



ANALYSIS OF LOCAL AUTHORITY ACQUISITION POLICY AND PRACTICE

Background

Temporary accommodation and the housing emergency in Scotland:

On the 30th September 2023, 15,625 households were recorded as living in temporary accommodation, an 8% increase from the same date in 2022. Within this, the number of children stuck in temporary accommodation rose to a new high of 9,860. Families with children or larger families spend more time in temporary accommodation (TA) due to a lack of larger social housing options. In 2023, a couple with children spent an average of 347 days in TA, while the average stay for other family types was 223 days. TA has a negative impact on children in terms of their mental and physical health, and there is an unprecedented increase in the number of children living in this unstable environment. There are significant differences across Scotland in terms of the magnitudes and patterns of TA. On the 30th September 2023 there were:

- 3,749 households in temporary accommodation in Edinburgh, an 11% increase from the same date in 2022, with an average stay of 471 days.
- Aberdeen has 486 households in TA, a 69% increase from the same date in 2022, for an average of 107 days.
- Glasgow has 3,194 households in TA, a 7% rise from 2022, for an average of 227 days.
- Dundee, which had previously witnessed a decrease in population, currently has 410 households in TA, for an average of 187 days, a 21% rise from 2022.¹

Meanwhile, the most recent statistics show that for the 2023 calendar year (Jan-Dec) in Scotland the number of approvals for social rented homes decreased by 13% compared to 2022. Starts for social rented homes decreased by 27% and completions for social rented homes decreased by 18% in the same time period². With an increasing pressure on the need for temporary accommodation and a consistent decline in social housing delivery, there are simply not enough social homes for people to move on to, pushing the system to beyond breaking point.

A National acquisition programme:

In February 2023, a Scottish Government working group on Temporary Accommodation, co-chaired by Shelter Scotland and ALACHO (Association of Local Authority Chief Housing Officers), proposed a policy and acquisition plan for the acquisition of private rented properties by social landlords for the social sector on a large scale to help deal with this pressure. They

¹ Scottish Government (2024) [Homelessness in Scotland: update to 30th September](#)

² Scottish Government (2024) [Housing Statistics for Scotland Quarterly Update: Housing Supply to end December 2023](#)

advised that Local Authorities implement an Acquisition Plan through their Strategic Housing Investment Plans, prioritising and aligning with local housing needs, with a particular focus on acquiring homes for larger families.

In June 2023, in response to the Task and Finish Group recommendations the Scottish Government announced that £60 million of the Affordable Housing Supply Programme budget was now to be used by Local Authorities to acquire social homes from the private market. It is important to note that this money was not new money, and acquisitions could already take place using funding from the AHSP. In December 2023 guidance for social landlords was issued, outlining how to carry out acquisitions. However, within the same month the Finance Secretary announced a devastating budget cut of £200m to the housing sector, slashing any confidence that either the Scottish Governments Housing to 2040 or Ending Homelessness Together Action plans will be achieved.

Purpose of this paper

At the time of this announcement, it is understood that some Local Authorities already utilise acquisitions as a means to procure private sector residences for social renters. However, there is a lack of comprehensive information regarding their policies and procedures pertaining to this specific sector. This paper aims to gather all available data and information on how social landlords in Scotland use acquisitions with a focus on Edinburgh, Glasgow, Aberdeen and Dundee.

This research was undertaken using analysis of available data sets and online policies as well as speaking to stakeholders in the sector.

Data Analysis

The most recent data available on how acquisitions are currently being used in Scotland at a national level is from a Parliamentary Question as the data wasn't readily available. This shows that in the 6 months from July - January 2024, 216 homes have been approved for acquisitions - of which 133 whereby RSLs and 83 by Local Authorities. This compares to a total of 345³ in July - January 2023 which suggests approvals of acquisitions in Scotland have slowed down since the National Acquisition Programme was introduced. This is in contradiction to the requests made by the Task and Finish Group calling for a sharp increase on acquisition approvals and therefore has ignored the needs of the community.

Throughout this research we were consistently confronted by a series of limitations in regard to accessing the necessary information to gain a comprehensive picture of the nature of acquisitions. Within my investigation it became evident that sourcing relevant information at a local authority level was equally challenging. The most up to date published data that showed acquisitions at a local authority level was from Affordable Housing Supply Programme from 2021/22, it is important to note that this data was already 2 years out of date at the time of this publication and was released before the announcement of the £60 million for the National Acquisition Programme. This data shows that for the four councils this report is focusing on, there is a large disparity between how many acquisitions have been processed:

³ Scottish Government (2024) [Housing Statistics quarterly update: December 2023](#)

- Edinburgh reported 84 approved acquisitions/0 completed in 2021/2022.
- Aberdeen reported 127 approved acquisitions/124 completed in 2021/2022, with more recent data reporting 28 acquisitions in 2022/24.
- Glasgow reported 7 approved acquisitions/6 completed in 2021/2022.
- Dundee reported 0 approved acquisitions/0 completed in 2021/2022⁴, more recent data reported 22 approved acquisitions/2 completed in 2022/2023 (excluding RSL purchase data).

Later data for Dundee was received from communications with Dundee Council, the remaining councils had been contacted for this information, but no communication was received. It is also important to note that discrepancies between approvals/completions should not be taken because of lack of completion, rather it is a slow turn around causing the delay.

Policies and Practice

As stated in the National Acquisition Programme, most LA's have already been processing acquisitions, however the data to support this is severely lacking. In previous plans there is clear evidence of insufficient acquisition strategies, in many cases the literature surrounding policy was vague, lacking or in some cases non-existent. This information shows there has been a lack of focus on acquisitions in previous years, however this is not to say that it hasn't been successfully implemented within certain LA's. As advised by the Task and Finish Group, we found that local authorities have begun to implement an Acquisition Plan into their most recent SHIP's. However, as evidenced below there is still a large disparity between some LA's strategies.

⁴ Scottish Government (2023) [Affordable Housing Supply Programme: out-turn report 2021-2022](#)

Edinburgh

SHIP 2024-29 Acquisition Implementation:

“5.2.1 Acquisitions Programme - The City of Edinburgh Council aims to consolidate its housing stock with an overarching objective to increase supply and reduce ongoing management and maintenance costs. This strategy seeks to purchase homes where full block consolidation could be achieved over 25 years and divest from blocks where the Council is the minority owner. This approach to managing the Council’s housing assets was agreed at Health, Social Care and Housing Committee on 26 January 2016.

5.2.2 In September 2021, Housing, Homelessness and Fair Work Committee approved the expansion of the Acquisitions and Disposals purchase criteria to include the purchase of homes in blocks where the Council owns 50% or more.

5.2.3 In March 2022, Finance and Resources Committee agreed to expand tenanted acquisitions to cover all Housing Revenue Account led mixed tenure improvement projects undertaken in the city. This included the option for tenanted acquisitions. Owners can request to sell their home back to the Council and are granted a SST

9.4 The Empty Homes Officer also works with colleagues who manage the Council’s Acquisition and Disposal Programme to check whether empty homes would meet the criteria for acquisition and could potentially be purchased for social rent. In the last three years there have not been any purchased through this Programme.”

Aberdeen

SHIP 2023/24-2027/28 Acquisition Implementation:

“**2.6.1.** Aberdeen City Council will, under certain circumstances, purchase ex-council properties sold under the Right to Buy legislation, subject to certain criteria. Each application is judged on an individual case by case basis. All types, sizes and location of property are considered including multi storey, adapted and sheltered properties.

2.6.2 There are several reasons why the council might buy back a property, these are:

- An identified strategic need for this type and size of property; and
- Purchasing the property would demonstrate good asset management and represent value for money for the council.
- Properties are in areas designated for regeneration or demolition.
- The owner meets the criteria within the Scottish Government’s Home Support Fund (Mortgage to Rent Scheme).
- Ownership consolidation where re-acquisition returns the block to full or majority Council ownership.
- Specialist accommodation such as fully wheelchair adapted properties or designated as amenity housing.

2.6.3 333 properties have been purchased through the buy-back scheme up to 31st March 2023.”

Glasgow

SHIP 2024/25-2028/29 Acquisition Implementation:

"5.6. Strategic Acquisition of Private Sector Properties Programme

Glasgow City Council's Strategic Acquisition of Private Sector Programme prioritises funding against projects which deliver strategic priorities, with a focus on:

- Improving the condition and management of the tenement housing stock in priority partnership areas and deliver regeneration projects.
- Reducing the number of empty homes.
- Increasing the supply of affordable larger family housing (4 bedrooms +) and family housing (3 bedroom).
- Relieving homelessness pressures including:
 - Reducing the length of time households are residing in temporary accommodation.
 - Reducing the reliance on emergency accommodation by the Homelessness Service.
- The provision of housing for young adults leaving care.

By supporting RSLs to acquire homes in partnership areas and requiring matched provision for homeless households, the council is able to both contribute towards regeneration and address homeless pressures."

"Glasgow City Council has a Strategic Acquisition of Private Sector Properties Guide, which outlines a range of priorities that the Council aims to work with RSL partners to deliver through the AHSP.

As outlined in the SHIP, there is a potential to fund RSL partners to acquire 80 private sector properties during each year of the plan. The Council estimates that £8.000m of funding would be required to support RSLs to acquire properties that would meet housing investment priorities during each year. The properties are in areas of the city that Glasgow City Council would work with RSL partners to:

- Address maintenance and management issues.
- Reduce the number of empty homes.
- Undertake regeneration projects.

Dundee

SHIP 2024-29 Acquisition Implementation:

"The Council will consider the purchase of suitable, open-market or off the shelf properties to meet the city's social housing needs, which includes the housing requirements of extended families and people with particular needs"

Through conversation with key stakeholders within Glasgow's LA, they showed a clear understanding of the reasons why acquisitions are drastically needed, which was also reflected within their 2024 SHIP. It was also evident that there was already an active focus on acquisitions, however there was a lack of published data to support this. Their SHIP also sets out a precise plan with a target of 80 private sector properties per year and how they plan to support RSL's to achieve this. Throughout this research, the opportunity to speak to other LA's in the same capacity wasn't available but as seen in their previous and present SHIP's the same level of understanding hasn't been shown.

Both recent and previous data published consistently used different language such as “off the shelf purchases” and “buy backs” and often didn’t clarify whether these purchases were for Social Rent or Mid-Market Rent. This goes against the recommendations of the Task and Finish Group, which states that acquisitions should be utilised in a much wider scope than just buying back old social home stock.

Recommendations

In conclusion, through the course of this research, it is clear that there is limited information published by the local authorities in relation to acquisition policy. To that end, one of the crucial recommendations is to urge the government to consider, would be the need for transparent discussions about why this is the case and how the national government can direct and assist in this matter going forward. Furthermore, the adoption of a uniform, consistent way of collecting and reporting data at a national and local authority level is vital to helping to generate a clearer picture of what is being done and what more is necessary.

Appendix

Parliamentary Question submitted to Mark Griffin:

The following table shows the number of homes approved from applications received from (a) registered social landlords (b) local authorities since the National Acquisition Programme was announced on 19 July 2023. This information is to 31 January 2024:

National Acquisition Programme	Applications for nos. of homes received	No. of homes approved
Registered Social Landlord	184	133
Local Authority	232	83
Total	416	216

The figures above show that there were applications still under active appraisal during January. Some of these homes may now have been approved but information to end February is not yet available. It should also be noted that, in addition, applications were also received and approved prior to the announcement on the 19 July.

Strategic Housing Investment Plans:

- Edinburgh - <https://democracy.edinburgh.gov.uk/mgConvert2PDF.aspx?ID=67010>
- Aberdeen - [SHIP 2023-28 - APP 1.pdf \(aberdeencity.gov.uk\)](#)
- Glasgow- [Housing Investment Plan - Glasgow City Council](#)
- Dundee - [strategic_housing_investment_plan_-_ship_2023-2028.pdf \(dundeecity.gov.uk\)](#)

Data from Scottish Government: Affordable Housing Supply Programme: out-turn reports completions 2021/2022:

Local Authority	Social Rent New Build	Social Rent Off the Shelf	Social Rent Rehab	Social Rent Total	Other Affordable New Build	Other Affordable Off the Shelf	Other Affordable Rehab	Other Affordable Total	Total New Build	Total Off the Shelf	Total Rehab	Total Completions
Aberdeen City	617	124		741	82	156		238	699	280	0	979
Aberdeenshire	112	10		122	48	207		255	160	217	0	377
Angus	101	12		113	26	25		51	127	37	0	164
Argyll & Bute	16		4	20	4	6		10	20	6	4	30
Clackmannanshire	67	28		95	21	2		23	88	30	0	118
Dumfries & Galloway	95			95	4	20		24	99	20	0	119
Dundee City	81			81	19	8		27	100	8	0	108
East Ayrshire	1	22		23		3		3	1	25	0	26
East Dunbartonshire	149	7		156		3		3	149	10	0	159
East Lothian	76	1		77	10	26		36	86	27	0	113
East Renfrewshire	91	1		92		3		3	91	4	0	95
Falkirk	106	81	1	188		4		4	106	85	1	192
Fife	230	123		353	33	19		52	263	142	0	405
Glasgow City	629	6	43	678	446	17		463	1,075	23	43	1,141
Inverclyde	357	15		372		1		1	357	16	0	373
Midlothian	148	17		165	15	15		30	163	32	0	195
Moray	133			133	8	32		40	141	32	0	173
na Eilean Siar	22			22		2	1	3	22	2	1	25
North Ayrshire	347		25	372		2		2	347	2	25	374
North Lanarkshire	414	51		465		2		2	414	53	0	467
Orkney Islands	64			64		3	3	6	64	3	3	70
Perth & Kinross	225	32		257	51	100		151	276	132	0	408
Renfrewshire	170	4		174		3		3	170	7	0	177
Scottish Borders	235	63		298		16	1	17	235	79	1	315
Shetland Islands	12			12		4		4	12	4	0	16
South Ayrshire	139	13		152		1		1	139	14	0	153
South Lanarkshire	498	54		552		2		2	498	56	0	554
Stirling	111	55		166		5		5	111	60	0	171
The City of Edinburgh	287			287	474	243	6	723	761	243	6	1,010
The Highland Council	513	31		544	158	96		254	671	127	0	798
West Dunbartonshire	284	14		298		1		1	284	15	0	299
West Lothian	125	14		139		14		14	125	28	0	153
Total Homes	6,455	778	73	7,306	1,399	1,041	11	2,451	7,854	1,819	84	9,757