

Jim Eadie
Convenor
Infrastructure and Capital Investment Committee
Room T3.40
The Scottish Parliament
Edinburgh
EH99 1SP

2 February 2015

Dear Jim

Thank you for the opportunity to update the members of the Infrastructure and Capital Investment Committee (ICI) on the most recent developments within housing. During the Committee, two issues were raised which I agreed to clarify or provide a further response.

Scotland Housing Statistics

The latest Housing Statistics for Scotland, published on 25 November 2014, contained details of new house building, the Affordable Housing Supply Programme and sales of social sector housing, and can be found at this address: www.scotland.gov.uk/stats/bulletins/01131

The publication showed that a total of 4,583 new homes were completed in Scotland in April – June 2014, the highest quarterly figure since the final quarter of 2010 and 29% higher than in the same quarter the previous year. The increase in the latest published quarter was driven by a rise in the number of private sector led new build completions which rose to 3,676, an increase of 1,150 homes (46%) compared to the same quarter in the previous year. This brought the number of new build completions for the year to end June 2014 to 15,824, up by 15% on the 13,791 completed in the previous year.

The statistics also showed that 22,762 affordable homes had been delivered, including 15,903 social homes, against our target of 30,000 affordable homes over the current parliamentary term.

Whilst the number of new houses built in the year to end June 2014 remains well below pre-recession levels, I welcome the fact that the number of new homes built across all sectors is at its highest level for over three years, and I am particularly pleased that we are nearing our target of delivering 20,000 homes for social rent by March 2016.

The Scottish Government's investment in affordable housing, together with measures to support the industry and help people into home ownership, have undoubtedly helped to stimulate housing supply.

Housing Regulator

I said that I would clarify for David Stewart the position of the Scottish Government on Scottish Regulators' Strategic Code of Practice and the Code's application to the Scottish Housing Regulator.

The Regulatory Reform (Scotland) Act 2014 includes provisions for Scottish Ministers to issue a Code of Practice in relation to the exercise of regulatory functions. A short life working group, which included businesses and regulators, was established to develop a draft Scottish Regulators' Strategic Code of Practice. This draft Code was originally laid before Parliament on 10 November 2014. The Economy, Energy and Tourism Committee took the lead in considering the Code and explored a number of areas with the Minister for Business, Energy and Tourism, including those raised by the Delegated Powers and Law Reform Committee. In light of these, the Minister said that he would withdraw the Code in order to revise it. The revised draft Code was laid before the Scottish Parliament on 12 January 2015 and we await Parliamentary approval.

Once the Parliament has approved the revised Code, it will be for the bodies that are subject to the Code, including the Scottish Housing Regulator, to implement its provisions in a way that is consistent with their statutory functions. Ministers will not be involved in that process; their role is confined to making and laying the Code.

In the case of the Regulator, it will be open to your committee to explore with them how they have achieved compliance with the Code's provisions, including those that will require them to have in place independent and impartial appeal mechanisms for handling complaints against them.

I hope that this explanation gives David Stewart the information he was seeking.

Kind regards



MARGARET BURGESS