it will have a catastrophic impact on some of the most vulnerable people in our society and on the social landlords that support them."*

*For the future of the social housing sector and its tenants, it is vital that the UK Government, working in partnership with housing associations in Scotland and across the UK, takes measures to ensure that the financial security and stability of these vulnerable groups and the social landlords that support them are safeguarded."*

It is estimated that 62% of housing association tenants rely on Housing Benefit to help them pay for their rent. Any change to Housing Benefit can undermine the ability of such tenants to pay their rent, thereby putting their home at risk, and threatening both their physical and mental wellbeing as well as posing a real threat to the financial sustainability of housing associations.

The alternatives available if a vulnerable person cannot access supported accommodation are bleak. Some individuals with complex needs may end up sleeping rough or end up in prison. Some tenants, particularly older and disabled people, may end up in hospital. Hospital care is more expensive than supported accommodation: the cost of a general hospital stay is £530 per night – nearly £194,000 per year. In contrast, for example, an association providing supported care for tenants with very complex needs, at the high end of the cost spectrum, costs £18,435 per year.

Supported housing providers have told ‘Inside Housing’ that this could impact their income to the point where they would be forced to close homes on a mass scale. Providers have put developments on hold while they wait for confirmation from the government.

The Scottish Federation of Housing Associations’ report has been endorsed by the Housing Support Enabling Unit, Poverty Alliance and Inclusion Scotland.

Alex Neil, Social Justice Secretary in the Scottish Government said:

*“What’s still not clear is how far this cap will go when it comes to the most vulnerable living in refuge accommodation... This includes women and children fleeing domestic violence, disabled people and those affected by homelessness. We know rent and service charges in supported accommodation are significantly higher than the local housing allowance rate. Without the existing levels of housing benefit to cover these costs, refuges will be forced to close... The organisations that provide supported accommodation are being left in an unacceptable state of uncertainty.”*

A spokesperson for the Department for Work and Pensions said:

*“We value the work of the supported housing sector extremely highly and are working closely with them to ensure they are supported as effectively as possible in advance of the policy taking effect. The truth is that nothing will change until 2018. We are also providing local authorities with £870million over the course of this parliament precisely so that they can support people in their communities who need time to adapt to reforms.”*

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## **Health & Social Care Integration**

The single biggest reform to the way health and social care is delivered in Scotland, since the creation of the National Health Service will become fully operational from April 2016/ This is when legislation to implement health and social care integration, passed by the Scottish Parliament in February 2014, will come in to force – bringing together National Health Service and local council care services under one partnership arrangement for each area.

The Public Bodies (Joint Working) (Scotland) Act 2014 received royal assent on 1st April 2014. The Act provides the legislative framework for integration of health and social care services in Scotland. It requires local integration of adult health and social care services, with statutory partners (Health Boards and Local Authorities) deciding locally whether to include children’s health and social care services in their integrated arrangements.



In broad terms, the aims of the legislation are threefold:

- To improve the quality and consistency of care for patients, carers, service users and their families;
- To provide seamless, joined up care that enables people to stay in their homes, or another homely setting, where it is safe for them to do so;
- To ensure that resources are used effectively and efficiently to deliver services that meet the needs of the growing population of people with longer term and often complex needs, many of whom are older.

There are 31 Health and Social Care Partnership areas in Scotland and each area has opted for a body corporate model of integration, with the exception of the local authority area of Highland which has chosen the lead agency model of integration. These local partnerships have been set up across Scotland and will manage almost £8billion of health and social care resources, including those currently associated with 96% of delayed discharge and 83% of unplanned admissions in the over 75s. From April 2016 both organisations will be jointly responsible for the health and care needs of patients, in particular the elderly, to ensure when people move between hospital and care settings their journey is better coordinated and as seamless as possible.

Many partnerships have been working in 'shadow form' during 2015/16 and have already started to deliver results – including a 21% reduction in patients waiting over three days to be discharged from hospital in January, compared with the same time last year.

Shona Robson, the Scottish Health Secretary visited Perth recently to meet a local woman who was admitted as an emergency to hospital and was supported to return home by Enhanced Community Support – a service set up by the new Perth & Kinross Health & Social Care Partnership. The service involves an integrated team of professionals, such as medical consultants, GPs, community nurses, social workers, voluntary sector colleagues and mental health nurses, working to support patients in the community and avoid unnecessary readmission to hospital. Ms Robson said:

*"Integration is one of the most ambitious programmes of work this Government has ever undertaken, and one which we believe will deliver health and social care services that work more efficiently around the needs of patients. Integration has been over two years in the planning, and a huge amount of work has been undertaken by both the Scottish Government and all of our partners in the health and social care sector, to get us to April 1. These efforts have meant we are making better progress on integrating services than any other part of the United Kingdom – a fact recognised by both the Organisation for Economic Co-operation and Development and the King's Fund.*

*"We now have 31 integrated partnerships set up in every area across Scotland, many of which have already started making improvements to the way their services are run. We've provided over half a billion pounds of funding over three years to ensure integration drives change, as well as a further £250million for social care announced in next year's budget. Many local areas have already seized this opportunity and are developing new ways of working that benefit their patients. This is what we had always anticipated – local areas making local decisions about their local services – and I'm pleased to see such a fantastic example of this in Perth today."*

The recent Organisation for Economic Co-operation & Development Review of Health Care Quality in the United Kingdom in 2016 found that 'work to integrate health and social care in Scotland is bolder and wider in scope than that seen in most other Organisation for Economic Co-operation & Development systems'.

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Richard Humphries, Assistant Director of the King's Fund: speaking at the National Health Service Scotland Conference in June 2015 highlighted that 'Scotland has made most progress on integrating health and social care in the United Kingdom'.

Councillor Peter Johnston, Spokesperson for Health and Wellbeing at the Convention of Scottish Local Authorities, said:

*"Integration of health and social care has the potential to dramatically improve outcomes for people of all ages by radically transforming services and shifting the balance of care. While the Integration Joint Boards now formally take on their responsibilities, it is worth recognising that tremendous efforts have already been made by all those involved including councils and local authority staff to support the changes needed to get to this point. We are still at the beginning of a long and challenging journey but as parent bodies of the IJBs, councils will continue to be actively involved in promoting and contributing to this critical partnership agenda."*

Perth and Kinross Health and Social Care Partnership Chief Officer Robert Packham said:

*"We are delighted to welcome the Cabinet Secretary on her visit to the Headquarters of Perth and Kinross Association of Voluntary Services. Perth and Kinross is building on strong foundations; I am privileged to work with dedicated people who were already working closely across their different organisations. Our plan is built on evidence of best practice from health and care systems across the United Kingdom and abroad, backed up by feedback from over 4,000 people who took time to challenge our thinking and share ideas that underpin the changes we now begin to introduce."*

*"Our residents are getting older and will require increasing levels and a greater range of support services in the years to come. People living in the city, in small towns and remote communities will require public services to be delivered in different ways. Change on this scale takes time, yet we start with a clear vision for the future."*

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### **Focus on Perth & Kinross**

Perth & Kinross Council's multi-million pound programme of social housing construction has taken another major step forward with the completion of a new development in Castlemains, Auchterarder. The development consists of six new two-bedroom homes and four three-bedroom houses, providing much-needed affordable social housing for local people. The properties have been built by Muir Homes and were handed over to Perth & Kinross Council four weeks ahead of schedule. The Council has invested £1.24million in the development, underlining its commitment to increase the supply of high-quality social housing in the area.

The project is part of a wider house-building programme to provide more high-quality affordable social housing. Around 150 new homes have been delivered in the last three years through the programme, with properties constructed in Methven, Scone, Alyth, Inchtute, Blairgowrie, and Perth. Many more are in the pipeline. All the Council's new homes are built with the latest energy saving specifications, to help cut the bills of tenants and reduce the carbon footprint of the Perth and Kinross area.

Councillor Dave Doogan, the council's housing and health convener, has visited the Castlemains build. He said:

*"It is fantastic news that this new development in Auchterarder has been delivered ahead of schedule, allowing new tenants to move in. The development will make a real difference to the lives of the people who live here. All of these new properties have been built to the highest standard in an area where there is a shortage of affordable housing for local families."*

*"The Council is able to build these properties thanks in part to the revenue that comes from rent that is paid by existing Council tenants. By paying their rent in full and on time, not only are our tenants paying for their own homes, they are helping other people in housing need by giving us the means to increase our housing stock and provide homes for others. That's what living in social housing is all about. We are never complacent though. Making even more affordable homes available is crucial to meet the acute need for social housing in Perth and Kinross. We will continue to work hard alongside our local social housing partners to bring more affordable housing on stream for people."*

Perth & Kinross Council has launched an Empty Property Loan Fund – a new interest-free loan designed to help owners of long-term empty buildings to repair or convert them for use as affordable housing. Funding can be used for any property from a country cottage or a city centre flat to an office or shop, provided that it has been empty for at least six months. The loans are subject to the owner either letting the property at affordable rental levels for a period of five years or selling it at an affordable level, on completion of the works. For individual properties, the loan can range from £5,000 to £15,000. Higher value loans can be considered for larger-scale projects.

The council's Investment Team has been helping owners of empty properties by providing advice and encouragement as well as signposting both local and national funding and assistance that is available. To date assistance has been given towards bringing over 200 properties back into use across the Perth and Kinross area, and the new fund is already prompting interest from property owners locally. Councillor John Kellas, convener of the enterprise and infrastructure committee, visited a property in Alyth which is being considered for support through the Fund. He said:

*"Empty properties left in poor condition can cause a blight on our rural villages and our town centres alike. This innovative loan fund which has been financed by the Scottish Government, can help to reverse this trend, and provide much needed affordable housing which will help support both rural communities and shops and businesses within our town centres."*

Kristen Hubert, national manager for the Scottish Empty Homes Partnership, said:

*"The launch of the Empty Property Loan Fund in Perth & Kinross is great news. The area already benefits from highly effective council support and this new fund will help bring even more empty property back into use as much needed homes. We are under no illusion that bringing empty properties back into use can solve the housing crisis but with waiting lists across Scotland as large as they are there is no excuse for not making every effort to make effective use of the property that already exists."*

Planning officials have advised councillors to approve plans for 164 new homes in Perth, at least 41 of which will be classed as affordable. The Bellway Homes development will be situated on land to the west of Cherrybank Gardens and next to the Broxden services. The application is for the first three stages of a bigger development, which if approved, will include 200 new homes in total.

In 2001 planning permission was granted for the creation of offices for the National Garden for Scotland on the site. This permission was renewed in 2004 with additional permissions for the building of a Scottish Tartan Centre, business units, and a hotel and restaurant, but these were never built. In his report, Perth and Kinross Council's development quality manager, Nick Brian, said:

*"This report recommends approval of the application for a development comprising 164 residential units as the development proposals are considered to comply with the relevant provisions of the Development Plan and there are no material considerations apparent which would outweigh the Development Plan."*

Elsewhere, A&J Stephen has revealed a master plan for the north of Scone that could lead to 1,000 new homes. The firm wants to build between 700 and 1,000 houses across acres of farmland behind Spoutwells Drive and Angus Road. If successful, the first phase of 100 homes could begin as early as 2017. But the overall project will hinge on a decision on Perth and Kinross Council's proposed Cross Tay Link Road, which will link the village with the A9. Last year, Perth-based A&J Stephen won planning permission to build a new supermarket at Scone, despite some opposition from residents. It will host a consultation event next month to gauge residents' views on the housing scheme, ahead of the submission of a planning application in the New Year. Managing director John Stephen said:

*"The development will commence at the western edge of the village, just west of Harper Way, and we would hope to start construction during the second half of 2016."*

A former United Kingdom government building in Perth is being transformed with 62 new homes in a bid to tackle the local affordable housing shortage. Perth and Kinross Council has teamed up with Hillcrest Housing Association to redevelop land previously owned by the Department for the Environment, Food and Rural Affairs. Vacant land and property across Scotland that was previously in public sector ownership is being used to add to the provision of affordable housing across Scotland. During a visit to the site in Jeanfield Road, Perth, Scottish Housing Minister Margaret Burgess said:

*"Housing is, and will remain, at the heart of this government's ambitions to create a fairer and more prosperous country. The redevelopment of this previously redundant public-sector site in Perth is an excellent example of what can be realised when partners share a vision of what can be achieved for the benefit of the local community. The Scottish Government is working with a range of partners to identify vacant land and property across Scotland that is being used to add to the provision of affordable housing across the country. We have already met and exceeded our current five-year target to deliver 30,000 affordable homes, including 20,000 social homes for rent."*

David Zwirlein, Hillcrest Housing Association director of development and new business, added:

“In addition to Hillcrest’s sixteen flats for social rent, our mid-market provider Northern Housing Company has delivered a further sixteen properties. We take pride in delivering a range of tenures in affordable housing. Mid-market rent offers people who would not qualify for social rent the opportunity to access good quality affordable housing through this popular tenure. Jeanfield is an excellent example of how effective partnership working between public and private sectors remains vital to the delivery of affordable housing. The development could not have been a success without the multi-partner approach. Delivering a mixed tenure development for a number of housing providers can often be complicated but we were delighted with everyone’s innovative and flexible approach.”

Isobel Butt, Perth & Kinross Council’s vacant property development officer, has been recognised for her work to bring both residential and commercial empty properties back into use. A collaboration with colleagues from the environment service and housing & community care service saw Isobel awarded the Scottish Empty Homes Champion of the Year Award as the winner in the category of Outstanding Individual. Isobel collected the award from George Clarke of Channel 4’s ‘Amazing Spaces’ at the 2015 Scottish Empty Homes Conference held in Edinburgh. The Vacant Property Development Project was started in 2012 as part of Perth & Kinross Council’s integrated approach to regeneration by working with owners of long term empty properties and offering advice and encouragement together with sign-posting towards available local and national grant funding and loans. David Littlejohn, head of planning and development, said:

*“Perth & Kinross were one of the first council’s in Scotland to employ a vacant property development officer and since 2012 Isobel, and assistant project officer Katrina Morrison, have made a huge difference through their painstaking work with owners to bring properties back into use. This award is a testament to Isobel’s talent and perseverance.”*

Councillor John Kellas, convener of the council’s enterprise & infrastructure committee, said:

*“The Empty Homes Initiative is a great project to reinvigorate properties throughout Perth and Kinross and bring them back into use. There are a range of options available to people who want to take part and we have seen great success since the initiative was introduced. Well done to the team, and congratulations to Isobel on this wonderful achievement.”*

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## Scottish Social Housing Finance 2016

### June 2016

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 is increasing but surpluses have started to decline. The economic background is one of austerity. 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 with significant implications for Scottish tenants and landlords but some welfare powers have now been devolved to Scotland.

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Managing Director: Adrian Waite MA CPFA CIHM FInstLM  
Registered office as above. Company Number: 3713554. VAT Registration Number: 721 9669 13.



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 2016’**

#### **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 local authority housing services work?
- How do the finances of Scottish Housing Associations work?
- How is the development of new social housing funded?

Delegates will gain an overview of Scottish social housing finance and will keep up to date with developments. The session 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 2016’**

#### **Venue and Date:**

**Edinburgh:** Novotel Central Hotel – Tuesday 7<sup>th</sup> June 2016

For further information or to make a booking please visit our website at:  
<http://www.awics.co.uk/scotfin16.asp>

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#### **Webinars**

In July we will be holding two webinars that will look specifically at Scottish issues:

- Scottish Local Authority Housing Finance - 7th July 2016
- Scottish Housing Association Finance - 21st July 2016

Details of all our webinars can be found on our website at:  
<http://www.awics.co.uk/webinars.asp>

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#### **Editorial Note**

This edition of the AWICS Scotland News was edited by Kirsten Laidlow. The AWICS Scotland News is published by AWICS Limited. Articles are written by Adrian Waite unless otherwise stated. However, the views expressed are not necessarily those of Adrian Waite or AWICS unless expressly stated.

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#### **AWICS Survey**

We would be grateful if you could take part in our survey of our clients, website users, newsletter readers or others with an interest in local government or housing. If you would like to please visit <http://form.jotform.me/form/50612526489459>

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**IF YOU WOULD LIKE TO PLACE AN ADVERTISEMENT IN THE AWICS SCOTTISH NEWS  
PLEASE CONTACT [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk)**

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## About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly.

Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about our services and us please visit our website at [www.awics.co.uk](http://www.awics.co.uk) or contact Adrian Waite at [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Services that we offer include:

- Management Consultancy – <http://www.awics.co.uk/ManagementConsultancy.asp>
- Interim Management – <http://www.awics.co.uk/interimmanagement.asp>
- Regional Seminars - <http://www.awics.co.uk/seminars2016.asp>
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