Chartered Institute of Housing Conference in Scotland

5<sup>th</sup> March 2024

John Mills Co-Chair of ALACHO & Head of Housing, Fife Council

## Housing Emergencies in Scotland

# ASSOCIATION OF LOCAL AUTHORITY CHIEF HOUSING OFFICERS







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# What is a Housing Emergency?

John Mills Co-Chair





#### > Definition

When a Local Authority with statutory responsibilities to house homeless people and others with a statutory housing need cannot carry –on meeting them". (John Mills)

#### >Broken Homelessness System

Update to our February 2023 thematic review of homelessness services in Scotland - December 2023 | Scottish Housing Regulator

- The Scottish Housing Regulator in 2023 said we have in many areas of Scotland a homelessness system which is systematically broken.
- 14-15 Local Authorities are breaking the law Temporary Accommodation and Unsuitable Accommodation Order
- Record level of Child Homelessness and children in Temporary Accommodation
- > Over 15,000 households in Temporary Accommodation
- Shelter's Framework for declaring and responding to the Housing Emergency





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#### Lack of Social Rented Housing Supply

# What is a Housing Emergency?

#### John Mills Co-Chair





- Overall affordable new housing was rising across Scotland 2011-2020
- Covid impacted new starts & completions
- However, increase in new housing starts did not pick up in 2022 or 2023 [and further cuts in housing funds ongoing]
- Additional housing funds were not provided to Local Authorities with greatest housing & homelessness pressures
  Professor Sean Smith, Edinburgh University

ALACHO Review of Housing Emergencies Declared (So far)

John Mills Co-Chair



- Only Edinburgh has approved and published a Housing Emergency Action Plan (Argyll & Bute and Glasgow still work in progress)
- > The Council has 6 themes and 75 actions in the plan.
- The themes may well be repeated in other plans as they emerge;
  - Customer Experience;
  - Data and Partnerships;
  - Finance and Funding;
  - Quality Housing;
  - Simplifying access to housing; and
  - Specialised support.
- This is an emergency that is playing out in our communities and it is doing great harm particularly to the children involved.
- Councils can and will focus on what can be achieved in the short term and on joint working with RSLs and the third sector.
- But we need a response from the SG to support this work and to drive the systemic change we need.



### **Next Steps**

John Mills Co-Chair



#### >Do we stick with the Plan?

• Homelessness in Scotland update to September 23

Supporting documents - Homelessness in Scotland: update to 30 September 2023 - gov.scot (www.gov.scot)

- applications up,
- numbers in temp. up,
- children in temp approaching 10,000,
- open cases up,
- rough sleeping up.
- Supply in the form of voids down
- New supply declining rapidly

#### >Business as Usual isn't working! We need a new Plan.

#### We need to declare a Housing Emergency and bring forward a Housing Emergency Action Plan.

#### Housing 20240 Board 1-3 years view is to focus on;

- Building more social rented housing
- Buying more private sector housing to bring not the LA and RSL letting pools
- Bringing more empty homes back into residential use in the public and private sectors



## Scotland's economy: Challenges and opportunities

Laurie Macfarlane

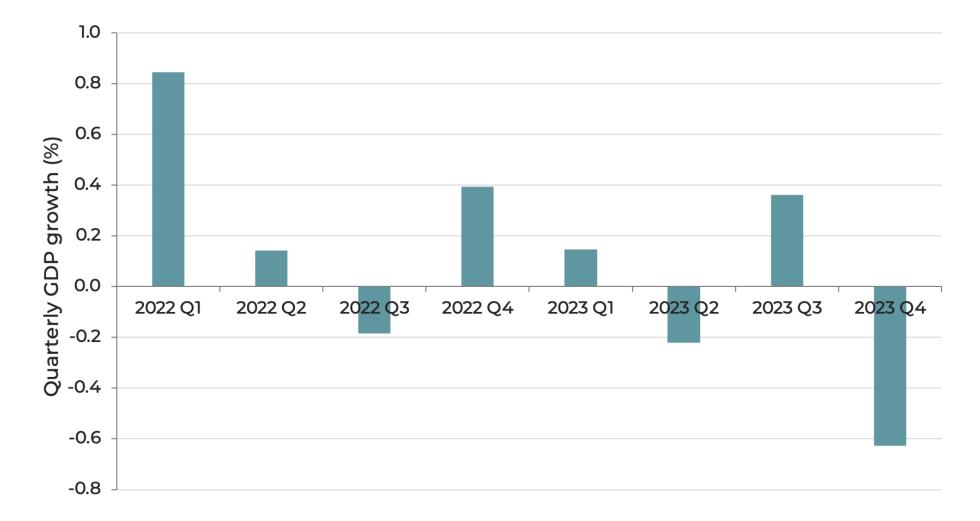
Co-Director, Future Economy Scotland



DECARBONISE / DEMOCRATISE / DECOMMODIFY

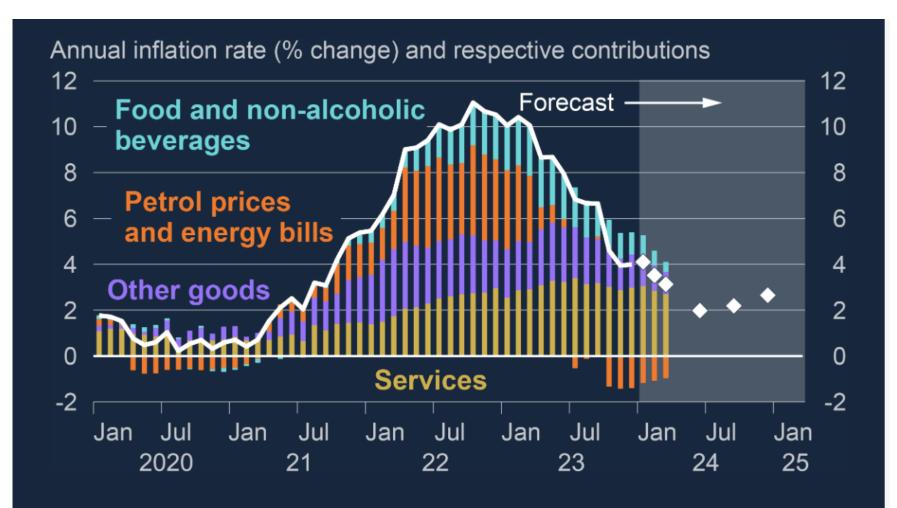
#### Scotland's economy shrank in Q4 2023 – and now risks falling into recession Quarterly GDP Growth (%)



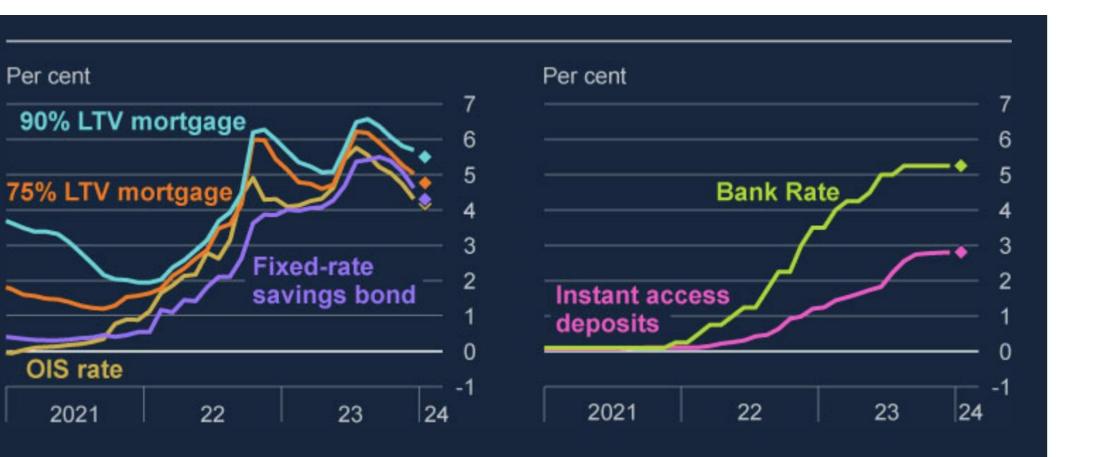


#### High consumer price inflation has reduced real earnings





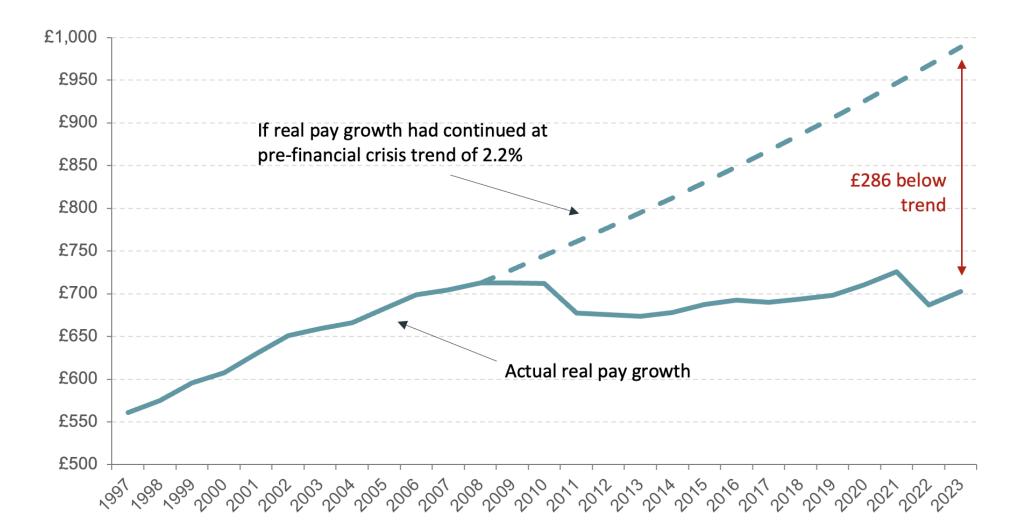
### Higher interest rates are also squeezing household finances





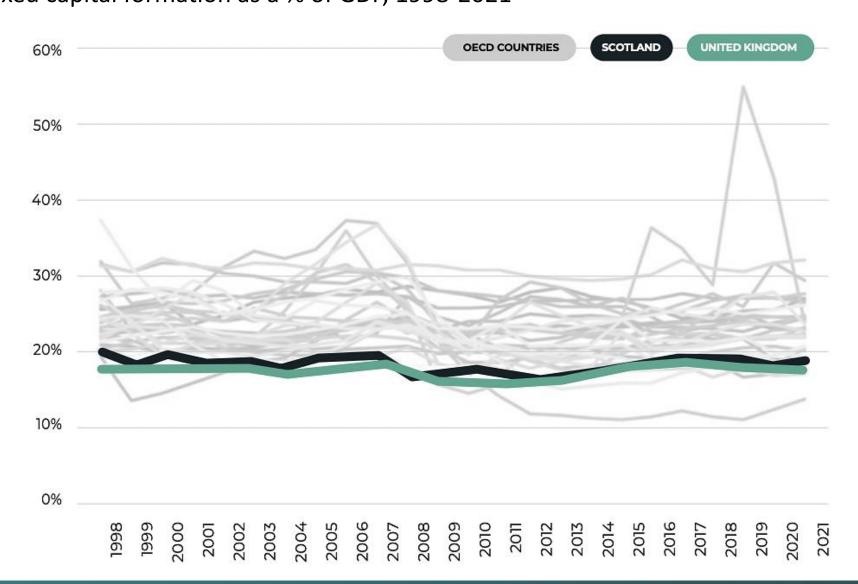
#### Average earnings in Scotland are lower than they were in 2008 Real median gross weekly earnings, actual and pre-financial crisis trend





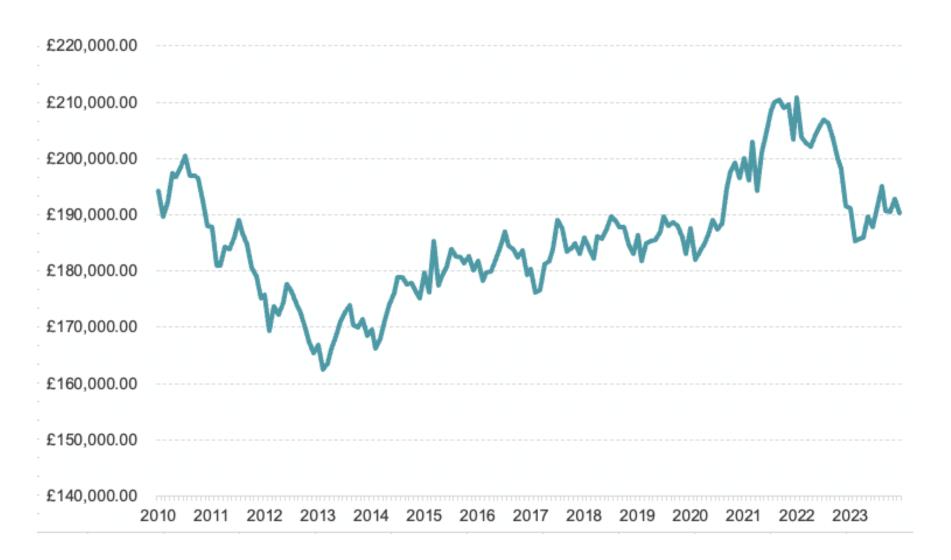
#### Scotland and the UK have a longstanding problem of low investment Gross fixed capital formation as a % of GDP, 1998-2021





#### Real house prices have fallen – but remain higher than before the pandemic

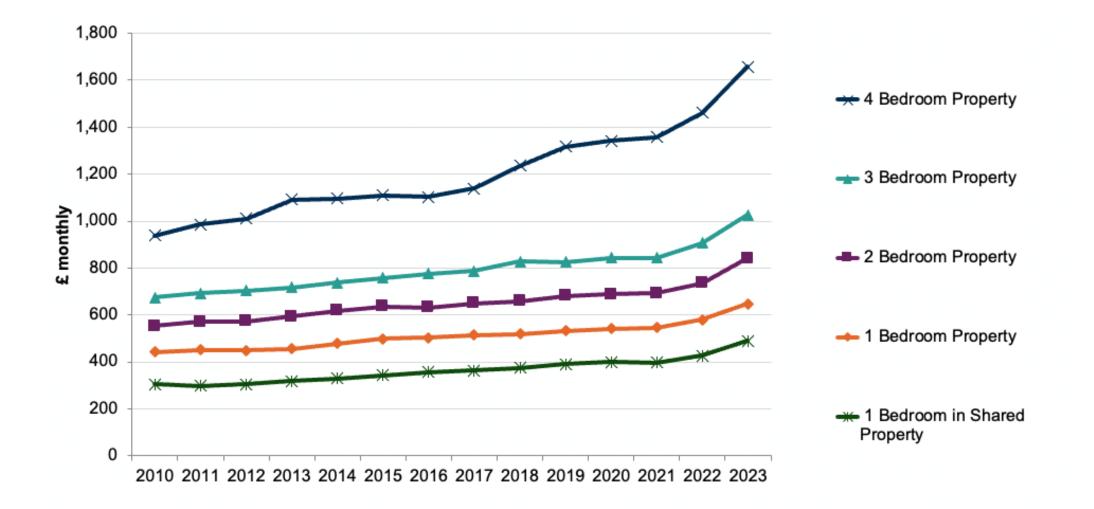
Average house prices, all property types in Scotland (adjusted for CPI inflation)





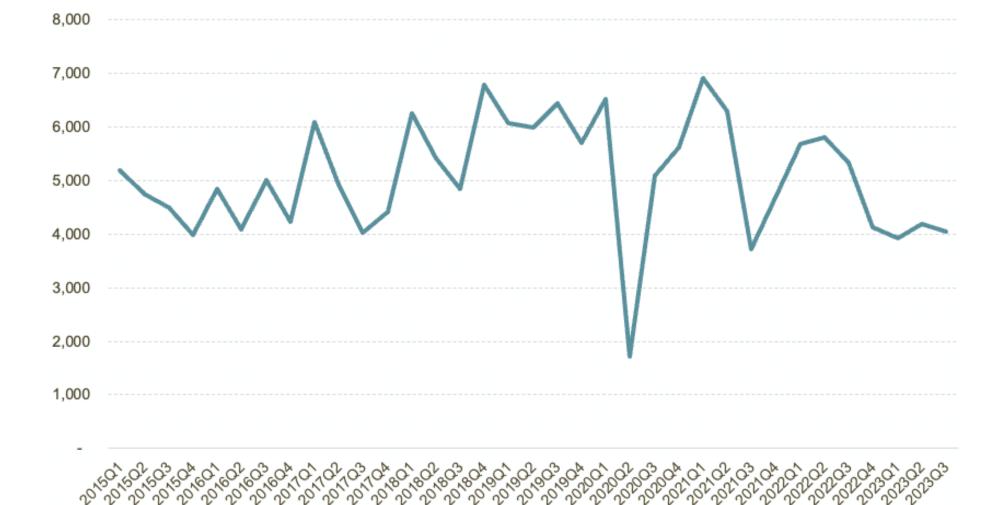
#### **Private rents continue to rise across Scotland – despite the rent cap** Average private rents (£ monthly): 2010 to 2023





#### The rate of new housebuilding has fallen – and will likely slow further All sector new build starts, Scotland (quarterly)





### Where do we go from here?



- The task we face is to revitalise the economy, decarbonise the economy, and tackle inequalities
- The recent Scottish Budget did not grasp the scale of these challenges and the UK Budget likely won't either
- Our biggest opportunity lies accelerating efforts to deliver an investment-led just transition to net zero
- Scotland is well placed to prosper from decarbonisation but this requires a new approach to economic policy
- Delivered effectively, a just transition has the potential to create well paid jobs, raise living standards, reduce poverty, tackle deep-rooted inequalities.





## The Economy in Plain English - Where are we at?

Susan Murray Director, David Hume Institute





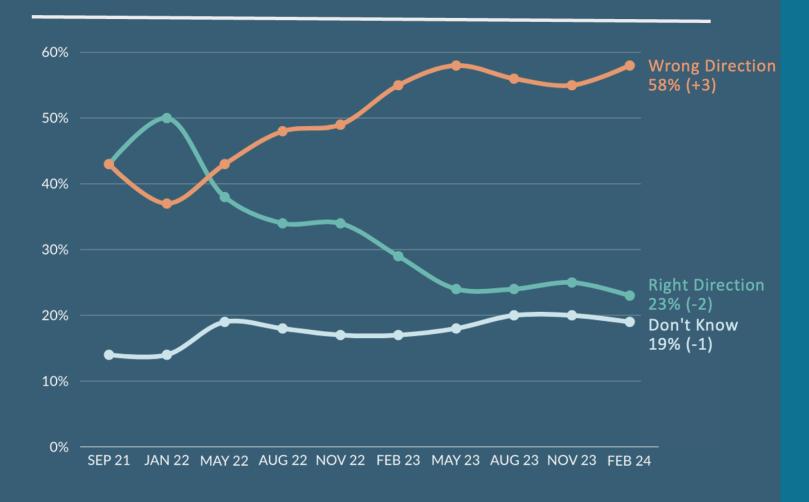
### Background

- Mission to get more people talking and thinking about the economy
- Research and events such as the Economy in Plain English series and the Understanding Scotland Economy Tracker (USET)
- USET quarterly survey over 2,300 people in Scotland over 16
- Produced in conjunction with the Diffley Partnership



#### SCOTLAND'S DIRECTION OF TRAVEL

Proportion of people saying that things in Scotland are going in the right and wrong direction

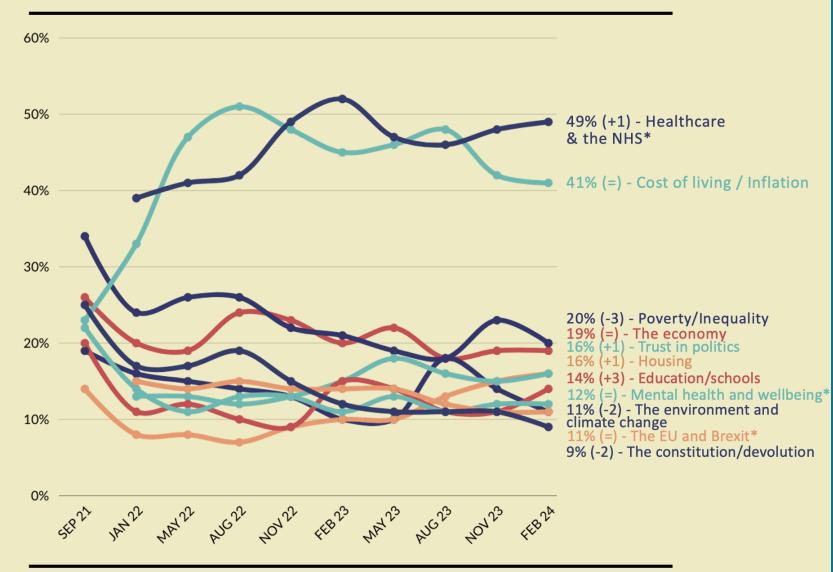


Generally speaking, do you think things in Scotland are heading in the right direction or the wrong direction? Brackets show change from November 2023 Most think Scotland is heading in the wrong direction



#### **PRIORITIES & ISSUES OVER TIME**

Proportion of respondents citing each matter as one of the top three issues facing Scotland



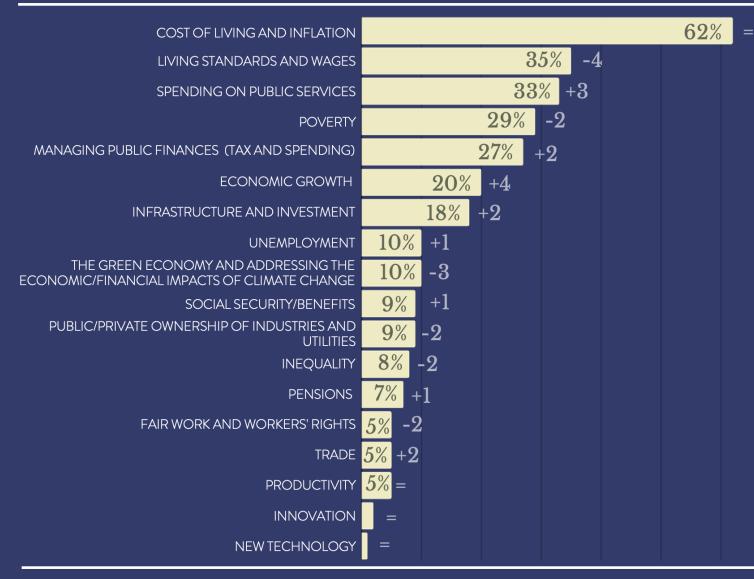
And what do you think are the three most important issues facing Scotland today? (Only selected answer options shown) N.B. An asterisk denotes a new or changed answer item since the first wave in September 2021. Changes in brackets since November 2023

Top 3 priorities: 1. Heathcare & NHS 2. Cost of living 3. Poverty / Inequality



#### ECONOMIC PRIORITIES OVER TIME

Proportion of respondents citing each item as being among the top three issues facing the Scottish economy



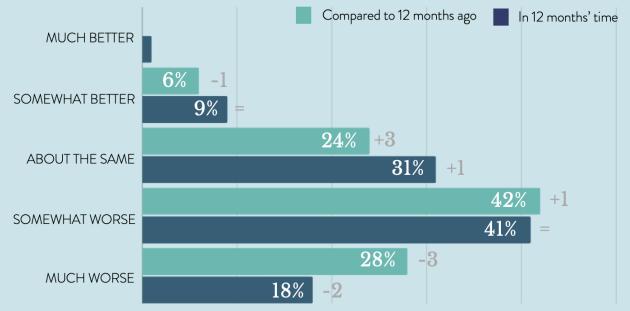
Thinking specifically about economic and financial issues, which of the following do you think are the three most important issues facing the Scottish economy? Numbers outside bars represent percentage point change from November 2023

# Top economic priority is:

# Cost of living and inflation



#### General economic conditions



**Own financial circumstances** 

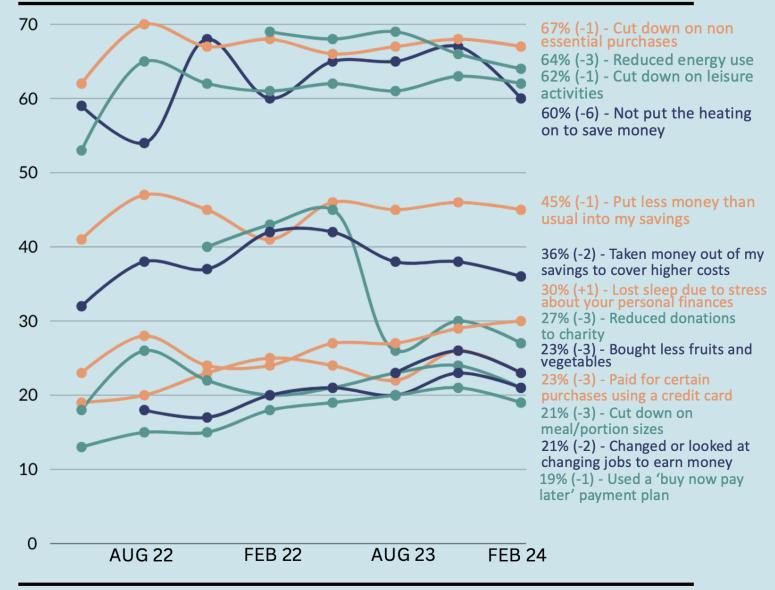


Growing sense that economic conditions are and will remain the same



#### **RESPONSES TO THE COST OF LIVING CRISIS**

Proportion of respondents reporting doing each action to combat rising inflation



Which of the following have you done in response to rising prices and inflation? (Only answer options with data points >=20% shown)

N.B. An asterisk denotes a new or changed answer item. Changes in brackets since November 2023

Little change since the last wave, suggesting a new normal





#### UNDERSTANDING SCOTLAND

A SURVEY FOR SCOTLAND

ECONOMY February 2024

### More information:

### www.davidhumeinstitute.org

### Thank you





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