



SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE EVIDENCE SESSION: PRE-BUDGET SCRUTINY, 29 SEPTEMBER 2022 – SHELTER SCOTLAND WRITTEN EVIDENCE

Introduction

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.

We are pleased to have the opportunity to give evidence to the Social Justice and Social Security Committee as part of its pre-budget scrutiny work ahead of the 2023/24 Scottish Budget.

This budget will be crucial in ensuring that the growing number of people and children in our communities who are affected by the housing emergency, which has now been exacerbated by both the pandemic and the cost of living crisis are urgently supported to find and keep a suitable affordable home. **It is therefore vital that the right actions are prioritised within the budget which address the immediate and structural causes of the housing emergency.**

Last month's annual homelessness statistics¹ show that Scotland's housing and homelessness systems are on the brink of failure and illustrate how urgent and vital it is that Scotland's broken and biased housing system is prioritised and fixed.

- The number of children stuck in temporary accommodation has never been higher, we now have **8,635 children who are homeless**, a 17% rise in a single year
- A household becomes **homeless every 18 minutes** in Scotland
- There are nearly **14,000 households trapped in temporary accommodation**, and these households are stuck in temporary accommodation for 207 days on average
- This rises to **nearly a year** in temporary accommodation on average for couples with children

Local Authorities' (LAs) homelessness services are breaking under the strain and require urgent support to ensure they can deliver on their housing duties. The level of need is becoming very apparent as **our services know that families, who despite having jobs and children in local schools in the central belt, have been offered temporary accommodation as far away as the Highlands and Newcastle in England.** This cannot be allowed to continue.

We have broadly welcomed the recent short-term emergency measures announced in the Programme for Government, to support people to keep their homes this winter and wait to see the final detail. We must however ensure that there are no unintended consequences – such as social house building being affected due to less rent revenue being available. Should this be a possibility then we would call for those emergency measures to be fully funded, to ensure social homes continue to be built to address the structural, as well as immediate causes of the emergency.

¹ [Homelessness in Scotland 2021-22](#), Scottish Government.

We would like to draw your attention to our [Scottish Housing Emergency Action Plan](#)² which we launched in response to this growing national emergency. We have called on the First Minister to spearhead this plan, to protect households from homelessness and to reduce affordable housing need by 2026.³

Any effort to address the housing needs of people in Scotland will work best if the UK Government also uses its powers to improve the benefits system and tackle energy prices. **Our action plan, however, is focussed on what the Scottish Government can do now with the powers it has.** People at risk of homelessness cannot wait any longer and Shelter Scotland believes a Scottish Housing Emergency Action Plan should be developed around three key commitments. Resource for these commitments is vital, if we are to support people to find and keep a home, and by doing so help to achieve other key outcomes such as reducing child poverty, improving education and health and wellbeing outcomes.

- **Buy and build 38,500 social homes by 2026**
 - Redirect all subsidy from the Scottish Government's Affordable Housing Supply Programme exclusively to homes for social rent
 - Undertake a national social housing acquisition plan to buy homes in areas of greatest need
 - Force the reluctant owners of long-term empty homes to sell up or rent them out to people who are homeless or on the housing waiting list

- **Fully fund local homelessness services**
 - Conduct an audit of all homelessness funding – national and local – to identify the true levels of investment and identify shortfalls
 - Create a new 'homelessness emergency' fund to plug the gap in funding and direct additional resource where it is most needed

- **Guarantee the right to a home for everyone experiencing homelessness**
 - Urgently prioritise action to address failures in the homelessness system ensuring appropriate redress for individuals where their rights have been breached
 - Introduce tougher enforcement action against public bodies that repeatedly breach their legal duties

Meeting an interim social housing target of delivering 38,500 social homes by 2026 must be the Scottish Government's key priority, and this year's budget gives them the chance to put the foundations in place to achieve this minimum requirement.

If we fail to meet that minimum target, then we are failing the thousands of families currently stuck in temporary accommodation. The 8,635 children who are currently homeless cannot be kept waiting.

² Shelter Scotland, [Scottish Housing Emergency Action Plan](#) (2022)

³ Affordable housing need is the combined measure of homelessness, housing affordability, overcrowding and social housing demand used by academics and local authority planners to determine how many homes are required in an area. [Affordable Housing Need in Scotland – Post 2021](#)

How will the spending allocations for 2023-24 set out in the Spending Review impact on poverty?

The Resource Spending Review (RSR) and the Targeted Capital Spending Review (CSR) published by the Scottish Government earlier this year raised important questions about the future of Scottish public finances.

We know from LAs and households who are homeless that LAs are struggling to deliver their homelessness services and provide the suitable temporary accommodation and settled housing required. There is however a lack of clarity regarding the levels of funding for these services and we believe it would be useful to carry out a full audit of funding to ensure that the right levels of funding are provided to the LAs to ensure people's housing rights are progressively realised.

Capital Spending Review

The CSR maintained funding for Affordable Housing at £3.6bn over the period of the CSR. The Scottish Government has also placed the Affordable Housing programme at the heart of their policies to tackle child poverty. This is undoubtedly a positive move and we hope it will help to focus the intentions of the Affordable Housing Supply Programme (AHSP) to importantly deliver the homes required, but also help address the wider socio-economic, child poverty, energy, and health-related issues.

However, in light of growing challenges facing the delivery of these social homes – rising costs, Brexit-related skills gaps, inflation and wide spread impact of the war in Ukraine – unless more funding can be found for the AHSP it can no longer be justified to divert this finite public subsidy to benefit private sector developers.

That is why we are calling on the Scottish Government to redirect all subsidy from the AHSP exclusively to delivering the vital 38,500 homes for social rent rather than other forms of so-called affordable homes.

There is growing support for this position, which has also been raised by Professor Ken Gibb in written evidence to the Local Government, Housing and Planning Committee.⁴

If the £3.6bn of funding continues to be spread across the entire AHSP, rather than focusing on the most important social housing element of it, then there will not be the desired impact on reducing poverty and getting the tens of thousands of households trapped in temporary accommodation out and into a safe, warm, permanent social home.

We must meet the 38,500 social homes target by 2026 – this is the bare minimum required to get people out of temporary accommodation and homelessness. If this target is missed, it will be catastrophic for the children who desperately need a home. The Scottish Government must therefore prioritise the limited funding it does have on the area where it can make the greatest impact.

The Scottish Government is also committed to delivering 10% of its 110,000 affordable homes target in rural, remote and island areas and we look to other organisations with more expertise in rural housing issues to feedback on how these homes are being delivered where they are needed most.

⁴ Local Government, Housing and Planning Committee, [Pre-Budget Scrutiny – Affordable Housing \(2022\)](#), p.42.

It is clear that more social homes are needed across Scotland if we are to tackle issues of unaffordability – and this includes bringing more suitable long-term empty homes back into use as social homes in urban, and rural areas.

Resource Spending Review

The Resource Spending Review promised increased funding for the Social Justice and Housing portfolio, unlike a number of other portfolio areas which have seen cuts, and the increase is welcomed. On housing, there is a commitment to invest over £600m over the RSR period, including for improving existing homes, investing to prevent and end homelessness, increasing Discretionary Housing Payments to mitigate the benefit cap and bedroom tax, and delivering rented sector reform. This is all welcome investment, and we hope that this will have the impact of reducing poverty and inequality.

However, when the Scottish Government and COSLA launched the ‘Ending Homelessness Together Action Plan’ in 2018 local authorities estimated that circa £130 million⁵ of new investment was needed during the last Parliament to deliver results. Despite this, only £50 million additional investment from the Scottish Government was made available.

A further £50 million has since been made available for this parliamentary term. With many of the local authorities struggling to uphold people’s rights this will very likely fall short of what is needed to meet existing need and considerably short of what is needed to avoid homelessness services failing in the months ahead as demand increases.

Conducting a full audit of all homelessness funding will help ensure that policy makers, third sector and people with lived experience of homelessness will be better able to make recommendations for improvements. As it is, we simply do not know if the existing homelessness funding, or the £600m investment noted in the RSR will have the desired impact on poverty.

Case Study highlighting improved outcomes when funding is available: Glasgow City Council

In 2019, we sought to take Glasgow City Council to court for its repeated failure to uphold their legal duty to accommodate people presenting as homeless (gatekeeping) – a denial of the most basic housing rights. Since the intervention from the Scottish Housing Regulator, Glasgow City Council has transformed its practices, which has resulted in improved performance from the council, benefitting the people requiring homelessness support in the city.

A combination of Covid Emergency funding and a focus on putting in place the resources and funding needed to find people homes and to provide better homelessness services has seen a transformation in the city. Instances of ‘gatekeeping’ have fallen from 3,830 reported cases in 2019-20 to fewer than 4 reported cases in 2021-22. This shows what can be done when the funding and political will is there to deliver change and a better service for those at the sharp end of the housing emergency.

Other areas of the RSR will make an impact in reducing poverty. We have supported the introduction of the Scottish Child Payment and welcomed the increases in this payment since it was first launched. We continue to support calls for this funding to be increased, and for SCP bridging payments to be doubled, but the existence of the SCP is undoubtedly a positive.

⁵ Inside Housing, [‘Cost of new Scottish homelessness plan assessed as eight times above budget’](#) (2019)

If you think there are measures in the Resource Spending Review that could increase poverty – what can be done to prevent this.

The RSR commits the Scottish Government to a ‘maintained’ Local Government budget settlement until 2026, with an additional £100m being added in 2026-27. This frozen budget follows a 4.2% real terms cut since 2014, according to a recent Audit Scotland report,⁶ with Fraser of Allander Institute analysis of the RSR suggesting it is a 7% real terms cut for local government between 2022/23 and 2026/27.⁷

At Shelter Scotland we recognise that local authorities cannot deliver more with less. With more people likely to become homeless as we see an increase in the cost of living, Covid related evictions and the need to welcome refugees – a welcome and necessary commitment by Scottish Ministers – more resource is needed for already overburdened homelessness services.

Freezing local authority budgets at a time of rampant inflation and when the Scottish Government is rightly making moves towards stronger housing rights will pose councils across Scotland further challenges, and it could be argued that they are being set up to fail. If basic services cannot be maintained, it is only reasonable to assume this will have an adverse impact on communities, with a subsequent increase in poverty.

We have therefore called on the Scottish Government to create a new ‘homelessness emergency’ fund, to plug the gap in funding homelessness services and direct additional resource to services at greatest risk of failure.

This also goes beyond basic frontline homelessness services. If council planning departments are being asked to do more with less, it is going to take longer for social housing developments to be approved, and therefore take longer for these vital developments to be completed and for families to move into them. This will not help to get the thousands of families currently trapped in temporary accommodation into a permanent, secure and affordable home.

We also note the budgets for the Scottish Housing Regulator and the Scottish Courts and Tribunal Service being frozen for the period of the RSR. This comes at a time when demands on the Regulator to uphold standards and ensure social housing providers are meeting their obligations are rightly increasing. Equally for the First-Tier Tribunal, which is rightly now being required to consider all eviction grounds as discretionary, there is an increase on its obligations. We are concerned that a real-terms cut to the Regulator and Tribunal budgets could see tenants’ adversely impacted, particularly if services do not have the time or capacity to give eviction cases due consideration. This has the potential to see rights not being enforced and homelessness increasing.

There is also likely to be an impact on these services as emergency measures announced in the Programme for Government support people to keep their homes this winter with evictions being halted but could lead to an increase in eviction cases in the spring 2023.

⁶ Audit Scotland, [Local Government in Scotland: Financial Overview 2020/21](#) (2022)

⁷ Fraser of Allander Institute, [First Spending Review in a decade provides welcome insight on Government priorities, and highlights scale of challenge facing public services](#) (2022)

What level of analysis do you expect to see in the 2023-24 Equalities and Fairer Scotland Budget statement?

Much of this comes back to the need for better data to tell us what the specific issues different protected characteristic communities are facing. This is no different in housing and homelessness – we need the data to know what the problems are and to identify the potential solutions.

The Equality and Fairer Scotland statement in the RSR noted the importance of the right to adequate housing. More needs to be done to ensure this right is being realised and enforced, and the Equality statement may be best placed to set out how to do this, if the relevant data is collected and made available.

Case Studies: the real lives behind the statistics

M has been living in temporary accommodation for almost two years, in a three-bedroom furnished flat with her elderly mother and six children between the ages of 1 and 22.

When asked the difference that a social home would make to their lives, M advised:

“For one, I would know my kids are secure. I’d be more relaxed. My children would have their own space, their own time. Currently there is eleven people sharing one bathroom and this can be degrading.”

A has been stuck in temporary accommodation for 7 months to date and A explains the impact it is having on her daughter:

“My daughter has been isolated from her friends because our temporary accommodation is on the other side of the city from our old neighbours and nursery. She missed 4 months of nursery because of the distance. Now I travel across the city to take her there and back in order to keep some stability in her life because I have a car.

“Her behaviour has changed a lot since moving and her nursery have noticed too. Children and families social work are now involved.”

V has been in temporary accommodation for almost 3 years with 3 children and is really struggling at the moment. She is desperate to be permanently accommodated as her temporary accommodation is an hour on public transport from her children’s schools, she has been having issues with the temporary landlord, and she has also had a number of break-ins to the property. V has mental health issues which are deteriorating due to her housing issues.

V stated that she feels like “all of my problems are to do with housing, if I get a settled home then my mental health will get better, I won’t be as exhausted and stressed all the time, I can get a part-time job and start living my life properly”.

When B approached her local authority in the central belt for temporary accommodation for herself and her two young daughters, she was told the only options available were hundreds of miles away, in the north of Scotland or down in England. With her daughter starting back at school that week, she was forced to turn it down.

Please contact Adam Milne if you have any questions or require additional information.

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