

# Housing Supply Strategy

2018-28

Consultative Draft

HOUSING STRATEGY & SERVICES  
PLACE





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## 1. INTRODUCTION

Scottish Borders is a rural local authority where 30% of the population lives in settlements of under 500 people or in isolated hamlets. The estimated 2017 population for the Scottish Borders was 115,020: an increase of 0.9 per cent from 114,030 in 2014.

Housing plays a key role in delivering homes in high-quality places for people, meeting the needs of communities and supporting sustainable and inclusive economic growth. Supply of new homes is a strategic priority for the Scottish Government, and this includes building new, high quality affordable homes, as well as improving quality and making better use of the existing housing stock. At the local level, plans for housing investment and housing related services are set out in the Local Housing Strategy (LHS) 2017-22 and the Council's Strategic Housing Investment Plan 2019-2024 (SHIP), which sets out how affordable housing is prioritised and will be delivered in practice.

In 2016 the Scottish Government set local authorities, registered social landlords and other housing providers a target of developing 50,000 affordable homes by the end of its five-year term in 2021. The Scottish Government expects 35,000 of these homes to be for social rent, with the remainder for low-cost homeownership, mid-market rent and other alternative forms of affordable housing. This ambition is supported by the Affordable Housing Supply Programme (AHSP) which distributes government grants for every completed home.

Ensuring an adequate supply of high quality homes is crucial to meeting the housing needs of residents in the Scottish Borders, now and in the future. Housing is a key part of the regions "offer" in terms of quality of life to both attract new residents and ensure that those who live here remain within the area rather than migrating outwards. A range of published research also recognises the positive wider impact that housebuilding has for local economies. This is particularly the case for affordable housing, which also reduces inequality and increases residents' disposable income.

Housing is also a key element in ensuring the health and educational attainments of our children and a good supply of warm, high quality, digitally connected homes plays a significant role in the health and social care agenda. As such, through the development of this strategy the current housing supply and demand across the Borders has been reviewed, and constraints to development investigated in detail. This strategy considers and explores potential interventions and how best to unlock investment potential in order to stimulate and encourage housing development, particularly in more rural parts of the Borders.

This strategy has been developed to support and complement the Local Housing Strategy (LHS) 2017-22, in particular strategic priority 1 of the LHS: The supply of housing meets the needs of our communities. In addition, it will also complement the adopted Local Development Plan (LDP) which is also crucial in helping to identify the area's housing needs as well as new sites for housing development.

The actions identified in this document are aimed at stimulating delivery, but specific actions and contributions will also be required by others, particularly land owners, house builders and registered providers, to respond to this challenge and significantly increase the level of house building. This Strategy should therefore be viewed as part of a response, together with those planned by housebuilders, developers, registered providers, land agents, Scottish Government departments and other agencies.

This strategy sets out the Council's ambitions to achieve housing growth in the area over the next 10 years and beyond. The Council will use its resources and influence to work with other partners in the housing sector to deliver the kind of new homes that the population of the Borders needs and the priority actions will be set out in a flexible, dynamic and responsive high level action plan appended to this document.

## 2. VISION FOR THE SCOTTISH BORDERS HOUSING SUPPLY STRATEGY

The Local Housing Strategy (LHS) 2017-22 provides a detailed demographic and housing profile of the Borders and outlines the future challenges that the Council and its Partners may face in ensuring that all residents have access to homes that meet their needs. The LHS also sets the Housing Supply Target (348 new homes per year)<sup>1</sup>.

For the Borders, an adequate supply of housing is an important pre-requisite for attracting new residents to the area, supporting businesses as well as sustaining our rural communities. Supply of new housing however, is currently far below peak levels seen in 2007/08 (694) compared with 326 in 2016/17. This is mainly driven by the fall in the number of private sector new build completions, which in 2016/17 were at their lowest level in the Borders since 1996/97.

The levels of social sector new builds have continued to grow since 2013-15 and this is set to increase significantly over the period of the current Strategic Housing Investment Plan (SHIP) (2019-24 largely as a result of the Scottish Government's funding for affordable housing. While many rural areas have experienced a decline in the rate of house building following the economic downturn, the extent of this and levels of new build has varied and has been a particular issue in the Borders.

The aim of the strategy is to seek to improve the overall new supply of both affordable and market housing, and to assist and enable delivery of additional houses to meet needs at locality level across Scottish Borders. This will assist the delivery of the strategic objectives set out in its Local Housing Strategy in that:

- The supply of housing meets the needs of our communities
- More people live in good quality energy efficient homes
- Fewer people are affected by homelessness
- More people are supported to live independently in their own homes
- Supports more economic growth in the Borders

The gap between demand and supply of housing of the right type and quality in the right places is considered to be significant. Recent work by Indigo House into the Housing Needs and Aspirations of Older People showed that there is significant under supply of housing options for this age group. Work currently commencing into the Housing Needs and Aspirations of Young People is also likely to highlight a similar gap.

Scottish Borders Council (as the strategic Housing and Planning authority with the statutory responsibilities that role entails) has a key role to play in ensuring the delivery of new homes that meet the needs of our residents; however this requires the continued support from all local housing providers, the house builders and developers and the institutional investors. Through the development of this strategy the Council is outlining its intention to take positive and proactive steps to increase the levels of house building by further strengthening relationships with all of those partners who provide new homes, particularly with the private developers, and the Housing Associations who are in the strongest position to develop new homes the Borders.

To date there has been significant collaborative working (evidenced in the Local Housing Strategy progress reports, Strategic Housing Investment Plan updates and Main Issues Report) with a wide range of partners, and this engagement will continue to help encourage the development of sufficient and appropriate supply of new houses to meet the needs of local people, make a real difference to their lives and have a positive impact on the economy and the area. Scottish Borders Council is keen to ensure that local community and economic development is supported by sufficient supply of housing of the right size, quality and affordability, and that business growth is not constrained by lack of housing and the consequent difficulties in attracting and retaining staff.

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<sup>1</sup> South East Scotland Development Planning Authority (SESplan) Housing Background Paper – October 2016

### 3. SETTING THE CONTEXT

This section of the strategy gives a high level summary profile of the national and local policy that informs the strategy and an area profile. More detailed information is also available in two further documents published alongside this strategy – National and Local Context and Area profile.

#### STRATEGIC CONTEXT

National	Local
<ul style="list-style-type: none"><li>• National Outcomes</li><li>• Housing and Planning Delivery Framework</li><li>• The Commission on Housing and Wellbeing</li><li>• Scotland's Economic Strategy</li><li>• Joint Housing Delivery Plan for Scotland</li><li>• Planning (Scotland) Bill</li><li>• Homes Fit for the 21st Century – Scottish Government's Strategy and Action Plan for Housing 2011-2020</li><li>• Scottish Land Commission Strategic Plan 2018-21</li><li>• Community Empowerment Act 2015</li><li>• Affordable Housing Supply Programme</li></ul>	<ul style="list-style-type: none"><li>• Local Housing Strategy 2017-2022</li><li>• Housing Need and Demand Assessment &amp; Housing Supply Targets</li><li>• Strategic Housing Investment Plan (SHIP)</li><li>• Community Plan</li><li>• Connected Borders</li><li>• New Corporate Plan</li><li>• Strategic and Local Development Plans</li><li>• Housing Supplementary Guidance</li><li>• Housing Land Audit</li><li>• Homelessness - Rapid Rehousing Transition Plan</li><li>• SBC Health and Social Care Strategic Plan: Changing Health &amp; Social Care for You 2018-21</li><li>• Integrated Strategic Plan for Older People's Housing, Support and Care needs</li><li>• City Region Deal: The Edinburgh &amp; South-East Scotland Regional Housing Partnership</li><li>• South East Scotland Enterprise Agency</li><li>• Borderlands Initiative</li></ul>

#### AREA PROFILE

Key evidence and trends that the Council must consider when developing its approach to housing supply and place-making across the Borders are considered in the Local Housing Strategy, the Housing Need and Demand Assessment (HNDA) (2015) and the Local Development Plan.<sup>2</sup> This includes data on the local population and people, neighbourhoods and housing stock. There are a number of key trends that may impact on the provision of housing in the Borders, more detail can be found in appendix 2, this section only provides a summary. An in depth understanding of the issues and challenges is important in helping support the development of effective policies and interventions to encourage the supply of new housing in the Borders.

<sup>2</sup> LHS - [https://www.scotborders.gov.uk/downloads/file/955/local\\_housing\\_strategy\\_2017\\_to\\_2022](https://www.scotborders.gov.uk/downloads/file/955/local_housing_strategy_2017_to_2022)

HNDA - [https://www.scotborders.gov.uk/downloads/file/959/strategic\\_housing\\_investment\\_plan](https://www.scotborders.gov.uk/downloads/file/959/strategic_housing_investment_plan)

LDP - [https://www.scotborders.gov.uk/info/20051/plans\\_and\\_guidance/121/local\\_development\\_plan/1](https://www.scotborders.gov.uk/info/20051/plans_and_guidance/121/local_development_plan/1)



## Summary Key Considerations (Full profile appended as Appendix 2)

### Demographics

- The estimated 2017 population of the Scottish Borders is 115,020
- Between 2016 and 2041 the population is expected to increase by 2.4% (5.3% for Scotland). In the same period the proportion of over 75s is projected to increase by 80%
- There are 52,498 households in the Scottish Borders (Census 2011)
- The most typical household is married couple with no dependent children followed by single and working age
- Scottish Borders has a higher proportion of single pensioner households than the Scottish average
- From 2014 and 2039 the number of households is projected to increase by 8% (14% for Scotland)
- Single person households will increase by 5% and 2+ adults with 1+ children will decrease by 4%
- 62% of households are owner occupiers, 14% private renting and 22% social renting

### Economy

- 56,400 people work in the Scottish Borders
- The average annual change in GVA for Scotland from 2001 to 2011 was 5.1%, and for Scottish Borders was 3.9%.

### Construction Industry

- Turnover in the construction industry decreased from £253m to £230m between 2010 to 2015
- Construction enterprises account for 11.6% of all enterprises in the Borders compared with 10.9% for Scotland

### Income and Housing Affordability

- The average household income in the Borders is £32,785, approximately 5% lower than the national average (2015)
- Household income varies across housing market areas
- Income required for a two bedroom property is: £12,718 (RSL), £18,284 (PRS), £16k (LHA) & £13,600 (MMR)

### House Building

- 39% of new private dwellings built over the past ten years has been built on accessible rural areas
- There were 250 completions as part of the 2017 Housing Land Audit. This was the lowest figure recorded since the audit began.
- Affordable housing completions continue to rise as the number of market completions continues to fall

### Land Supply

- 2016/17 - there was established land supply for 8,586 units in the Scottish Borders. 3,469 are programmes as being effective
- 82% of established land supply on target sites is on greenfield land and 18% is on brownfield sites

### Housing Need and Demand Assessment and Housing Supply Target

- Housing Supply Target (HST) is 348 new homes per annum (128 affordable & 220 market)
- The HST is only 2% new addition to the housing stock each year
- The number of long term empty properties in the Scottish Borders in 2017 was 1,419
- This figure has remained consistent over the past six years

### RSL/ Demand

- 94% of RSL stock is owned by the four local RSLs
- From 2007-2017 there was a 3% increase in stock, Eildon Housing Association increased its stock by 39%.

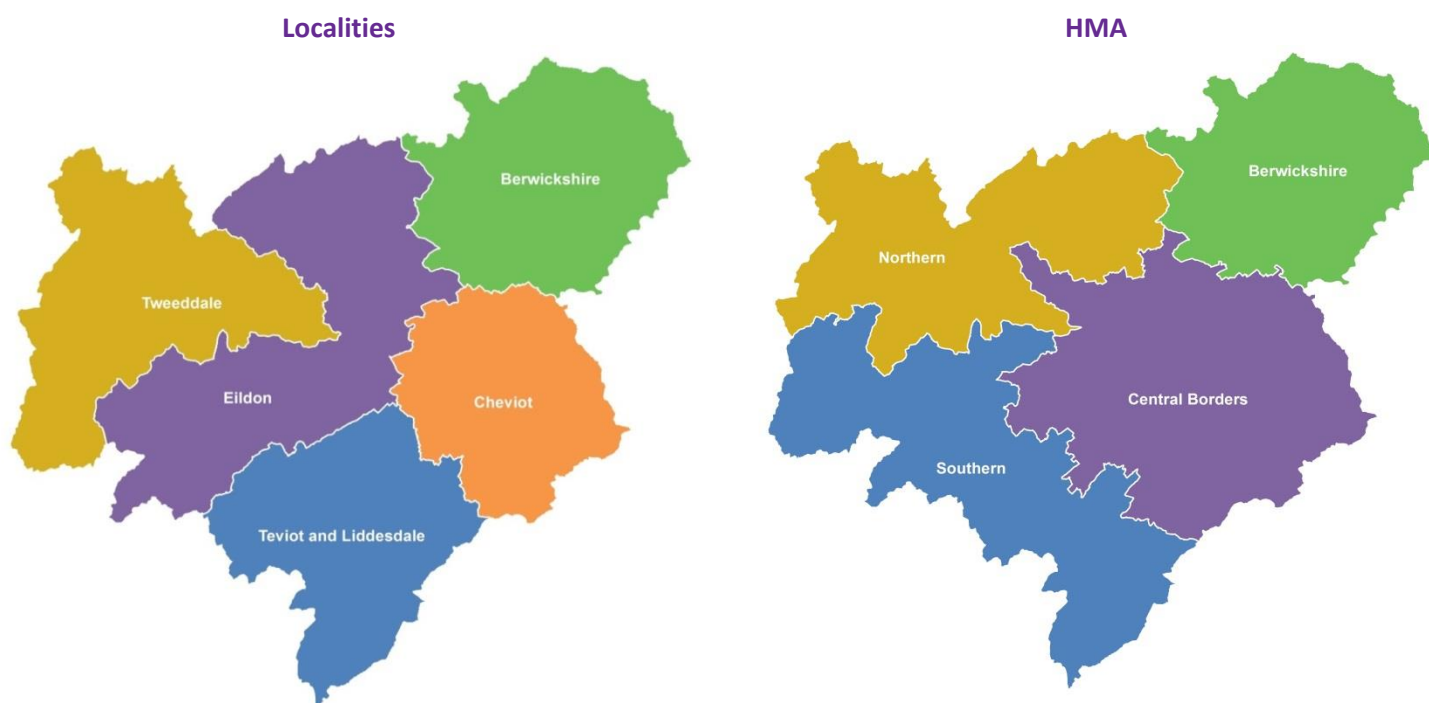
## LOCAL APPROACHES TO PLANNING AND DELIVERY

The Council and its Community Planning Partners have adopted a Locality Planning approach, establishing five commonly agreed localities and Area Partnerships. A bespoke approach is taken to planning services in each of these areas. Following a period of consultation and engagement with local working groups and communities the Health and Social Care Locality Plans (2017-19) were revised and updated in May 2018.

The localities are Berwickshire, Cheviot, Eildon, Teviot and Liddesdale and Tweeddale.

The strategic planning of housing takes a similar approach, with four distinct 'housing market areas' identified. These are areas where households either currently live or work and, if they wished to move, areas where they would search for alternative accommodation. Therefore, if housing need is identified in a particular sub market area, it is reasonable to assume that the household would expect to meet that need in the same area. The map below shows the localities and Housing Market Area (HMA) boundaries.

### Localities and Housing Market Area Map



The housing market areas (HMAs) are broadly aligned with Scottish Borders localities, but there are some differences which are highlighted in key below.

### Localities and sub-housing markets of the Scottish Borders

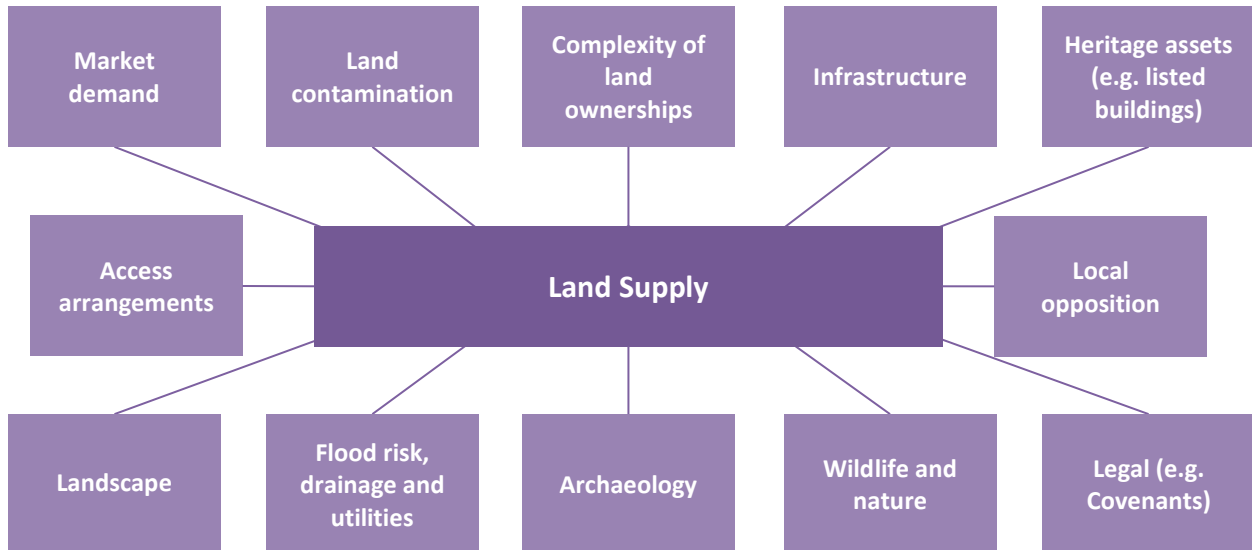
Localities	HMAs
Berwickshire	Berwickshire
Cheviot	Central
Eildon	Central, Northern and Southern
Teviot and Liddesdale	Central and Southern
Tweeddale	Central, Northern and Southern



## 4. LAND SUPPLY

This section explores in more detail some of the key challenges, possible solutions and key commitments and actions to land supply.

### Summary of Potential Barriers: Land Supply



### Potential Solutions And Interventions

It is important that a strategic approach to the development of affordable housing across the Borders makes the most effective use of land and/or property wherever possible. The approach must take advantage of the Council's property and asset rationalisation process and ensure that, through collaborative working with our local developing housing associations, opportunities will be created, where practical, for affordable housing development.

Similar issues are faced by neighbouring Local Authorities; and a regional response to some of these issues, presenting innovative solutions and key policy interventions, is currently being negotiated with both the Scottish and UK Governments through the Edinburgh and South East Scotland City Region Deal, and the associated Edinburgh and South-East Scotland (ESES) Regional Housing Partnership.

The Edinburgh and South-East Scotland Regional Housing Partnership aims to accelerate the delivery of affordable and low-cost market homes, enable the development of seven major strategic housing sites, drive efficiencies across the public sector estate and increase housing land supply.

The partnership will deliver:

- Major strategic housing sites
- Housing infrastructure solutions
- Land to develop a robust affordable housing pipeline
- Scale and certainty of affordable housing investment
- Accelerated delivery through innovation and supporting SME growth
- Jobs, meeting current and future industry skills requirements

One of the seven identified strategic housing sites is within the Scottish Borders at Tweedbank (Lowood), with plans for 300 homes, 75 of which would be affordable. Scottish Borders Council (SBC) have agreed to work towards acquiring the land. An outline masterplan for the site has been developed and is the starting point against which the Council can begin to fulfil its commitment within the Borders Railway Blueprint and

City Deal to maximise the full economic potential of the Borders Railway. The masterplan comprises a mixed-use development, primarily focused on the delivery of residential and Class 4, 5 and 6 business space (Borders Innovation Park).

### **Simplified Planning Zones**

Simplified Planning Zones (SPZs) grant planning permission for the types of development specified within the scheme, without the need for any individual planning permission. SPZs were developed mostly to aid regeneration and encourage employment, but more recently the independent review of the Scottish Planning system's report, 'Empowering Planning to Deliver Great Places' (May 2016) recommended that the SPZ concept could be a more flexible and widely applicable zoning mechanism", for example "for development including housing".

Scottish Borders has implemented an SPZ scheme (alongside supplementary planning guidance (SPG)) in respect of Central Borders Business Park, Tweedbank, and Galashiels. The SPG provides a framework vision for the future development of the sites which are allocated within the Local Development Plan. Alongside the SPG is the SPZ which will create an employment-led redevelopment, with the aim of encouraging investment and contributing to an improved business environment at Tweedbank. The business park incorporates Tweedside Industrial Estate and Tweedside Park to the east of the Tweedbank rail terminus.

The arrival of the Borders Railway in 2015 is identified as an opportunity for the regeneration of a range of outdated, vacant and substandard building stock to contribute to a high quality business park environment, improving its appeal for inward investors. Strategic areas of the site adjacent to the railway terminus to the north-west remain undeveloped and mixed use development is promoted. The area is expected to benefit from the simplification of the planning process to facilitate efficient delivery and rapid response to market demand. The current focus of the SPZ is predominantly commercial; however Scottish Borders Council will monitor other pilot SPZs across Scotland and consider the future application of SPZ to Housing Developments.

Policy PMD4: Development Out with Development Boundaries aims to ensure that most development is located within defined Development Boundaries. Any development proposals out with the boundary would have to comply with the rigorous exceptions criteria contained within this policy. It is considered that development out with the Development Boundary should not be seen as an alternative to allocated sites where these are available and therefore, should only be an 'exceptional' occurrence. One of the exceptional approvals which may be granted, provided strong reasons, is for an affordable housing development which can be justified against Policy HD1.

### **Serviced plots**

Glasgow City Council is bringing on a six-plot site in Maryhill, Glasgow, as a pilot to test the local appetite for enabled self-build in the city. The Bantaskin Street site is part of a larger regeneration project to create a contemporary urban village with shops and community facilities, set between the River Kelvin and the refurbished canal locks.

This is an enabled self-build route, as the council is providing services on the plots, and for this pilot project the self-builders can choose their own architect and contractor, with the council interested in seeing a variety of homes. To facilitate this process it intends to run a design workshop that will give potential buyers the chance to discuss their projects with a range of architects for free, to help them formulate their ideas. Exploring opportunities to support the self-build option will be a key action of this strategy and section 8, page 23, explores this in more detail.

### **Rural Housing Burden**

A Rural Housing Burden is a title applied to a property or house plot which gives rural communities and community landowners the right of pre-emption and control of future sales when the property is to be sold. This title can only be created on rural land, generally in settlements of under 10,000 residents and is

applied by a Rural Housing Body. Rural Housing Burdens help to prevent rural housing stock from being sold off into the holiday home and second home market

The status of Rural Housing Body is prescribed by Scottish Ministers following an application made to the Civil Law and Legal System Division at the Scottish Government. The purpose of the Rural Housing Burden title is to maintain affordability on a property in the event of future sales. The plot the title is placed on has usually been acquired at well below the market value and the title ensures that the discount is included in the future sale price. The community has 42 days in which to accept the offer, if the burden is not exercised, it will lie dormant until the next sale, so it remains in the title in perpetuity.

With the difficulties associated with procuring an affordable land supply in some of the more rural areas, it could be beneficial to explore the feasibility of a Community Housing Trust to act as a rural housing body. Scottish Borders Council are already in discussions with Dumfries and Galloway Communities Housing Trust to explore options to extend some of their current activity into the Scottish Borders.

Potentially, a Community Housing Trust could seek to acquire land in some of the more rural areas to enable affordable development, facilitated by the Scottish Government's Rural Housing Fund. A Community Housing Trust would be able to assure landowners that rural housing burdens would ensure nobody would profit from the use of their land and will instead protect the sustainability of the Borders rural communities.

The Yuill Community Trust (YCT) for example, is a Community Interest Company, established in Galashiels and officially incorporated in 2013. The organisation is a Community Development Enabler that promotes, researches, designs, manages, and assists in the delivery of high quality affordable housing and community buildings within the South of Scotland and wider through Co-Production.

Developing Affordable Homeownership options using rural housing burdens to ensure properties remain affordable in the future may be an alternative way of offering affordable options to those in need but do not wish to social rent.

### Key Commitments and Actions

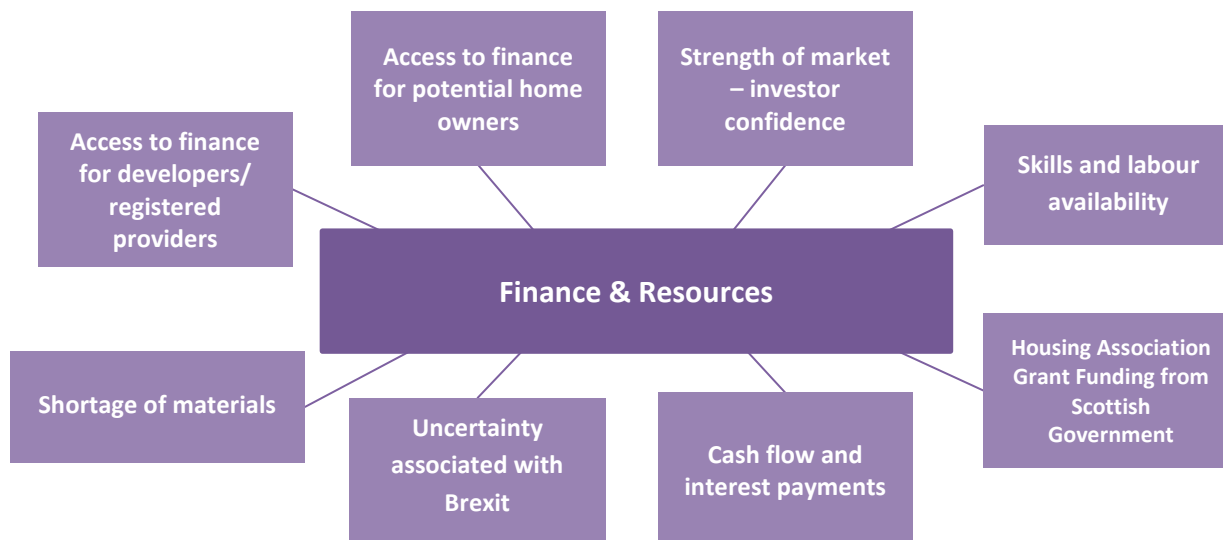
A summary below illustrates the ongoing key commitments to addressing some of the barriers related to supply of land for new housing, and details a range of actions to support and encourage new housing supply across the Borders.

- Continue to adopt and follow the most up to date UK and Scottish Government policies, including sharing knowledge and information
- Consider development of specific Land Supply Strategies e.g. Lowood and SPZ
- Ensure that the Local Development Plan 2 provides a generous supply of land for housing within all the housing market area
- Through the Housing Land Audit ensure a 5 year effective housing land supply is maintained at all times
- Agree frameworks to consider and prioritise funding from commuted sums and from the Council Tax Affordable Housing Budget
- Support for Opportunistic acquisitions via the Strategic Housing Investment Plan (SHIP) process
- Monitor other pilot Simplified Planning Zones across Scotland and consider the future application of SPZ to Housing Developments.
- Improve effectiveness of s75 agreements including early intervention with developers (and maximise on site provision)
- Consider partnership acquisitions and buy backs to assist in strategic land assembly
- Work in partnership with SBC assets to acquire land for housing through its strategic land disposal strategy
- Through the SHIP process, the council will explore the potential for providing serviced plots for self-build projects on select sites within local authority or RSL land banks.
- Explore models for the disposal of land to Housing Associations
- Identify stages of the development process to discuss the constraints and opportunities for different sites
- Monitor the impact of the Land and Buildings Transaction Tax on the Borders Housing Market
- Work with Local Community Housing Trusts and support them to acquire land for affordable housing development
- Evaluate the innovative Partnership between Eildon Housing Association and Hart Builders to provide 388 affordable homes at

## 5. FINANCE AND RESOURCES

The section below explores in more detail some of the key challenges, possible solutions and key commitment and actions to finance.

### Summary of Potential Barriers: Finance and Resources



### Potential Solutions and Interventions

#### Off-Site Construction

A theme of Scotland's Sustainable Housing Strategy was transforming the market for new buildings and to encourage companies in Scotland to maximise the potential of innovative design and construction techniques to deliver a greater number of greener homes.

Offsite construction involves manufacturing and pre-assembling large sections of a building offsite in a factory. The industry is starting to grow and there are a number of offsite manufacturers either based or considering investment in Scotland. It is widely accepted that developments in this industry are well suited to building affordable housing; as high sustainability standards can be achieved efficiently and at less cost than more traditional construction methods<sup>3</sup>.

Berwickshire Housing Association has piloted off site constructed homes on two of their projects to date. This has been an interesting learning opportunity. The Housing product was good, but due to the rurality of the area some logistical and programming challenges were experienced. This learning has been shared with other housing providers across the Borders and Scotland wide.

#### Working with The Construction Industry, Developers and Smaller Builders

A key priority of this strategy is to work with all partners and relevant stakeholders to increase the supply of housing across all tenures and to strengthen opportunities and growth in the local supply chain. This can only be achieved through building strong and effective partnerships with a wide range of interested parties.

The Council will continue to build relationships with developers and housebuilders to understand the challenges in bringing sites forward. This will include specific developer forum events that could cover

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<sup>3</sup> Offsite Housing Review 2013 (Construction Industry Council)

topics such as: SME collaboration, self-build opportunities, working with registered providers, development management processes and procedures, and Government funding opportunities.

### **Housing Infrastructure Fund**

In February 2016 the Scottish Government launched a five-year Housing Infrastructure Fund (HIF)

The fund comprises two main elements:

- infrastructure loans available to non-public sector organisations
- infrastructure grant available to local authorities and Registered Social Landlords (RSLs) to support affordable housing delivery

The fund helps key strategic housing projects which have been blocked or unable to proceed due to the extent and costs/ financing of infrastructure works involved.

Scottish Borders Council, with its City region partners, are keen to work with Government to explore and develop innovative solutions to infrastructure delivery and are committed to working with partners to explore infrastructure delivery solutions, including guarantees and risk-sharing models to unlock strategic sites.

The City Deal Partnership has identified an opportunity to establish a Edinburgh and South East Scotland regional infrastructure forum that aims to provide effective co-ordination of infrastructure planning at a regional level. The forum would bring together the six local authorities and key infrastructure and utility providers including Scottish Water, SEPA, Transport Scotland, National Grid and more. The aim is to collaborate to minimise disruption, align investment plans and to maximise the investment and economic impacts of development projects. The forum will be underpinned by the City Region Deal housing programme and infrastructure projects and a partner commitment to accelerate the delivery of new homes

### **LIFT New Supply Shared Equity Scheme**

The New Supply Shared Equity scheme is part of the range of assistance from the Scottish Government under the Low-Cost Initiative for First Time Buyers ('LIFT'). It aims to help people on low to moderate incomes access home ownership and to buy a new build home from either a Local Authority or a Registered Social Landlord. The NSSE scheme is available to first-time buyers. Priority is given to:

- people aged over 60
- social renters (people who rent from the council or a housing association)
- disabled people
- members of the armed forces
- veterans who have left the armed forces within the past two years
- widows, widowers and other partners of service personnel for up to two years after their partner lost their life while serving

The NSSE scheme is also available to people who have previously owned a home and have experienced a significant change in circumstances – for example, a marital breakdown.

People buying a New Supply Shared Equity property from a Local Authority or Registered Social Landlord must generally take an equity stake of between 60 and 80 per cent of the market value of the property, as set by the District Valuer.

### **LIFT Open Market Shared Equity Scheme**

The Open Market Shared Equity Scheme allows people on low to moderate incomes to buy homes that are for sale on the open market where it is affordable for them to do so. The scheme is currently open to help all first time buyers.

The minimum equity stake that buyers must take in a property is 60 per cent and the maximum equity stake is 90 per cent while the Scottish Government holds the rest of the share. Lenders normally require buyers to provide a modest deposit.

There are limits set on the price of homes that can be bought under the open market scheme to ensure that only 'starter' properties are available through the scheme - these are known as threshold prices. These limits vary according to house prices in different parts of Scotland and are often referred to as local maximum price ceilings.

### Help to Buy (Scotland)

The Help to Buy (Scotland) Affordable New Build scheme helps buyers to buy a newly built home without having to fund the entire price. The Scottish Government takes an 'equity stake' of up to 15% of the home's property which can be paid back at any time. The scheme is only available from a builder who is registered with the scheme.

There are two types of Help to Buy (Scotland) scheme:

1. the Affordable New Build scheme
2. the Smaller Developer scheme

The Affordable New Build Scheme available to larger homebuilders and the Smaller Developers New Build Scheme for smaller home builders and is available through participating builders. Both work in exactly the same way, it is dependent on which type of home is being bought. Although the scheme is referred to as an affordable new build scheme it is not seen as an affordable housing delivery mechanism and it isn't defined as this through SBC's affordable housing policy.

### Mid-Market Rent (MMR) Fund

In June 2018 the Scottish Government announced that a loan of £47.5 million would be given to PfP Capital, which is part of the regeneration group Places for People (PfP). The fund will be used to build mid-market rent homes across the country.

PfP Capital will establish a fund which will deliver and operate the 1000 mid-market rent homes. Investors in the fund are anticipated to benefit from index-linked returns derived from the rental income. PfP will be working to raise at least £87.5 million of additional capital from third parties into the fund over the coming months, through the launch of a new investment fund.

The MMR Fund will target investor appetite from institutional and pension fund investors, with a focus on Local Government Pension Schemes (LGPS). PfP Capital has appointed Noble & Co as financial adviser and placement agent on the launch of the Fund, with Rettie & Co. appointed as property adviser to identify suitable mid-market rent investment opportunities.

### Charitable Bonds

The charitable bond model allows the Scottish Government to make an ethical investment in affordable housing in the form of a loan to a social housing provider that is repaid over ten years. By April 2017, Scottish Government had invested in twelve bonds with total investments of £70m providing development finance for 935 affordable homes and generating over £17m in additional grant for charities.

This bond model was developed by Allia, a community benefit society and in the Borders, Berwickshire and Eildon Housing Associations have secured £4.6m through this approach. This funding helped support 25 units for social rent in Chirnside (developed by BHA); 10 units in Selkirk and a further 28 units in Jedburgh (both developed by Eildon Housing Association).



### Rental Income Guarantee Scheme (RIGS)

Following extensive market engagement, Scottish Government has announced its Rental Income Guarantee Scheme (RIGS) to help stimulate the Build to Rent (BTR) sector in Scotland.

BTR is being supported as a new way of providing newly-built, good quality, private rented housing at scale and aims to provide the developer and their investors with greater confidence during the early stages of occupation when the letting risk is likely to be at its highest. RIGS seeks to help developers and their investors to overcome this challenge by offering a guarantee which will compensate the developer for part of the shortfall if the expected levels of rent are not achieved.

Some key eligibility criteria includes:

- The project is either (1) a new build for rental development not already under construction, (2) a new build project that has demonstrably stalled and is switching from a build-to-sell model, or (3) a refurbishment involving change of use from non-residential (e.g. a warehouse or an office);
- The development comprises at least 30 units capable of separate residential occupation; and
- The project is capable of being completed and occupied within 3 years of an in-principle agreement to a guarantee being provided by the Scottish Government.

### Accessible Home Ownership Model

Accessible Home Ownership model, which includes the £5K and £40K Home products, has been developed by the Scottish Futures Trust (SFT). The opportunity to utilise public sector sites to deliver new low cost home ownership options for two emerging markets was highlighted to SFT, which are:

1. Young people aspiring to take the first step on the home ownership ladder who earn moderate incomes but don't have any savings, or access to the "bank of mum and dad", or who are self-employed and are currently locked out of home ownership due to mortgage requirements; and
2. Older People who are home owners with low-to-moderate amounts of equity, which is not enough to secure a home in the market which will meet their current and future needs. Current options for this group are limited to schemes operated by higher end providers which require high levels of equity, or traditional sheltered housing accessed through Local Authorities.

The Local Authority or a special purpose vehicle, e.g. a limited liability partnership between SFT and a local authority ("the LLP"), would borrow the necessary funds from the local authority to finance the development of a number of residential units on land that is either council owned or comprises part of an affordable housing element of a larger site.

On completion of the development, the individual units would be sold to qualifying purchasers at a low fixed price of £5,000 for a £5k Home and £40,000 for a £40k Home. In exchange, purchasers will receive a corresponding share of the ownership interest in the unit ("the Purchaser's Share"). The remaining ownership interest is retained by the LLP or the Local Authority.

### Local Affordable Rented Housing Trust (LAR)

LAR is a Scottish charity set up to provide long-term, mid-market rented housing in Scotland. The Scottish Government have provided LAR a £55 million loan facility, expected to be matched by private investment funding to bring total funding to over £100 million and deliver 1,000 homes.

In August 2017 LAR Housing Trust secured an additional £65 million in funding through the Bank of Scotland and Scottish Widows resulting in a combined public/private investment of £120m to support new affordable housing across Scotland. In the Borders there is an opportunity to explore whether developers have, or are planning to build, properties which could potentially be sold to LAR and made available for mid-market rent.

### National Housing Trust initiative (NHT)

The National Housing Trust (NHT) is a collaborative initiative between public and private sectors that has increased the number of affordable-rent homes across Scotland. Under NHT, developers are appointed to build a specified number of affordable homes on land they already own. Once built, a local partnership company made up of the developer, the participating local authority and The Scottish Futures Trust (SFT) buy the homes and lets them to tenants at affordable, mid-market rent for a minimum of 5 years.

Tweed Property Leasing was the first company in Scotland to sign up to the National Housing Trust initiative (round1) in 2011 after Scottish Ministers accepted a proposal to use the NHT initiative to develop, manage and maintain 26 affordable homes in Galashiels and 24 in Innerleithen. The properties were then acquired by Tweedside National Housing Trust 2011 Limited Liability Partnership (LLP) which was established in 2011.

The pursuance of the NHT model in the Scottish Borders was predicated on no grant funding from Scottish Government. The model helped stimulate the construction sector in a challenging economic environment and offered a new approach to delivering affordable housing following the economic crisis and low levels of Housing Association Grant Funding from Scottish Government.

In order to repay the loan debt Tweedside LLP was required to sell the properties after five years. Prior to 5 year anniversary Scottish Borders Council worked with partners to agree a package where Eildon Housing Association would act as the Council's nominee in order to purchase the properties if no tenants opted to purchase after five years. Eildon HA now owns all 26 of the Galashiels properties and 20 of the Innerleithen homes and are currently in the process of acquiring the last 4 units at Innerleithen.

In 2014 Scottish Borders Council and the Scottish Future Trust established Bridge Homes LLP to take forward the NHT Local Authority Variant - which follows the same basic principles as the original NHT model but places the council (rather than the developer) at the heart of the partnership which is set up to own, manage and maintain the homes for mid-market rent.

As of July 2018 Bridge Homes LLP owns 47 properties with another 7 under construction and due to be completed by October 2018. This will mark the end of the Bridge Homes development phase.

### Mid-Market-Rent

Housing for rent at mid-market levels has been delivered in the Scottish Borders, and through the NHT and NHT/LAV a total of 104 units have been developed since 2012/13. In addition to those delivered through the NHT approach local RSLs have also tested developing homes for mid-market rent.

- SBHA completed 3 new homes for MMR IN Earlston;
- Berwickshire Housing Association developed 12 new build MMR houses at Todlaw, Duns; and
- Eildon Housing Association completed 4 new build houses for MMR in Lauder.

In the Scottish Borders the development of new homes for mid-market rent is not always a financially viable option. In addition to housing cost benchmarks for the social and private sectors, the LHA rate for Scottish Borders is also used as the basis to provide various mid-market rent (MMR) benchmarks by applying a range of proportions from 85-100% of the LHA rate.

The number of mid-market rent homes provided at present is notable, but given the LHA rate is used to set MMR rents, it could be helpful if more localised LHA rates were calculated. This would enable rents to be more responsive to local market conditions and may improve the viability of MMR developments in the Borders

## Key Commitments And Actions

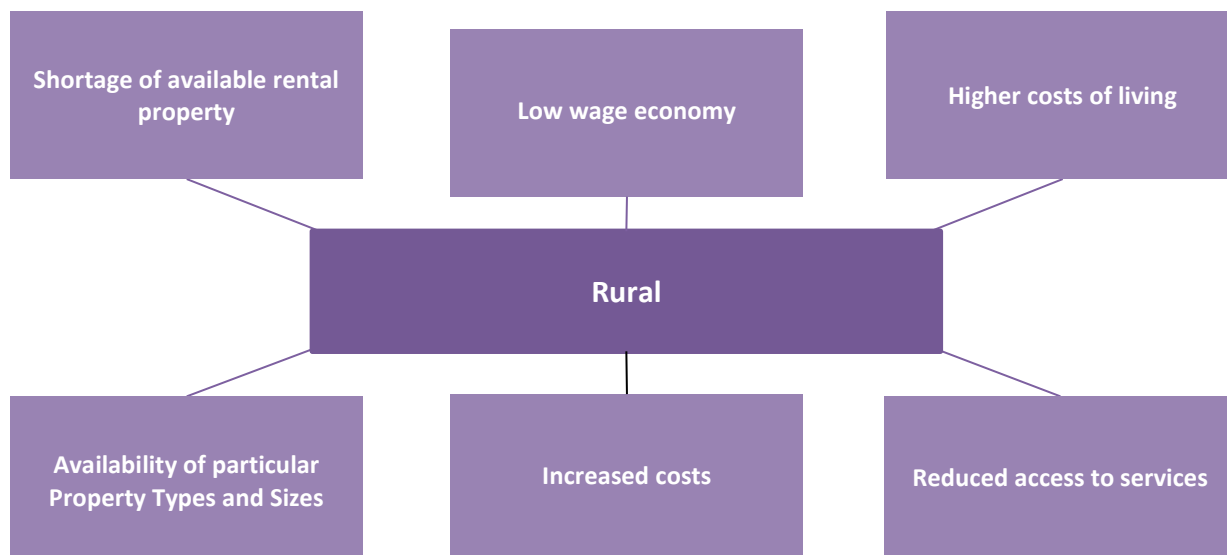
The summary below illustrates the ongoing key commitments to addressing some of the barriers related to finance and other resources for new housing, and details a range of actions to support and encourage new housing supply across the Borders.

- Continue to staff a Housing Delivery/Enabling Officer in Strategic Housing and Development Services providing resource aimed at delivering a number of aspects set out in this strategy and responsible for working with a wide range of partners to increase housing delivery opportunities in the area
- Arrange Developer Forum Events covering specific topics
- Help build capacity in the construction sector through training and employment initiatives to ensure businesses compete more efficiently, and work with Borders College to support this
- Work in partnership with economic development partners to address gaps in construction industry/skills capacity which create a barrier to housing led economic growth rented and work with skills providers to address the identified gaps
- Consider the evidence on young people and their housing need and aspirations from the study being undertaken in 2018
- Improve understanding of the economics of development in a Borders context including development costs, construction industry capacity and land values through analysis and research across development partners
- Continue to engage with Borders college, Business gateway, Skills Development Scotland and with industry
- Consider the Re-establishment of the local Construction forum
- Work with Economic Development partners to Identify strategic long term opportunities – not just housing – and support the development of skills to maximise local opportunities
- Work with education, training and business providers to highlight the value of careers in skilled labour; work with partners to identify ways to attract more people into the industry and highlight the opportunities, and wider benefits, for jobs and careers in the Borders and strengthen local supply chains
- Continue to liaise with Scottish Government on the Affordable Housing Supply Programme through the quarterly programme meetings, and identify any development issues early
- Use the affordable housing development programme to provide opportunities to front fund infrastructure works for private development – e.g. Newtown St Boswells
- Support the creation of more apprenticeships and training opportunities
- Consider how can we ensure more support for smaller builders and new entrants
- Borders Housing Alliance to consider Brexit implications on Housing Borders
- Provide information and advice on shared equity schemes and promote alternative home ownership options
- Investigate housing pressure in the private rented sector
- Monitor and respond to the Planning Review and identify opportunities to encourage the supply of Housing in the Borders
- Through development of the Local Development Plan 2 consider and identify ways the local Planning System could be more flexible to encourage housing growth in the area
- Work with stakeholders, such as Scottish Government, Homes for Scotland and the construction industry to identify, and showcase development opportunities across the Borders

## 6. RURALITY

The section below explores in more detail some of the key challenges, possible solutions and key commitment and actions to living in a rural area.

### Summary of Potential Barriers: Rurality



### Potential Solutions and Interventions

#### Rural Housing Fund

In April 2016, the Scottish Government launched a £25 million Rural Housing fund which is available until 2021. The aim of the fund is to help increase the supply of affordable housing of all tenures in rural areas while contributing to the 50,000 new affordable homes target set by the Scottish Government. The fund is available to community organisations, development trusts, private landowners, private developers as well as traditional housing providers and will help them assist in meeting the housing needs of rural communities.

The fund is made up of two components, one a feasibility fund and the other is the main fund. The main fund offers capital support (grant and loan) to enable the direct provision of new affordable housing and refurbishment of existing empty properties. The feasibility fund provides a contribution to assist organisations or community groups to carry out feasibility studies.

Eligible projects must:

- have a specific site or properties identified
- be in an eligible rural area – levels 4, 5, and 6 of the six-fold urban/rural classification
- demonstrate evidence of housing pressure in the location identified
- have the support of the relevant local authority
- be prepared to undertake appropriate community engagement
- be able to provide long term affordable housing

Scottish Borders Council has made substantial efforts to promote the Rural Housing Fund since it was launched, and have engaged with landowners, developers, community groups, architects and the large estates. Since the fund was launched several interested parties have considered applying for the loan and have explored the potential of the fund to support housing development proposals.

Roxburgh Estates, for example, were successful in applying to the grant element of the fund to support the redevelopment of six long term empty farm cottages at Cessford. Building work is currently under way and expected to be complete in summer 2018. A private owner is also considering use of the fund to support the proposed conversion of a former Cow Shed to form 2 houses at Glen Estate near Innerleithen, however this proposition is still being considered by SBC.

The delivery of affordable housing within remote rural areas is constrained by costs for infrastructure, suitable land and transport costs of materials etc. Furthermore, speculative building in remote rural areas in comparison to urban areas is not as prevalent. Qualitative evidence suggests that there is little consumer demand and therefore little interest from private developers in speculative building.

The Rural Housing Fund could potentially support a community trust to deliver affordable housing projects as mentioned previously or potentially to bring empty properties back into use (such as the Cessford example mentioned above). The exploration of a community housing trust in the Borders should be a consideration as a means of delivering the distinct housing aspirations and needs of some of our more rural communities, and being better positioned to maximise the opportunities from the Rural Housing Fund.

### **Community Housing Trusts**

Rural Housing Bodies such as Dumfries and Galloway Small Communities Housing Trust and Highland Small Communities Housing Trust are two enablers who seek to purchase land and land-bank on behalf of local communities to then develop affordable housing. These two trusts are part of the Rural Housing Partnership. Funding for regional housing trusts is received from a variety of sources. The Highland Small Communities Housing Trust are funded by the Scottish Government and various charitable trusts and foundations in addition to income from housing development work and other fee-earning business activities

The rural housing burden mechanism has assisted in the development of properties in locations which previously would not have been considered or may have struggled to gain planning permission. In Dumfries and Galloway, the council uses section 75 planning obligations requiring private developers to develop a predetermined proportion of the development as affordable housing. Typically this proportion is around 25% but the Section 75 agreements additionally state that any of the 25% sold which have the burden attached must be offered for sale to the rural housing body.

### **Key Commitments And Actions**

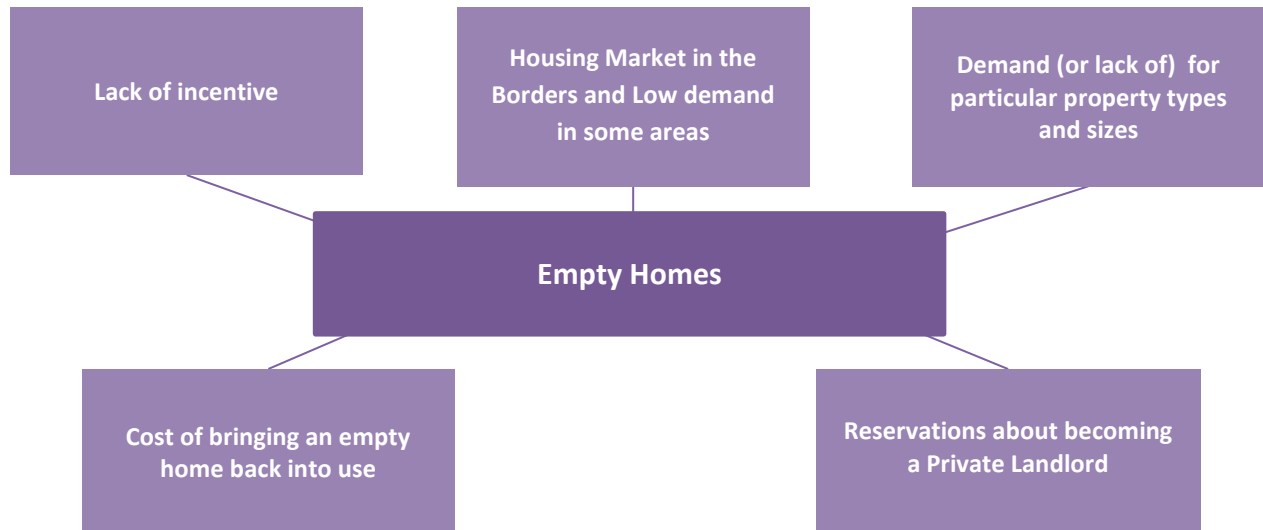
The summary below illustrates the ongoing key commitments to addressing some of the barriers related to the rurality of the area for new housing, and details a range of actions to support and encourage new housing supply across the Borders.

- Promote, and support access to, the Rural Housing Fund
- Work with Rural Housing Scotland and Dumfries and Galloway Small Communities Housing Trust to consider local development opportunities
- Create housing profiles for each Locality
- Support Community Interest Companies to acquire land for Housing development
- Through the development of the Local Development Plan 2 consider whether the policy on Housing in the Countryside needs to be more flexible
- Hold Developer Forum events
- Work with Area Partnerships to consider local demand for Housing development
- Progress actions identified to support self and custom build opportunities
- Implement the Local Housing Strategy
- Consider rural demand through development of Housing Need and Demand Assessment 3
- Inclusion of rural developments in the Strategic Housing Investment Plan

## 7. EMPTY HOMES

The section below explores in more detail some of the key challenges, possible solutions and key commitment and actions to tackle empty properties.

### Summary of Potential Barriers: Empty Homes



### Potential Solutions and Interventions

Bringing empty homes back into use will increase the housing supply, help meet housing need, contribute to regeneration and help sustain rural communities.

#### Empty Homes Strategy

The Empty Homes Strategy sets out how Scottish Borders Council prioritises its resources in respect of identifying and bringing back empty homes into residential use. It identifies potential for new investment to help return empty homes to use, particularly as affordable rented accommodation.

The vision for the strategy is *‘to reduce the number of long term empty homes in the region’*

The five aims that will help to achieve this vision are:

1. To identify empty homes by collecting relevant, accurate and up to date information
2. Raise Awareness on the issue of empty homes
3. To assess empty homes to determine their priority for action
4. To develop effective options and incentives to bring empty property back into use
5. Address empty properties that are in dereliction or disrepair

An Action Plan sets out a pathway for developing intervention options in the form of information, advice and support, giving owners’ options for their consideration.

#### Empty Homes Loan Fund

The Empty Homes loan fund was established through the Scottish Government. SBC were awarded £150,000 to offer home owners interest free loans to return properties back into use.



### Council Tax Levy

From 1 April 2013 new legislative changes were put in place which gave local authorities the discretionary power to remove the empty property discounts and to levy a council tax increase of 100% on certain properties that have been empty for one year or more. In 2016, Scottish Borders Council approved measures to increase the council tax paid on properties that have been empty for a year in an effort to bring hundreds of derelict homes back into use. Following a detailed review of the council tax register it is estimated that just under 900 owners could be liable to pay the new charge.

The estimated value of the increased charge is £900,000, which would generate an additional £727k assuming an 80% recovery level. However, given a key aim of the policy is to encourage long-term empty properties back into use, it is assumed that this level of increased revenue will not be sustained. It is assumed that the scheme will be self-financing.

### Scottish Empty Homes Partnership

Working with the Scottish Empty Homes Partnership, the Council has achieved significant outcomes in relation to developing processes for engaging with owners and maximising opportunities to assist owners getting their properties back into use.

### Matchmaker Scheme

The Property Matchmaker is a 'dating agency' for empty homes: it aims to match empty property home owners who would like to sell their property with people who want to buy an empty property. The Matchmaker is running across numerous council in Scotland.

The Matchmaker Scheme is a free service. SBC holds two lists; one of potential buyers and one of owners interested in selling their empty property. There is information relating to the property type, approximate purchase price and if needed, an advisory list of work that needs carrying out.

When the Empty Homes Officer spots a 'match' between an empty home for sale and a buyer's requirements, the empty home owner and the buyer will receive each other's details to follow-up. The Property Matchmaker is not an estate agency, and all negotiations and sales processes take place between the owner and buyer.

The Matchmaker scheme is well established in the Scottish Borders. Thus far 42 properties have registered for sale with 36 potential buyers. Of these, 29 of properties are no longer long term empty homes, having either been sold, or rented out.

### Registered Social Landlords

Registered Social Landlords play a role in bringing empty properties back into use, through their own stock and also in any regeneration projects. Examples of this in the Scottish Borders are the Stonefield area in Hawick and Upper Langlee in Galashiels.

The Stonefield Estate in Hawick was identified as Scottish Borders Housing Association's (SBHA) key priority for regeneration through the stock transfer process. It was however, a complex project which took a number of years to complete as the properties were owned by different RSLs and private owners. The area has changed from being a low demand area with lots of empty RSL properties to a desirable area of the town.

## Key Commitments And Actions

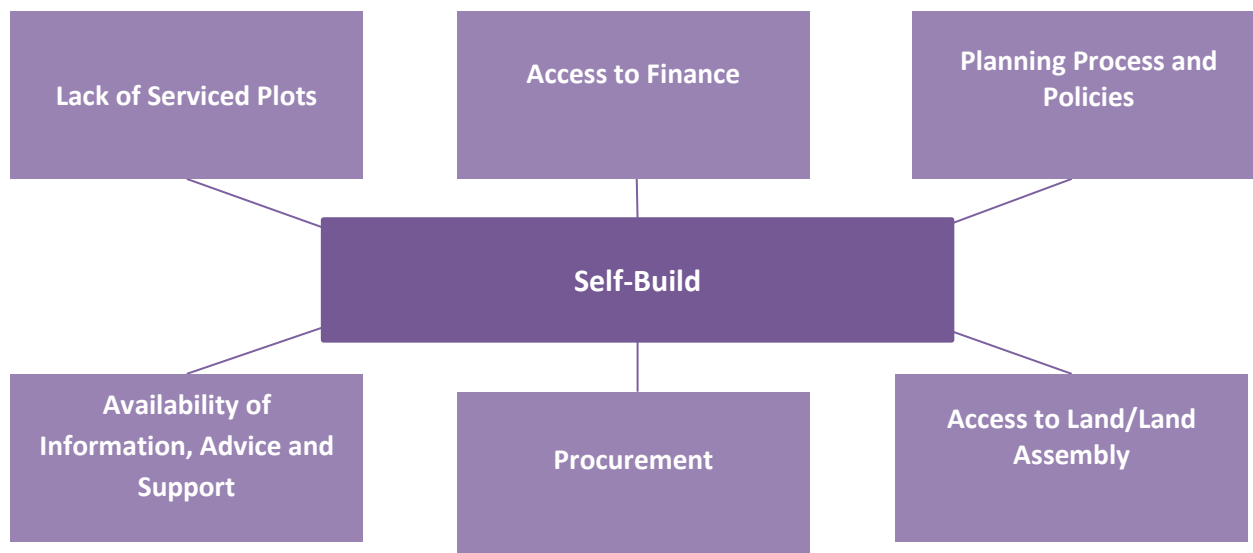
The summary below illustrates the ongoing key commitments to addressing some of the challenges related to empty homes, and details a range of actions to support and encourage the return of empty homes back in to the housing supply offer across the Borders.

- Develop profile of empty homes
- Encourage RSLs to consider Empty Homes purchase
- Implement current Empty Homes Loan' scheme
- Carry out feasibility study on developing an SBC Empty Homes Loan Scheme
- Continue to impose an Empty Homes Council Tax Levy of 200%
- Participate in the Scottish Empty Homes Partnership
- Provide support and advice to owners, to bring empty homes back into use through the SoA
- SBC to continue to provide a pro-active pre-application service for landowners and developers at the early stages
- Review levels of second/ holiday home ownership and consider any potential interventions
- Implement and Deliver the LHS 2017-22

## 8. SELF BUILD/ CUSTOM BUILD

The section below explores in more detail some of the key challenges, possible solutions and key commitment and actions to promote the self-build option.

### Summary of Potential Barriers: Self and Custom Build



### Potential Solutions and Interventions

#### Self-Build Loan Fund

In November 2017 the Scottish Government announced a new £4 million self-build loan fund offering financial backing to people who want to build their own homes. Highlands Small Communities Housing Trust (HSCHT) recognised market failure in the lending market to provide funding for self-builders, prior to mortgage facilities being available.

To date, the pilot in the Highland Council area has proved successful and generated significant interest. The Scottish Government have confirmed that in Autumn 2018 the scheme will be rolled out nationally and others communities across Scotland will be able to apply for a share of the £4m investment. This certainty is helpful as it will allow potential applicants time to investigate housing plots and obtain the necessary permissions, so they can be ready to apply to the fund when it opens.

Seven local projects are to share the £160,000 Self and Custom Build Challenge Fund to bring forward Self- and Custom Build housing initiatives in Scotland. The Challenge Fund is supporting the pilot projects that will examine the feasibility of creating more Self and Custom Built homes across Scotland.<sup>4</sup>

#### Information and Advice

Access to appropriate information, advice and support is key to support those who may be considering a self-build option, and where initially there may appear to be a number of barriers to progressing. The Scottish Government, and other organisations, have a number of useful guides and helpful information available on their websites, however there is more that we can do locally to support this activity. Through development of this plan Scottish Borders Council will commit to reviewing how it makes information accessible and available by preparing a self-build communications plan. We will also work with partners and hold a developer forum event, specifically focussed on self and custom build.

<sup>4</sup> <http://custombuildstrategy.co.uk/news-article/scotlands-challenge-fund-awards-custom-build-finance/>

## KEY COMMITMENTS AND ACTIONS

The summary below illustrates the ongoing key commitments to addressing some of the challenges related to opportunities for Self and Custom Build across the Borders.

- Establishing a register of demand for private homebuilding
- Identify any links between self and custom build housing and other initiatives, for example empty homes and town-centre regeneration work. This includes exploring the potential of 'self-refurb' projects
- Provide practical support to self and custom builders and promote private homebuilding
- Promote the self-build loan fund (open Autumn 2018)
- Explore the option of an initial pilot site for self-build including consideration of Council funding and for provision of infrastructure and establish some serviced plots for sale
- Through development of Local Development Plan2 consider how we can make the planning processes more flexible to support self-build
- Develop a communications plan including information, advice and signposting for people interested in pursuing a self-build option in the Borders
- Review case studies and different approaches to self-build across Scotland, UK and worldwide

## 9. EXAMPLES OF WHAT WE ARE ALREADY DOING TO HELP UNLOCK DEVELOPMENT AND ENCOURAGE THE DEVELOPMENT OF HOUSING

- The Council has built up a large bank of knowledge regarding possible housing development sites throughout its area. An effective use of this resource is that it allows RSLs to tap into such 'knowledge' which covers a number of issues including flood risk assessments and contaminated land, thereby alerting them to early identification of constraints and allows them to focus their attention on developable sites.
- As a strategic housing authority the Council's Planning Department annually carries out a Housing Land Audit in order to ensure that there is a five-year supply of sites for housing development. As an integral part of this process consideration is given to identifying potential constraints. Where development constraints are identified, these are explored to determine whether potential development is realistic and whether or not some form of intervention may be appropriate. Eg; use of Compulsory Purchase Powers.
- The Council has agreed frameworks in order to consider and prioritise funding from commuted sums and also from the Council Tax Affordable Housing Budget. These are being used for a variety of purposes to assist provision of affordable housing, including the extra care housing programme, with assistance to land purchase being one such category of use.
- Scottish Borders Council have agreed the delivery of 2 x 100% on site affordable housing projects (which will be counted against future 25% affordable housing requirements). This is a new approach and has been agreed with developer Queensberry in the context of the planned expansion of Newtown St Boswells.
- SBC Development Management team are piloting a new collaborative approach to deal with Pre-Application process to streamline the delivery of a number of new affordable housing developments by Harts/Crudens for Eildon Housing Association.
- The Regional Housing Delivery Plan outlines the collaborative measures being undertaken by the Edinburgh & South East of Scotland City Region (ESESCR) to address the housing crisis facing the region which can only be realised through working and investing jointly with RSL partners, various land owners, developers and housebuilders. For Borders this means the potential development of Lowood which would provide a mixed tenure development adjacent to the Tweedbank Railway Station.
- SBC and Eildon Housing Association both front funded the purchase of affordable housing development sites in order to secure the sites and provide confidence in development and programming. In this case SBC initiated a revolving land fund arrangement through the front funded acquisition of Easter Langlee Phase 3 site from Persimmon Homes, and subsequently resold this to Eildon HA in order that it be developed in 2 phases with the capital receipt being re-used to assist delivery of affordable housing elsewhere.
- There are two substantial development sites in Central Borders at Easter Langlee, Galashiels (circa 450 units) and at Newtown St Boswells (circa 900 units). Both are considered to be areas of strategic priority. Development of Easter Langlee has continued, with Persimmons Homes working in partnership with Eildon Housing Association with the remaining houses in Phase 3 nearing completion
- SBC used Affordable Housing Developer Contributions to support Berwickshire Housing Association (BHA) to commission a master planning exercise for BHA owned Beanburn/Lawfield sites in Ayton.
- SBC supported a new affordable housing development on the High St, Innerleithen. This involved the regeneration of a prominent long term gap site in a Conservation Area.

- Around ten years ago SBC developed the “Peebles Housing Strategy” to assist land assembly. This included the relocation of SBC Roads Depot; and the development of a number of brown field sites were progressed working with the Scottish Government and Eildon Housing Association. This helped provide the site for Dovecote Court Extra Care Housing, whereby the site was assembled by SBC and subsequently disposed of to Eildon HA in order to facilitate Area
- Assisting the Regeneration of part of Drumlanrig Square in Hawick which included the demolition of former low letting demand public sector housing estate in Hawick , master planning the cleared site and successfully marketing the re named area as serviced plots.
- When grant funding levels were limited post financial crash SBC has used second homes council tax and affordable housing developer contributions to provide grant assistance in lieu of Scottish Government.
- The Council used £36,355 from its Affordable Housing Budget also referred to as the Second Homes/Council Tax Budget to grant assist Scottish Borders Housing Association to purchase a former “Right to Buy” flat in Stonefield Hawick in order to help progress the area regeneration of the Stonefield Estate. SBC also used second homes council tax to fund construction of gas main supply to SBHA’s Stonefield Estate to help ensure project viability .
- The Council is working with Waverley Housing Association, and committed funding to support the appointment of a consultant to carry out a master planning study exercise for Upper Langlee. This is a high cost regeneration project likely to be delivered over a number of years, and potentially with some financial support from the Council through the use of 2nd Homes Council Tax or Affordable Housing Policy Developer Contributions.
- The recently developed Integrated Strategic Plan for Older Persons Housing, Care and Support funded through the use of AHP developer contributions, and has helped ensure we are meeting the future housing needs of our ageing population.
- During 2017-18 EHA entered into a Development Partnership with Harts Builders (Edinburgh Ltd) to drive through a substantial element of EHA’s current development programme. The initial partnership looked at delivering 250 new homes across 6 schemes with an estimated total project cost of just under £35m which has increased to 332 at a cost of just under £49m.
- AHP Developer contributions has also helped fund the research commissioned on the housing needs and aspirations of young people across the Border, supporting us to plan Housing for younger people and improve their housing outcomes.
- The Council has been progressing with a National Housing Trust Local Authority Variant which relied on borrowing from the Public Loans Work Board and the use of its 2nd Homes Council Tax to assist the delivery of additional affordable housing. There are a number of funding resources that the Council and its development partners can draw upon including Affordable Housing Supply Programme Funding, 2nd Homes Council Tax, Commuted Sums, Housing Association Private Finance and Scottish Water Grant Funding and the use of Charitable Bond funding for the first time in 2017-18 in lieu of Scottish Government Grant.



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