

Mr Graeme Brown
Shelter Scotland
Scotiabank House
6 South Charlotte Street
EDINBURGH
EH2 4AW

Lord Freud
Minister for Welfare Reform
Caxton House
Tothill St
London
SW1H 9DA

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Dear Lord Freud

Social Size Criteria and Homeless Temporary Accommodation in Scotland

The application of the size criteria to local authority owned temporary housing in Scotland is set to have a devastating impact on tenants and local authorities when it is introduced in April 2013, and we would urge immediate action is taken to mitigate this expensive and ill-conceived change.

The consequences will be disproportionate in Scotland because over 50% of homeless temporary accommodation is local authority owned, compared to the rest of the UK where the bulk of temporary accommodation for homelessness provision is leased from the private sector.

The majority of council owned temporary accommodation is family-size housing, typically with two or three bedrooms meaning the choice for homeless households to take a smaller property is severely limited. Under proposed reforms, households under-occupying council owned temporary accommodation will be facing a large reduction in their housing benefit payment, while those who under occupy non-council owned temporary housing will not.

The benefit reductions will in some cases be more than £100 a week. Given the client group, this significant shortfall will potentially exceed the total remaining household income for those in council owned units. Quite apart from the extreme hardship this will create, the difficulty of collecting charges from households who may have moved on to permanent accommodation is likely to result in Scottish local

authorities being forced to meet temporary accommodation social size criteria costs from within their own resources.

This will be a significant and unanticipated additional cost to local authority budgets, with one Scottish authority estimating an annual cost of £3.5m.

This financial pressure on local authority general funds may also limit the capacity to match fund investment in Discretionary Housing Payments, which, as you will know, are designed to be fundamental to maximising effective delivery of wider welfare reform.

We urge that council owned temporary accommodation is exempted from the under-occupation criteria. At the very least, while more information is being gathered on the full cost implications and possible solutions, these measures should be introduced to a phased timetable like the precedent set by Ministers for the staggered introduction of the benefits cap to help ensure effective delivery.

We have included a supplementary paper which lays out the impacts in more detail. We would be happy to provide any additional information or to discuss this issue further.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Graeme Brown'.

Graeme Brown, Director, Shelter Scotland

Alan Ferguson, Director, CIH Scotland

Jim Hayton, Policy Manager, ALACHO, Association of Local Authority Chief Housing Officers