

# SHELTER SCOTLAND BRIEFING: FIRST MINISTER'S STATEMENT ON SCOTTISH GOVERNMENT PRIORITIES AND SCOTTISH GOVERNMENT DEBATE ON CHILD POVERTY AND COST OF LIVING, 18 APRIL 2023

Shelter Scotland exists to defend the right to a safe home and fight the devastating impact the housing emergency has on people and society. We work in communities to understand the problem and change the system. We run national campaigns to fight for home.

As Humza Yousaf noted during a <u>recent leadership contest hustings event</u>, housing and homelessness "has got to be a priority for whoever the next First Minister is". Now that he is First Minister, we hope Humza Yousaf lives up to the promise to prioritise housing and homelessness by swiftly delivering the structural solutions required to address the growing housing emergency.

## Scotland's Housing Emergency

- Record numbers of children (9,130) trapped in temporary accommodation a 120% increase since 2014
- Rising homelessness with a 40% increase in households (14,458) having to live in temporary accommodation compared to 2014<sup>1</sup>
- Homelessness services 'at emerging risk of systemic failure', according to the Scottish Housing Regulator<sup>2</sup>

If urgent action is not taken, we will continue to struggle to address child poverty and will not improve health, education and employment outcomes. **Social justice cannot be achieved if people do not have a home they can thrive in.** 

The solutions to the housing emergency are clear and are supported by the recent Scottish Housing Regulator's report and the report of the HPSG Temporary Accommodation Task & Finish group.

### Scottish Housing Emergency Action Plan<sup>3</sup>

- Buy and build at least 38,500 social homes by 2026 to reduce housing need<sup>4</sup>
- A national acquisition programme should be introduced to support local authorities to quickly procure new social housing stock where it is most needed
- Fully fund local government and local homelessness services, including carrying out a full audit of existing homelessness spend
- Create a new Homelessness Emergency Fund to direct money where it is most needed
- Guarantee the right to a home for everyone experiencing homelessness

<sup>3</sup> <u>Scottish Housing Emergency Action Plan</u>

<sup>&</sup>lt;sup>1</sup><u>Homelessness in Scotland: Update to 30 September 2022</u>

<sup>&</sup>lt;sup>2</sup> Scottish Housing Regulator, <u>Homelessness Services in Scotland: A Thematic Review</u> (2023)

<sup>&</sup>lt;sup>4</sup> 38,500 social homes by 2026 would mean the Scottish Government delivering 50% of its longer-term target of 110,000 affordable homes, at least 70% of which are for social rent, by 2032.

# **Scottish Housing Regulator report**

The recent report by the Scottish Housing Regulator<sup>5</sup> provided confirmation of the situation facing local authorities. **The Regulator said that homelessness services in Scotland are at "emerging risk of systemic failure"** due to the pressure on the system, with local authorities increasingly unable to meet their statutory duties. The Regulator argues the "Scottish Government may need to consider what further urgent measures it can take to support councils to respond to the immediate challenges they face in delivering services for people who are homeless." It also identifies throughout that **the solution to the problems we are facing is a rapid increase in the supply of social homes**. The Scottish Government must heed these warnings if they are to prevent Scotland's homelessness system from failing.

# The HPSG Temporary Accommodation Task and Finish Group report

The previous Cabinet Secretary for Social Justice, Housing and Local Government, Shona Robison, appointed Alison Watson (Director, Shelter Scotland) and John Mills (co-chair of ALACHO and Head of Housing at Fife Council) as co-chairs of a Task and Finish group on Temporary Accommodation.

This group brought together a range of experts from across the sector and individuals with lived experience of the housing emergency to put forward recommendations on how to reduce the numbers of households stuck in temporary accommodation. The group's report was published at the end of March<sup>6</sup>, and outlined 15 key recommendations which align with those outlined above. The Scottish Government must take forward these recommendations in full if we are to tackle the crisis in temporary accommodation.

### Delivering the homes we need

The latest housing statistics show starts and approvals for new social house building are slowing down. 2022 was the worst year for approvals for new social housing building since 2015 and fell by 21% compared with 2021. Starts for construction of new build social homes fell by 19% in 2022 compared to 2021, and are at the lowest level since 2016.<sup>7</sup> With less funding and increased costs we can only expect that downward trend to continue.

Failing to deliver the 38,500 social homes, whether that's through building them, through acquisitions or bringing empty homes back into use will keep Scotland in the grip of this devastating housing emergency.

Planning for fewer social homes means planning for higher child poverty rates, more homelessness, more families in temporary accommodation for longer periods of time, more children falling behind at school, worse health outcomes, and missing out on potential economic benefits<sup>8</sup>. The Scottish Government's own commitment to delivering an enforceable human right to adequate housing will also be undermined if we don't deliver the homes needed to underpin that right.

That is the cost of not investing adequately in delivering quality social homes.

<sup>&</sup>lt;sup>5</sup> Scottish Housing Regulator, <u>Homelessness Services in Scotland: A Thematic Review</u> (2023)

<sup>&</sup>lt;sup>6</sup> Scottish Government, <u>Temporary Accommodation Task and Finish Group: final report and</u> <u>recommendations</u>(2023)

<sup>&</sup>lt;sup>7</sup> Scottish Government, <u>Quarterly Housing Statistics</u>, March 2023.

<sup>&</sup>lt;sup>8</sup> The New Economic Case for Social Housing (2020).

#### The real lives behind the statistics - experiences from our clients

- Our client, W, has been living in temporary accommodation since summer 2021. The hostel suffered with rodent infestation; the manager switched off the hallway lights at night-time in order to save on electricity, making it hard for our client to navigate; a flickering bathroom light posed a significant health risk for client W, who suffers from epilepsy; and when they first arrived they had to clean blood from the mattress and walls. At one point, the manager locked everyone inside the hostel for three days before the police were called and forced to knock down the door. Despite the awful living conditions and impact on W's mental health, they had nowhere else to go.
- Client R was fleeing violence and had to move to a new area and make a homeless application with their young family. The local authority told the family they were not homeless and that instead they should return to their unsafe situation, which wasn't an option for R. Client R was forced to sofa surf and wander the streets while their kids were in school. R appealed the decision and was eventually placed in a B&B however this broke the law as it was so unsuitable for the family. The situation has had a severe impact on the mental health of R and their family, with the school raising concerns over the impact of their situation on the children. The local authority finally moved them to different temporary accommodation and accepted their duty to find permanent housing for the family. R now has to wait until a home that meets their needs can be found.
- Client G had been bidding for a social home since 2017, not realising their priority points for social housing had been removed in 2018. G's situation deteriorated and they became homeless, and in September 2022 they were offered a place in a hostel, with the local authority suggesting they would be stuck in the hostel for around two years before getting a new home, despite this breaching their legal rights to suitable accommodation. Client G didn't feel they could accept the offer and returned to sofa surfing. The situation has worsened G's mental health, with their GP needing to intervene due to attempted suicide.

All of these situations would have been different if there was a sufficient supply of social homes in the right places. Sadly, this is the reality faced by thousands of people in Scotland every day.

# SCOTTISH GOVERNMENT DEBATE: CHILD POVERTY AND THE COST OF LIVING

Ahead of the Scottish Government-led debate on Child Poverty and the Cost of Living, it is vital that we **understand the link between Scotland's poverty crisis and the lack of social housing**.

The Poverty and Inequality Statistics published in March<sup>9</sup> showed the stark challenge facing the Scottish Government if it is to meet its statutory child poverty targets. **Child poverty remains** stubbornly high at 24% after housing costs.

These figures are unacceptable and prove that more must be done in order to lift children out of poverty. Increasing the Scottish Child Payment and lowering the cost of housing in Scotland are two of the key levers that the Scottish Government currently has control of for tackling child poverty.

It is vital that enough quality social homes are available for everyone who needs them as housing costs continue to drive people into poverty. Statistics for 2019-2022 show **an additional 110,000 people are in poverty after housing costs** compared to before housing costs. A lack of socially rented homes means many people are forced into a private rented sector that is often more expensive, pushing more people into poverty: **severe poverty in the PRS nearly doubles once housing costs are taken into account**, and relative poverty rises from 25% to 34%.<sup>10</sup>

Key messages:

- Child poverty levels after housing costs are lower in Scotland than elsewhere in the UK due to the higher number of families in social housing.<sup>11</sup>
- However, we know that due to decades of underinvestment there are not enough social homes for the households who require them.
- Increasing the supply of social housing decreases levels of poverty, by reducing housing costs in the long term and ensuring every child has a secure, warm and safe place to develop and grow.
- The housing emergency is contributing to high levels of child poverty, with children and families often stuck in unsuitable, unaffordable homes, or in temporary homeless accommodation for unacceptable lengths of time.
- Delivering the social homes required can give these thousands of children the best possible start in life and help improve outcomes in health and education and reduce poverty levels.
- The new First Minister and Cabinet Secretary for Social Justice must outline how the Scottish Government intends to get thousands of children out of temporary accommodation and unaffordable homes and out of poverty, and into safe, secure and affordable social homes as a matter of priority.

While we recognise that short term interventions to support people were required following the pandemic and cost of living crisis, we believe we need to focus on the structural solutions to the housing emergency. The housing emergency predates Covid-19 and the cost of living crisis and unfortunately we have not seen the scale of action necessary to solve the housing emergency either before the pandemic or since the emergency period ended; in fact, social house building has slowed and the social housing budget has seen a 16% year-on-year cut.<sup>12</sup>

<sup>&</sup>lt;sup>9</sup> Scottish Government, Poverty and Income Inequality in Scotland 2019-2022.

<sup>&</sup>lt;sup>10</sup> Scottish Government, <u>Poverty and Income Inequality in Scotland 2019-2022</u>.

<sup>&</sup>lt;sup>11</sup> Joseph Rowntree Foundation, <u>Poverty in Scotland 2021</u>.

<sup>&</sup>lt;sup>12</sup> Shelter Scotland briefing: Scottish Budget 2023/24

We need a housing system that is fit for purpose, and ensures that everyone who needs a safe, secure and quality home can secure one.

We will continue to argue for the urgent and long-term solutions outlined in our Scottish Housing Emergency Action Plan<sup>13</sup>, supported by Scottish Government's expert Task and Finish group on temporary accommodation and the Scottish Housing Regulator, to be taken forward.

The Scottish Government must ensure that additional funding and support is provided to fix the broken housing system and effectively tackle the impact of the cost of living and poverty crises.

### Further reading:

• <u>Cost of Living Act – Shelter Scotland written evidence to LGHP Committee</u>

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<sup>&</sup>lt;sup>13</sup> <u>Scottish Housing Emergency Action Plan</u>