

SUBMISSION FROM COMMUNITIES SCOTLAND

Introduction

1. Communities Scotland was established in November 2001 as the Scottish Executive's housing and regeneration delivery agency. We work, with others, to improve the quality of life for people in Scotland. Our national remit covers a diverse range of functions, as a funder, advisor, facilitator and regulator as we implement Ministerial policy. We manage targeted investment programmes to make additional resources available to tackle housing issues, and poverty and regeneration in disadvantaged communities. Through our regulatory role we work with a range of organisations to raise standards in the delivery of housing services and improve the understanding of the problems faced by disadvantaged communities. Our housing development programme helps to build new and improved homes, increase the supply of housing in areas of high demand and for people with particular needs whilst our regeneration programmes aim to improve the quality of life in our most disadvantaged communities. This is done through working with key partners such as registered social landlords and Community Planning Partnerships respectively.

2. The Agency therefore has a particular management and monitoring role within the supply chain between policy making and the delivery of services at the local level, working with partners who provide these services at the local level. While the Minister for Communities and the Scottish Executive determine policy and funding, our partners: the voluntary sector, registered social landlords, the private sector and local community representatives deliver the services e.g. housing developments or regeneration programmes which we fund in line with Ministerial priorities.

Our Current Objectives and Key Activities

3. The Agency has identified six key objectives in its Corporate Plan 2005-08, which will be published this month. In summary, our objectives (in bold text) and the key activities underlying each, are detailed below:

- **To increase the supply of affordable housing where it is needed most.**

This will be achieved through the annual investment of over £400M of development funding, through registered social landlords (RSLs). We aim to approve 21,500 new and improved homes for social rent and low cost home ownership over the Plan period.

- **To improve the quality of existing houses and ensure a high quality of new build.**

On behalf of the Scottish Ministers we manage, assess and monitor the implementation of the Scottish Housing Quality Standard which requires local authorities and registered social landlords to bring their properties up to that standard by 2015. The quality of properties in the private sector will be improved through the £80M Private Sector Housing Grant scheme (2005-06) that we manage, local authorities making bids to us to cover work that they have identified in that sector in their area. We also monitor the Scottish Executive's central heating and warm deal programmes.

We set standards within the various grant mechanisms we operate for RSLs and assess their submissions for development funding for new build against these standards.

- **To improve the quality of housing and homelessness services.**

Communities Scotland is responsible for regulating and inspecting over 250 RSLs and the housing management and homelessness services of all 32 local authorities.

- **To improve the opportunities for people living in disadvantaged communities.**

The Scottish Executive recently established the Community Regeneration Fund (CRF) with a budget of £320M over the next 3 years. This fund is strategically managed by Communities Scotland on behalf of the Scottish Executive and we monitor and provide guidance for Community Planning Partnerships on drawing up and delivering on their Regeneration Outcome Agreements.

- **To support the social economy to deliver key services and create job opportunities.**

The social economy sector consists of community and voluntary organisations that do not distribute any profit to private shareholders. We manage and allocate the £18M (over 3 years) Futurebuilders fund providing financial assistance to these organisations so they can deliver better public services and increase their financial sustainability.

- **To use our experience of delivering housing and regeneration programmes to inform and support the development of Ministerial policies.**

We work directly with Ministers and Scottish Executive colleagues providing information on existing programmes and experiences, to inform future policy and its implementation.

Communities Scotland's Approach to Sustainability

4. Communities Scotland has a proven track record in environmental and sustainability issues, having had a Sustainable Development Policy since 2001. This has provided a framework both for us and our partners to take account of these issues in a positive manner, while working to achieve the delivery of Ministerial targets. Our Sustainable Development Policy is currently being revised and our environmental activity is due to be formalised in our Environmental Policy which is currently under consideration by our Corporate Management Team. The policies are being developed in unison, ensuring that they complement each other as they will set out what we will do and what we will expect of those receiving funding from us. We also produce practical tools for those involved in developing and implementing community regeneration strategies and commissioning, designing and constructing housing.

5. It is anticipated that key elements of the revised sustainable development policy will be:

- **Improving Standards in Housing**

Our role in helping to achieve the Scottish Housing Quality Standard by 2015 aims to contribute to sustainable development.

- **Improving the Thermal Performance of Housing**

Minimum energy ratings are set for all houses which we fund. The following are examples of targets set and outcomes for development funding approval in 2003/04:

- 97.0% of Housing Association Grant (HAG) new build properties achieved the target Standard Assessment Procedure (SAP) rating of at least 85-90 on a scale 0-120; 54% achieved a SAP rating of 100 or more;
- 99.6% of HAG rehabilitation properties met the target SAP rating of at least 65-70.

The Central Heating and Warm Deal programmes contribute positively to environmental objectives, increasing the thermal performance of housing and reducing the need for physical resources in the form of energy consumption.

- **Reducing the Need for Physical Resources in Housing Construction**

Projects need to have a clear commitment to achieving and undertaking developments that are sustainable. Our standard grant application guidelines set out normative standards for topics including energy efficiency (SAP ratings), space and water heating costs and fuel costs per year.

- **Influencing the Location and Mix of Housing**

We work to meet housing need and minimise adverse impacts on the environment. e.g. promoting use of brownfield sites or sites within existing settlement envelopes. In 2003/04 78.2% of Housing Association Grant new build approvals were on brownfield sites.

- **Funding Sustainable Community Regeneration**

Improving environmental quality while minimising the negative impacts of resource use, should be part of the strategic aims of regeneration programmes and this is reflected in our Community Regeneration Fund Guidance.

- **Minimising the Impact of Communities Scotland's Business Activities**

Through continual improvement we aim to eliminate waste, adopt more energy efficient practices, minimise the impact of our transport, be more sustainable in procuring materials and provide the necessary resources and training to our staff to deliver this policy effectively.

- **Regulating Social Landlords (RSLs)**

We assess, among other things, if RSLs' policies and actions are underpinned by a commitment to sustainability.

- **Improving Practice and Skills**

We help people working to achieve sustainable development in community regeneration and housing by supporting them to develop their skills and improve their effectiveness.

6. Communities Scotland is contributing to the development of the Scottish Sustainable Development Strategy through our involvement in the Advisory Group established to take this process forward.

7. Given the diversity of activity within Communities Scotland it is currently assessing the impact of the Strategic Environmental Assessment (SEA) process across the Agency. We do and will work alongside partners and Scottish Executive colleagues in particular, to ensure environmental issues are considered fully in the policy/delivery context and responsibilities are clearly defined and to ensure that the SEA process is broad based in its application.

8. SEA is welcomed by Communities Scotland and we look forward to integrating into the Agency, believing that it is consistent with our approach to environmental issues.

Committee Questions

What the effect will be of extending the implementation of strategic environmental assessment to cover a broader range of plans and programmes than is applicable to the rest of the UK?

9. The broader application of SEA proposed in Scotland requires organisations to consider the environmental impact of their activities across the full range of their plans and programmes so they can fulfil their statutory obligations. The profile of environmental issues should be raised across the organisations' activities, but will impact on resources such as staff and time. However, if the scoping and screening of the plans at the higher levels is completed effectively it has the potential to minimise duplication and non-productive time spent on other plans lower down the hierarchy. If the top level plan is properly screened and scoped, key principles operating within other plans should be identified and their impact determined. We are currently assessing the impact on our own operations, having already submitted a previous Corporate Plan to scrutiny by the Consultation Authorities.

10. SEA has the potential for more joined-up thinking in organisations on environmental issues but this may come at a cost of slower but arguably better informed decision making. The proposal only to implement the SEA process and potentially update the Environmental Report when there is a significant change in a strategy or plan is welcome.

11. Similarly, where organisations work in partnership as we do, partners will need to be alert to their respective responsibilities under SEA, ensuring that the process is appropriately managed between them and reflected in their respective reports, plans and programmes.

12. The SEA process provides an audit trail in the decision making process for each plan/programme, encouraging its adoption within the organisation's culture.

What the effect will be of the proposed system of administrative arrangements chosen to implement this obligation e.g. pre-screening and screening?

13. We view this positively, helping to determine a framework for organisations to work with as they strive to meet their respective environmental obligations. However, while the screening and scoping stages are important within the process, our focus will be on achieving better environmental outcomes.

Is the provision of a strategic environmental assessment (SEA) Gateway within the Executive a sufficient method of managing the SEA process?

14. We welcome the introduction of the Gateway being that it, as well as the Consultation Authorities, require adequate resources to ensure that the Gateway does not become a 'bottleneck'. We would, moreover, see benefit from the Gateway developing further as an information 'hub'/point of primary reference and contact.

General Comments

15. Consideration could be given to the flexibility of the timescales involving the Consultation Authorities, which could add up to 2 months to the overall process of preparing strategies and agreed plans. The Scottish Executive's own timetable for public consultations is currently 3 months.

16. There is a question regarding the measures that organisations will use for assessing their environmental impact and how organisations address the issue will be influenced by their perspective on environmental issues in general.

17. Communities Scotland does not claim any expertise in either implementing or completing the SEA process and sees itself as being very much in the learning phase while endorsing the principles that lie behind the proposed Bill.

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