



Shona Robison MSP  
Deputy First Minister and Cabinet Secretary for Finance  
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12 September 2023

Dear Deputy First Minister,

We noted with interest your Ministerial Statement and publication of the Medium-Term Financial Strategy in May this year. It outlines the very difficult situation facing Scotland's finances following the pandemic, cost of living crisis, Brexit, inflationary pressures, the war in Ukraine, and following over a decade of austerity. We recognise these challenges.

However, as you will be aware from your time as Housing Secretary, **we are in a housing emergency**. The nature of this emergency and the crisis facing our services has been made clear in recent reports from the Temporary Accommodation Task and Finish Group, the Scottish Housing Regulator, the Accounts Commission and SOLACE. The First Minister's Equality, Opportunity, Community document also makes clear the link between the housing emergency and stubbornly high levels of poverty, in particular child poverty.

The latest homelessness statistics published last month confirmed that we continue to move in the wrong direction: more children in temporary accommodation, more households experiencing homelessness, and more instances where local authorities have been unable to fulfil their legal duties to provide people with suitable temporary accommodation. How much longer are we willing to tolerate 45 children becoming homeless every single day?

In the Medium-Term Financial Strategy, you mention the forthcoming reviews of the Capital Spending Review and the Infrastructure Investment Plan, extending the period that these cover by a further year. The MTFS also notes that the government will focus its spending on achieving its three critical missions, one of which is tackling poverty.

You know from your time as Housing Secretary the critical role that housing can play in reducing poverty, particularly child poverty, if the funding is targeted in the right way. This year's budget process and the reviews of Capital and Resource Spending offer an opportunity to ensure that the resources are there to deliver the homes we need to tackle poverty in this country.

It is clear in this high-inflation environment that the £3.5bn committed to the Affordable Housing Supply Programme over the course of this parliament will not go nearly far enough in delivering the social homes our communities desperately need. The spending reviews must ensure that the money needed is there to deliver those social homes, and to ensure that local authorities have the resources they need to uphold people's housing rights, which are currently being breached with depressing regularity.



And if the current £3.5bn for the AHSP in this parliament was to be reduced further via cuts or reprofiling over a longer period, it would be catastrophic for the thousands of families currently trapped in temporary accommodation and waiting for a social home. We hope you are able to reassure us that, at a minimum, funding will not be cut, and clarify whether you are confident that the investment currently planned for housing will enable the government to meet its own housing and child poverty targets.

The Scottish Government cannot achieve its critical mission on poverty without tackling homelessness. It will not tackle homelessness without delivery of the social homes we need.

Housing must be the number one priority when it comes to capital spending in the coming years if the government truly wants to tackle poverty in this country. Too many people waiting for a safe, secure home are depending on the government to get this right.

Best wishes,

A handwritten signature in black ink that reads "Alison Watson".

Alison Watson

Director, Shelter Scotland