

Edinburgh Council reveals plans for 600 new affordable homes

✘ The City of Edinburgh Council today unveiled details of a £55 million housing regeneration scheme across the city.

The council, The Scottish Futures Trust (SFT) and The Scottish Government have been working together to procure private developers to build up to 600 affordable homes across five sites in the north and east of the city.

The initiative is one of 12 across the country set up by the National Housing Trust (NHT) to combat a serious lack of mid-market properties.

Today the Edinburgh Council Finance and Resources Committee named the four shortlisted developers as Places for People, Miller homes, Teague Homes and New City Vision. The contract on offer is believed to be worth over £100m.

The contractors are obliged to finish all work on the homes by March 2013. After five years the homes will be made available to buy and they must all then be sold within the succeeding five years.

Councillor Paul Edie said:-

“Securing affordable homes through the National Housing Trust would be a significant achievement given the current financial and housing climate”.

The Scottish Government will act as underwriter for the council’s £55m of borrowing, thus minimising risk.

The Committee has agreed to receive a further report on the outcome of the NHT procurement process in September 2011.

Affordable housing is a special term which means homes which can be afforded by those on a middle range income, either on a rental or purchase basis. Historically councils provided this type of social housing only for rental, but there are now a range of options open such as shared ownership with the developer.