

## Introduction

As the professional body for housing we want to ensure that Scotland has a housing system that works for everyone. First and foremost, housing is a human right and everyone should have access to a home that is affordable, secure and meets their needs.

Good quality housing can improve health outcomes, stimulate economic growth, improve educational attainment and employment opportunities and reduce poverty<sup>12</sup>. Therefore, we are calling on MSPs across all parties to commit to funding for the following:

**Priority 1:** *Continue to invest in affordable housing supply to meet 50,000 homes target by March 2021 and commit to continue investing in affordable housing in the long-term.*

**Priority 2:** *Increase investment in energy efficiency to at least £240 million per year to ensure Scotland's housing stock is equipped to address the challenge of climate change and fuel poverty.*

## Priority 1: Increase of affordable housing supply

The [Affordable Housing Supply Programme \(AHSP\)](#) is set to end in April 2021. This is a five-year long programme, running between 2016-2021 that aims to supply 50,000 homes with 35,000 being available for social rent.

As we enter the final year of this programme, the Scottish Government must make enough funding available to meet the target. Local authorities are already working under the resource planning assumption of £668.463 million for 2020/2021 as set out by the Scottish Government<sup>3</sup>. While we are confident that the target can be met, we have serious concerns about the future supply of affordable housing. As yet, local authorities and housing associations have no guarantee of grant funding beyond March 2021. There is a risk that affordable developments will grind to a halt and progress made to date will be lost.

Through continuing to invest in affordable housing the sector can:

- **Stimulate the economy** - The [Fraser of Allander Institute's assessment](#) of the economic contribution of Glasgow Housing Association (GHA) found that through their investment programme (in new housing and existing housing), GHA had contributed approximately £2 billion to the GDP of Scotland since 2003 - supporting on average 2,425 jobs annually. Using the example of the Affordable Housing Supply Programme (AHSP), the economic output was projected by the Scottish Government to average £1.4 billion per year - supporting approximately 10,000 to 12,000 jobs per year<sup>4</sup>.
- **Reduce child poverty** - Supplying affordable housing can reduce child poverty as evidenced by the Joseph Rowntree Foundation's Poverty in Scotland [report](#). Investing in new homes will help to meet statutory targets set out in the [Child Poverty \(Scotland\) Act 2017](#).

<sup>1</sup> <http://housingandwellbeing.org/assets/documents/Commission-Final-Report.pdf>

<sup>2</sup> <https://www.jrf.org.uk/report/poverty-scotland-2019>

<sup>3</sup> <https://www.gov.scot/publications/affordable-housing-resource-planning-assumptions-to-councils-2019-2020-and-2020-2021/>

<sup>4</sup> <https://www.gov.scot/policies/more-homes/affordable-housing-supply/>

- **Reduce homelessness** - Lack of affordable housing was highlighted by [Crisis](#) as the one of the main challenges in preventing and alleviating homelessness. Subsequently, increase delivery of affordable housing supports the Scottish Government in delivering the [Ending Homelessness Together Action Plan](#).

## Priority 2: Ensure Scotland's housing stock is equipped for the future

The [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2019](#) sets a statutory target of achieving net-zero emissions by 2045 and the [Fuel Poverty \(Targets, Definition and Strategy\) Act 2019](#) sets a statutory target to reduce fuel poverty as far as possible by 2040. Significant investment in our existing homes is required to meet both of these targets. However, the annual public investment made by the Scottish Government into fuel poverty and energy efficiency initiatives has remained at approximately £119 million since 2016-17.

Analysis carried out by the Existing Homes Alliance shows that investment must be increased to at least £240 million per year to meet climate change targets<sup>5</sup>. Investing in our existing homes will:

- **Reduce emissions** - Emissions from the residential sector contributed to 14.9 percent of the greenhouse gas emissions in 2017<sup>6</sup>. Subsequently, to meet the Scottish Government's targets the housing sector needs to retrofit existing housing stock and modify the way in which new housing is built.
- **Decrease fuel poverty** - Making housing more energy efficient can decrease the residents' utility bills, thus contributing to statutory targets. This will improve health outcomes and substantially reduce NHS expenditure. The cost of poor housing to the NHS has previously been estimated to be between £48-£80 million per year<sup>7</sup>.

## About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world including over 2,000 in Scotland.

Further information is available at: [www.cih.org](http://www.cih.org)

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<sup>5</sup> <http://existinghomesalliancescotland.co.uk/news/alliance-sets-out-pathway-to-zero-carbon-homes-by-2045/>

<sup>6</sup> <https://www.gov.scot/publications/scottish-greenhouse-gas-emissions-2017/>

<sup>7</sup> <https://www.cas.org.uk/system/files/publications/economic-impact-of-energy-efficiency-investment-in-scotland.pdf>