

## MSP BRIEFING: 2022-23 SCOTTISH BUDGET

CIH Scotland, SFHA and Shelter Scotland have written to the Cabinet Secretary for Finance and the Economy ahead of this year's Scottish Budget to highlight the importance of ensuring that housing, and in particular delivering the social and affordable homes programme, is a top priority in this budget. Never before has the commitment to deliver 110,000 affordable homes, 70% for social rent, by 2032 been more important or at greater risk. You can find the letter <u>here</u>.

## Introduction

This briefing outlines in more detail the concerns and recommendations from Shelter Scotland regarding the importance of delivering the social homes that are required to reduce housing need, and the wider measures that are needed to not only strengthen housing rights but ensure they are upheld.

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.

This year's Scottish Budget is an important milestone in that fight for home. As Scotland looks to move beyond the pandemic, this budget is a vital opportunity for the Scottish Government to make the right to a safe home a reality.

### We are calling for:

- A pledge to place social justice at the heart of social house building
- Stronger, better housing rights for all
- A Covid Exit Plan for housing equality

The Scottish Government has made many welcome and important commitments in recent months on boosting social housing supply, strengthening housing rights and supporting renters. The 2022-23 Scottish Budget is a chance for the government to deliver the funding to make those commendable ambitions into a reality for people across the country.

## Social Justice at the heart of social house building

### Housing supply

We welcome the Scottish Government's decision to increase its social and affordable housebuilding commitment, now aiming to deliver 110,000 affordable homes (including 70% for social rent) by 2032. This commitment and investment in our communities is crucial if we are to reduce housing need, and we now need to see the quality homes being delivered at pace, in the right places, and of the right size, in order to reduce housing need and meet wider social justice aims.

We recognise the difficulties for housebuilders in the current climate due to labour shortages, global material shortages, and supply chain issues related to the dual pressures of Brexit and

Covid-19. Social housebuilders are also being tasked with meeting important targets and initiatives to improve health, wellbeing and accessibility, including on digital connectivity, access to greenspace, space for homeworking and learning, energy efficiency, fire safety and on adaptations. With costs increasing across the board, it is vital that local authorities and RSLs are supported to achieve these ambitions – without additional costs being passed on to tenants in the form of unsustainable rent increases.

Social housebuilding must continue to be prioritised and supported through these current challenges in this year's budget, with extra funding where required to keep the programme on track. There is a cross-party consensus on the importance of delivering new social and affordable homes and the socio-economic benefits these homes will bring. The Scottish Government needs to ensure adequate funding is in place to deliver on this commitment.

- Affordable housing has been given a central role in everything from addressing the climate crisis, to upscaling digital connectivity and reducing child poverty.
- However, there are over 13,000 households in temporary accommodation, including nearly 8,000 children.<sup>1</sup>
- Delivering a new generation of quality and environmentally friendly social homes at the centre of vibrant and connected communities is vital.
- Alongside this building programme, we must also ensure empty homes are brought back into use and current housing stock is also brought up to standard where possible, to ensure everyone is able to live in an affordable home which is fit for the future.

### **Social Justice**

We believe the success of the new affordable housing programme should be measured not just by how many new homes for social rent are made available, but by whether they have resulted in affordable housing need in Scotland reducing over the term of this Parliament. Additionally, we must be able to measure and monitor the social impact of such a significant investment in our communities at every stage of the process. This includes improving health, education and employment outcomes and reducing child poverty for example.

This is why we have been calling for the Scottish Government to publish an annual Social Justice and Social Housing progress report, to monitor and track the social justice outcomes of the social housebuilding programme. This should cover areas such as how social housing is helping to tackle homelessness, end child poverty, cut fuel poverty, improve health and education outcomes, and achieve our Net Zero ambitions.

We welcome the Scottish Government's commitment to doubling the Scottish Child Payment, a move that will help to tackle child poverty. However, in order to secure and build on this progress a new generation of high-quality social homes across Scotland must be delivered, giving children a safe, warm and affordable home to grow-up in.

In order to realise these social justice ambitions in the affordable housing supply programme, targeted investment is required. That means:

 Targeting funding in the places with greatest housing need to maximise the impact of the Affordable Housing Supply Programme

If this is to be a budget for social justice, housing must be front and centre of priorities, and the funding must be in place to reflect that.

<sup>&</sup>lt;sup>1</sup>Homelessness in Scotland 2020-2021(gov.scot)

# Stronger housing rights

Scotland is rightly proud of the strength of our housing rights framework. We are world leaders on homelessness rights and the commitment to put the United Nations right to adequate housing into Scots Law will be another international landmark.

Scotland recognises that we cannot have a fair society when so many citizens are denied the basic right of a safe, secure, warm and affordable place to call home.

We welcome the Scottish Government's focus on rights put forward in the Housing to 2040 strategy published earlier this year. Rights should guide all areas of housing policy including renters' rights and the rights of people experiencing homelessness.

Whilst we have seen progressive policies such as the extension of protection from unsuitable accommodation to all households experiencing homelessness, it is not clear whether we have matched the level of ambition with the level of resource required.

We need to see adequate levels of funding to ensure that the ambitious rights-based policy agenda is delivered on the ground.

- If the Scottish Government wants to show its commitment to being human rights leaders then it should be taking a human rights-based approach to budgeting.
  Allocations should be made in line with commitments to progressively realise rights such as the right to housing
- The investment of an extra £50m in the Ending Homelessness Together Fund, announced in the Programme for Government, is welcome – but local authorities may need additional support to ensure that rights are upheld and implemented. The budget needs to ensure local authorities are fully supported to deliver on the rights-based approach and new legal duties expected of them.

# **Covid Exit Plan for Housing Equality**

The pandemic exposed and deepened the housing inequalities that exist in Scotland's broken and biased housing system. Implementing a fully funded Covid Exit Plan for housing equality can ensure there is continued protection and support for renters and people at risk of homelessness and that the Scotland we rebuild has social justice at its heart.

To ensure tenants do not lose their homes and that we do not face a tidal wave of evictions and homelessness over the coming years, the **Scottish Government needs to deliver the funding required to support those at risk of losing their homes**. The £10m Tenant Grant Fund is to be applauded but it is insufficient to deal with the scale of rent arrears being faced across the country (estimated to be as much as £126m<sup>2</sup>) and given it is still not up and running in many local authorities, we have concerns that tenants will struggle to apply before the expiry date of March 2022.

- More funding should be made available through the Tenant Grant Fund and the Fund should be extended to ensure people continue to get the support they need while we recover from the pandemic
- Scottish Government should ensure Discretionary Housing Payment funds are topped up for local authorities to offer suitable financial support to those in need – including being used to help clear rent arrears for those entitled to support.

Please contact <u>David\_Aitchison@shelter.org.uk</u> if you require more information.

<sup>&</sup>lt;sup>2</sup> The Pandemic Arrears Crisis, November 2021