

National Housing Trust gets going in Edinburgh

The first contracts to deliver affordable homes in the Capital have been signed under the National Housing Trust initiative.

Developer Places for People will deliver 188 homes in Lochend North and Madelvic 8. The 126 homes in Lochend represent the largest contract signed to date between a developer, Scottish Futures Trust and a local authority.

The homes are the first for the City of Edinburgh being built as a result of the [National Housing Trust](#) initiative.

The innovative National Housing Trust initiative is being led by the Scottish Government and Scottish Futures Trust in order to provide a major expansion in the provision of affordable rented homes across the country. It builds on an initiative in Edinburgh between the Council and housing associations in the city which has already delivered new affordable homes.

The money borrowed by the Council to help fund the purchase of homes under the initiative will be underwritten by the Scottish Government.

Councillor Paul Edie, Housing Leader for the City of Edinburgh Council said: "I'm delighted that Edinburgh has blazed a trail by securing the largest contract so far for affordable homes through the National Housing Trust initiative.

"This is a significant achievement given the current economic climate and shows the firm commitment by this Council to give the affordable housing market and construction industry a much-needed boost.

"I hope that the other developers will soon follow suit as the National Housing Trust initiative is an innovative way of

tackling the shortage of affordable homes not just in Edinburgh but around the country. Everyone knows more needs to be done and it's good that the public and private sector are working in partnership on this initiative."

Cabinet Secretary for Infrastructure and Capital Investment Alex Neil said: "I am delighted that our ground-breaking National Housing Trust funding model, the first of its kind in the UK , is continuing to bear fruit.

"It will provide a significant boost to the number of new affordable homes in Edinburgh , secured for very little taxpayers' money, support jobs and stimulate construction as the sector and our economy continues to recover from tough times.

"Clearly the NHT has inspired confidence. Councils, developers and housing associations have risen to the challenge and embraced this approach as one that can help ease housing pressures locally."

Place for People's Project Director, Colin Rae said: "Places for People is delighted to be the first developer to sign the first contracts for the National Housing Trust initiative in Edinburgh . The initiative is great news for the city and will mean 188 new affordable homes to rent being built over the next couple of years for local people.

"We look forward to starting work as soon as possible and working closely with our partners at the City of Edinburgh Council and the Scottish Government."

Barry White, Chief Executive of Scottish Futures Trust said: "In these challenging economic times, the National Housing Trust opens the door to a new way to build affordable housing in Scotland.

"This demonstrates how the public and private sectors can work together in an imaginative way. Such innovation is at the

heart of Scottish Futures Trust's work."

Three other developers have all entered into a Framework Agreement with the Council and Scottish Futures Trust. It is anticipated that more contracts will be signed over the next few months. They are: Miller Homes (Telford North), Hillcrest (Salamander Street/Salamander Place) and New City Vision (Niddrie Mains Road).

Edinburgh is leading the way among Scottish local authorities taking part; aiming to secure much-needed affordable homes and boost the local economy. All the planned homes will be for intermediate rent.

The National Housing Trust will deliver new homes for mid market rent (starting rent levels will be set at around 84 per cent of March 2011 Local Housing Allowance rates) across the country.

The City of Edinburgh Council already supports a similar development guarantee scheme locally and this has already been successful at providing new affordable homes.

With the ongoing financial pressures on local authorities and Scottish Government budgets the National Housing Trust initiative is seen as a way of maintaining investment in affordable housing.