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Dear Stuart,

Thank you again for your letter of 26 October 2021, and for your subsequent questions in Parliament on 15 December 2021, enquiring whether Registered Social Landlords in your constituency can receive funding through the Affordable Housing Supply Programme to enable them to acquire properties from owner occupiers (particularly those in mixed tenure blocks) who (a) cannot afford the required maintenance or refurbishment of their home and (b) would therefore wish to sell their home to a Registered Social Landlord and become a tenant in the social rented sector.

Having considered the matter, I can confirm that funding can now be made available from the acquisition programme we have agreed with the Council and Registered Social Landlords in Inverclyde to enable such purchases but only where it can be clearly demonstrated that:

- the purchase facilitates the consolidation of stock ownership for managing specific planned stock improvement/ refurbishment works, and supports the achievement of the priorities and objectives set out in a local authority's Local Housing Strategy
- the local authority is unable to facilitate the planned works from local resources under discretionary power to assist
- the homeowner has received (a) advice about their financial situation from an FCA authorised independent financial adviser and (b) independent legal advice on the terms of the proposed sale and subsequent tenancy agreement
- the homeowner will employ a solicitor to act on their behalf with respect to the sale of their home, and
- the homeowner is not eligible for support under the Home Owners' Support Fund.

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I would highlight that the value of any property to be purchased must be in line with the terms of the [Mortgage to Rent scheme](#). The amount of money that a household can retain post sale will also mirror the terms of the Mortgage to Rent scheme, with any capital and equity in excess of the limits set for this scheme requiring to be forwarded to the Scottish Government and used to support the Affordable Housing Supply Programme.

The ability to use the Affordable Housing Supply Programme in this way will be reviewed as part of the development of the *'Help to Improve'* approach. In this respect, we anticipate that this holistic approach will result in support being available across all areas of Scotland for homeowners (and landlords) to help pay for improvement work and that support will begin to be in place by the time the new Housing Standard is introduced from 2025.

My officials will be in touch with Inverclyde Council and the local Registered Social Landlords in the area to let them know of the above decision. We will also ensure that this change of approach is reflected in updated guidance on the grant funded element of the Affordable Housing Supply Programme which will be published over the coming weeks.

I hope this reply is helpful meantime.

Yours sincerely,



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