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Convenor, Committee for Local Government
Housing and Planning

By Email: localgov.committee@parliament.scot

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Dear Convenor,

Further to my letter to you in July which outlined the pillars of our approach, I am writing to update Committee on the wide-ranging and involved work we have been taking forward to address the Housing Emergency in recent months, and our plans for next steps.

Prioritised work with Local Authorities

We are working at pace with local authorities to identify and take forward the most impactful actions in order to increase the supply of warm, safe, affordable housing. These discussions are most intensive with the five local authorities experiencing the highest sustained levels of homelessness and use of temporary accommodation, to ensure that we take collective responsible action to reduce levels for the benefit of people who are in housing need. Those are Edinburgh, Glasgow, West Lothian, South Lanarkshire and Fife, although we continue to engage and work with all 32 local authorities as we seek to unblock specific issues and share impactful approaches. Discussions to date have focussed around, voids and acquisitions, empty properties and further opportunities within the affordable housing supply programme.

In furtherance of this work, we targeted the allocation of an additional £42 million in September to support the acquisition of existing properties or, where appropriate, to bring long term voids back into use. We are now working with local authorities as they bring forward proposals with the expectation that funding will be fully utilised. We are supporting them as they work each day to bring more properties up to standard for use as a home once again.

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This is part of our ongoing support of the Affordable Housing Supply Programme, which will invest almost £600m this year and has helped deliver more than 133,000 affordable homes since 2007. We remain committed to the programme as our core activity to increase the supply of affordable housing, but we recognise that we must also step up short and medium-term action concurrently to address the acute pressures created by the Housing Emergency.

Planning

We recognise the importance of collaborating across all portfolios to effectively address the Housing Emergency. On 12 November the Minister for Public Finance announced a [delivery plan](#) which sets out 23 actions in relation to the role of planning, to unlock further progress on the Housing Emergency. These actions will be taken forward over the next 6 months with demonstrable progress expected within the year. Priorities focus on:

- **Policy**, including work to support the application of national policies, to accelerate build-out of sites and to support good practice;
- **Delivery**, including a new planning hub, continuing work with SMEs, rolling out Masterplan Consent Areas and supporting the pipeline of deliverable housing land;
- **Efficiency**, including a range of measures to improve performance, streamline technical processes, standardise and share best practice and open a discussion on scope for further permitted development rights; and
- **Capacity**, focusing on recruiting more planners, providing access to expertise and training.

Work to identify and address sites that have stalled in the planning system is now underway and progressing at pace.

Governance

We have strengthened both internal and external governance in order to underpin our work on the Housing Emergency and to provide additional scrutiny and transparency. We are utilising the Housing to 2040 Board in an emergency posture to consider our approach and to work with our external stakeholder members to develop and agree joint actions. We met most recently in October with a focus on social voids, acquisitions and monitoring, and we will meet again in January. I welcome this group's role and have encouraged all members to come forward with their proposals for addressing the emergency.

Investment

As you will also be aware, we are pursuing coordinated work to secure sustained investment in housing through the Housing Investment Taskforce that we established this year, which we see as critical to our longer-term response to the housing emergency.

Whilst this work is progressing, we have also used levers currently available to us to invest a further £22 million in affordable housing through our charitable bond programme. This

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programme enabled an additional investment of £71 million of charitable donations into our programme last year to help support the delivery of more than 600 social rented homes. We are progressing well with our PFG commitment to create a £500m MMR fund. Delivery timescales will be set out as part of the commissioning process to appoint a fund manager in 2025.

In the meantime, officials continue to engage in discussions with lawyers and procurement ahead of the market testing stage.

Housing (Scotland) Bill

As you will also be aware, we are currently taking forward our Housing Bill and I am grateful for the Committee's separate correspondence on Stage 1.

The measures in the Housing Bill will be an essential part of our response to the Housing Emergency in the longer term, delivering our commitments to rented sector reform, including long-term private sector rent controls, and new homelessness prevention duties.

The focus of the Bill on action to support those most vulnerable, through a package of proposed reforms that will help ensure people have a safe, secure, and affordable place to live, remains the right approach in the context of the Housing Emergency and our priority to eradicate child poverty. I welcome our ongoing engagement with Committee on the Bill.

Prioritisation of activity

In order to support the delivery of work set out in this letter, we have also been reviewing the resources that will be required in order to prioritise key action. Through our engagement with stakeholders, we recognise that there is a need to defer some pieces of work in order to ensure that there is capacity to deliver on the housing emergency workplan. This applies both to government and those in local authorities who are responding to the housing emergency locally in each area. As a result, I have taken the decision to pause work on new tenure-neutral housing standards and to delay the public consultation we had planned for 2025.

Despite this pause in our work to take forward a public consultation, it is clear that continuing the progress made under this government in improving the condition of our housing Scotland plays a crucial role in delivering on the First Minister's four priorities - eradicating child poverty, growing the economy, tackling the climate emergency and improving public services. Therefore, we will continue to progress housing quality work that does not need new legislation, such as a review of the Home Report and consideration of aspects of our tenement maintenance work plan.

Finally, you will be aware that we have announced a proposed £768 million investment into our Affordable Housing Supply Programme for 2025-25 in our draft Budget on 4 December, an increase of £171.9m from 2024-25 levels. This level of investment is expected to support

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the delivery of the affordable homes we need across the country, increasing supply and helping to alleviate housing pressures where they exist, and as such we will be engaging with local authorities and partners in the coming weeks on utilisation of the planned uplift. The Housing Emergency context is expected to be reflected in the focus, actions and pace of local authority plans to drive the positive changes we seek. We will also continue to engage with local authorities to ensure that Strategic Housing Investment Plans for 2025-2026 to 2029-30 are effectively driving at pace, the investment activity required to support effective prioritisation and delivery to address local pressures.

I hope this letter is helpful to update you on some of the key actions that we are taking in response to the Housing Emergency, and I look forward to engaging with the Committee in due course.

Yours sincerely,

PAUL MCLENNAN

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