

Housing crisis as East Lothian Council expects to lose 1200 affordable homes

East Lothian Council is set to become the latest local authority to declare a housing emergency after officers warned it was likely to 'lose' more than 1200 affordable homes over the next five years.

A special meeting of councillors has been called for next week to discuss the critical situation they face over housing supply.

It warns a lack of funding from Scottish Government means it cannot invest in projects which would have seen housing developers build over 1500 affordable homes in the county over the next five years with only 340 expected to be delivered over that time period.

It compared with 452 new affordable homes which were completed last year alone in the county.

The report says there are nearly 5,000 applicants on the council's housing waiting list with an average turnover of just 500 homes annually.

And it says house builders are opting to pay 'commuted sums' rather than build the required affordable 25 per cent of all new homes.

A commuted sum is the land value required to provide the equivalent number of affordable units that the developer is obligated to deliver, allowing the council to purchase equivalent land to build the required number of units elsewhere

However officers point out in their report that the deal does not offer best value and is not practical as other land is often unavailable and costs too high.

The report says: "If investment were available to deliver all of the projects set out in the SHIP (East Lothian's Strategic Housing Investment Plans) a total of 1,566 unit could complete over the next five years. Based on the actual allocation received, there is a very high risk that we could lose 1,226 units of affordable housing.

"There are currently four sites in East Lothian where developers are ready to enter into contracts with three due to start on site this financial year. Officers have been exploring a number of solutions to secure as many units as possible, however there is an imminent risk that there will be no option but to take a commuted sum on at least two of these sites.

"Taking a commuted sum results in a permanent loss of much needed affordable housing and an increase in market housing. It does not deliver the number of units required to meet our affordable housing supply targets."

At next week's meeting councillors will be asked to consider declaring a housing emergency and write to the UK and Scottish Governments seeking additional funding.

The Scottish Government declared a national housing emergency in May this year as supply of social housing fell.

To date 12 local authorities have declared their own emergency including Edinburgh, West Lothian, Glasgow, Fife and Scottish Borders Councils.

By Marie Sharp Local Democracy Reporter