

# What you need to know: Ministerial statement on COVID19 supporting our communities

# **Background**

The spread of Coronavirus (COVID 19) was declared a global pandemic by the World Health Organisation on 12 March 2020 prompting international governments to take further steps to limit the spread of the virus.

This briefing summarises the Cabinet Secretary for Communities and Local Government, Aileen Campbell's 18 March statement.

You can find up to date information on Scottish Government advice <u>here</u>, NHS Scotland advice <u>here</u> and UK Government advice <u>here</u>.

# **Community wellbeing funds**

£350 million package of support will be made available to support communities across Scotland. This includes increased funding for the Scottish Welfare Fund, Council Tax Reduction scheme, funding for local authorities and the third sector, the establishment of a food fund, support for people experiencing fuel poverty and for homeless people.

£25 million will be kept aside to allow the Scottish Government to respond to emerging needs. Organisations have been encouraged to put forward proposals for funding to meet local needs. Scottish Government has already responded to requests for additional funding from Age Scotland, Social Bite and a grassroots organisation based in Wester Hailes.

### Help with housing costs

## **Mortgages**

The UK Government already <u>announced on 17</u> <u>March</u> that mortgage providers will be required to offer a mortgage payment holiday of up to three months for home owners struggling to keep up with payments because they have been affected by COVID 19.

However, UK Finance has stated that this option will not automatically be available to all, and that

there will be flexibility for lenders to support their customers in different ways. Their statement and a useful Q&A is <u>available online</u>.

While Aileen Campbell praised this approach, she called for an extension of mortgage payment holidays from three to six months and for this approach to be extended to all mortgages including buy to let mortgages to help private landlords allow more flexibility for their tenants.

### Support for social tenants

Today's statement clarified that social landlords should work flexibly and provide advice to ensure that tenants are able to claim benefits they are entitled to, and that no tenant should be evicted due to arrears caused by benefit delays.

### Support for private tenants

The Scottish Government will introduce legislation that will temporarily amend the Private Housing (Tenancies) (Scotland) Act 2016. The Housing and Property Chamber of the First Tier Tribunal will not uphold any evictions for rent arrears due to a delay or failure in the payment of benefits and the current three month eviction clause for rent arrears will be extended to six months. It is not clear how long these measures will remain in place.

# Other measures that will affect the housing sector

The ongoing advice to limit contact and work from home if possible is impacting the way that housing organisations work. The Scottish Housing Regulator is continuing to monitor the situation and has asked landlords to record any instances were services could not be delivered.

On 18 March, First Minister Nicola Sturgeon gave notice that schools and nurseries across Scotland would close by the end of the week (20 March). This will create difficulties for many working parents if they are not able to arrange alternative child care arrangements.



### The CIH Scotland view

We welcome the confirmation that no tenants should be evicted due to the impact of COVID 19. However, we know that social landlords will face challenges in maintaining service delivery while staff capacity is likely to be reduced through sickness, childcare obligations or restrictions on face to face contact with tenants. We are disappointed that no direct support for social landlords has been offered at this stage.

We fully support measures to prevent the eviction of private tenants and the Cabinet Secretary's call for the UK Government to extend mortgage payment holidays to better support private landlords. However, if the UK Government does not agree to this, private landlords may face significant financial challenges if arrears build up for six months or more.

Aileen Campbell stated that people who are not used to asking for or accessing help may need to make use of the social security system. Clear communication and advice on how to access benefits will be required to support people who are unfamiliar with the system or unaware of their entitlement.