



**Scottish Federation of  
Housing Associations**

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# Shelter Seminar 2008

## *The Scottish Housing Bubble*

Home Ownership – in Whose  
Interest?



# Crisis?.....What Crisis?

- Most people are adequately housed
- Rise in owner occupation – the tenure of choice – or only choice?
- More investment in affordable housing in the last 10 years
- Application of more standards and regulation
- Political agenda status - is it up there?



# The Facts

- Up to recently, ever increasing house prices – chaotic, solely market driven
- More re-possession resulting from bigger mortgage multipliers
- Concept of a house as an investment – not a home
- Consequent land values – speculation rife
- Balanced, sustainable communities – deterioration
- Labour supply - imbalances



# The Facts

- Investment in transport, schools, health – distorted by housing markets/land prices
- Lack of investment co-ordination to assist affordable housing provision
- Infrastructure constraints – particularly in rural/remote areas
- Performance of the planning system ineffectual – however recent changes should help to some degree
- And now the **CREDIT CRUNCH**



# What We Need

- 10,000 new affordable homes for rent each year
- More land released for affordable housing specifically
- More investment in an expanded product base by HAs for people on low and middle incomes
- A commitment to quality and sustainability
- A commitment to adequate Supporting People funding and clarity/simplification of the system of allocation
- Flexibility and options in HA governance



# Blockages

- Lack of alignment between development plans, LHS, Scottish Government investment plans, infrastructure investment plans
- Slow land release by the planning system
- Multiple systems of regulation that are disproportionate and conflicting
- Restrictive HA governance & regulation which stifles and constrains innovation and creativity
- Inefficiencies in the HAG subsidy distribution regime and proposals to reduce subsidy further
- Supporting People funding complexity and confusion
- Access to private finance at affordable rates



# Solutions

- More investment in affordable homes as the basis of the Scottish Government's sustainable economic growth flagship policy
- A more radical overhaul of the planning system to release more land for housing, including performance management
- The creation of an agency arising from the work of the Housing Supply Task Force to be accountable to Parliament for increasing housing supply & delivery
- A rolling infrastructure fund underpinned by the Scottish Government
- Investment in attracting more people into the building industry & related activities



# The Need to Re-focus

People in housing-need are not interested in politics and processes.....

They want **DELIVERY** of housing solutions





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