

SFT Outcomes Demonstrating progress with impact



2020 CASE STUDY

Outcome 03



Infrastructure investment is sustainable and affordable with an increased use of innovative funding and financing approaches

National Housing Trust

Maintaining homes for affordable rent

The Scottish Futures Trust (SFT) in collaboration with Scottish Government established the innovative National Housing Trust (NHT), designed for Scotland's local authorities to use as part of the toolbox to deliver more affordable homes for rent.

Under the terms of the NHT agreement, developers or housebuilders were appointed to build affordable homes on land they owned. Once completed, a local partnership company (an LLP) comprising the developer, the participating local authority and SFT would buy the homes and let them to tenants at affordable rent for a period of between five and ten years, after which the homes would be sold.

In advance of many of these homes reaching their five-year milestone, SFT worked with Scottish Government and the LLPs to ensure the homes would not be sold on the open market but instead remain for tenants to live in, paying affordable rent.

Over the past year, SFT has ensured 108 homes which would otherwise have been sold on the open market have been kept for long-term affordable rent. This was achieved through:

- Marchfield NHT LLP selling **69 homes** in Dumfries to Loreburn Housing Association
- Caraille Green NHT LLP selling **23 homes** in Fife to Kingdom Housing Association
- Stirling Council purchasing the developer's interest in the Stirling Waterfront NHT LLP therefore securing the continued availability of **16 homes** in Stirling

As a result, the tenants of these NHT LLPs are able to continue to remain in their NHT home for as long as they want to, paying affordable rent.

