

Framework for the Resource Spending Review

Evidence submitted to the Finance and Public Administration Committee 21 January 2022

This is a response to the consultation by the Scottish Parliament's Finance and Public Administration Committee on the Scottish Government's [Resource Spending Review Framework](#).

General comments

CIH Scotland is the professional body for housing and we work to support our members to deliver good quality homes and services to people across all housing tenures. We believe that access to adequate housing is a basic human right and that providing good quality homes and services contributes to all of Scotland's National Outcomes.

When considering future resource spending, the Scottish Government must ensure that local authorities have the resources to be able to support the delivery of homes to meet different housing needs - affordable homes for people on low incomes, accessible homes to suit people's changing needs over time, good quality homes in the private rented sector and a range of options for home ownership.

Local authorities have strategic oversight of development through the planning system and local strategies such as Local Development Plans (LDPs), Local Housing Strategies (LHS), Strategic Housing Investment Plans (SHIPs) and forthcoming Local Heat and Energy Efficiency Strategies (LHEES). These strategies need resources to support their development and delivery.

The housing workforce also needs support to ensure that staff have the right skills to deliver professional services to tenants and other customers. In 2019, CIH Scotland [published a report](#) setting out the practical steps required to enhance access to and uptake of housing education in Scotland. The report called for the Scottish Government to:

- Ensure the national careers service communicates the opportunities available in the housing sector to young people leaving school, college and university.
- Invest in and support housing education and make the case for all housing staff to be professionally qualified.



Drawing on feedback from our members and the wider housing sector, CIH also set out [initial views](#) on the content of the new Rented Sector Strategy in 2021 ahead of the Scottish Government consultation that is currently underway. The paper called for greater recognition from the Scottish Government of the need to professionalise the housing sector, improving outcomes for social and private tenants. It recommended:

- A review of professional training and development to consider the appropriate qualifications and standards for housing staff across different tenures and ongoing Continuous Professional Development (CPD) requirements. This should be informed by a review of what impact mandatory qualifications for letting agents have had on improving outcomes for tenants.

Committee questions

1. How clearly does the framework set out the Scottish Government's priorities for the resource spending review?

The Resource Spending Review Framework sets out three clear priorities:

- to support progress towards meeting our child poverty target;
- to address climate change; and
- to secure a stronger, fairer, greener economy.

We agree that these areas are important and that addressing them will contribute towards improving the life chances of people across Scotland by reducing poverty, meeting net-zero emissions targets by 2045 and building back a stronger economy as we recover from the pandemic.

Achieving each of these ambitions will require a housing system that is fit for purpose and a human rights approach to the provision of adequate housing.

The cost of housing has a significant impact on poverty levels with high housing costs impacting households' ability to cover the cost of other essentials and limiting choices about the type and location of housing available. [Analysis from Joseph Rowntree Foundation](#) suggests that comparatively lower housing costs are one of the main reasons for lower poverty rates in Scotland compared to England. However, rising housing costs and cuts to social security from the UK Government make this a very fragile advantage. Three in 10 children in Scotland are living in households that have to spend more than 30 percent of their income on housing. There is a clear need to invest in more affordable housing to tackle child poverty.

The housing sector will also be key to meeting net-zero emissions targets as all homes will need to be energy efficient and the majority of households will need to switch to low or zero-emissions heating by 2045. Local authorities can play a significant role in co-ordinating and supporting this work through HEEPS ABS to



improve homes of those at risk of fuel poverty and strategic oversight through the planning system, housing strategies and forthcoming Local Heat and Energy Efficiency Strategies (LHEES). However, in order to fulfil this role, local government needs resources and skilled staff.

In 2021 CIH launched a new [Professional Standards](#) toolkit for the housing sector. The Professional Standards are based on seven characteristics developed with the housing sector to help housing staff assess their own performance and identify where further development is needed, whether through personal reflection, building professional networks or undertaking training or a qualification. The Professional Standards are free for the housing sector to use but Scottish Government support for professionalisation of the sector would help to embed the importance of appropriate skills and CPD for housing staff.

New housing development and energy efficiency retrofit provide an opportunity to create highly skilled, well paid jobs across Scotland and create communities to support local economies. A [report published by the Existing Homes Alliance Scotland](#) (EHA) in 2021 estimates that between 12,900 and 13,800 skilled jobs could be created in Scotland every year in the energy efficiency and retrofit sector. In addition, the low carbon sector could create and sustain around 3,300 jobs each year based on a population estimate or up to 7,800 jobs based on levels of Renewable Heat Incentive funding attracted to Scotland previously. Scottish Government support for the transition away from fossil fuel towards renewable energy will be key to creating a stronger, fairer, greener economy.

2. What should be the overarching priorities in the resource spending review and how adequately are these currently covered in the framework?

The Framework should be linked to the Scottish Government's existing strategic direction, reflecting the National Performance Framework National Outcomes and more localised strategies.

The overarching priority for the resource spending review should be to make the best use of available resources, delivering value for money for the people of Scotland. The Framework sets out a number of challenges in relation to changing demographics and the need to focus more on prevention and early intervention.

We fully support this approach. The provision of good quality housing is one area where there is significant evidence of successful spend to save approaches and a clear need for greater sharing of resources across portfolios where there are obvious shared priorities.

- Homelessness prevention and Housing First - Analysis of [homelessness and health data](#) carried out by the Scottish Government shows clear links between homelessness and increased use of NHS services including the use of Accident and Emergency, acute hospital admissions, prescriptions, mental health and addictions services. Preventing or addressing



homelessness quickly would achieve significant savings for the health service. In addition, [research into Housing First](#) published in 2017 suggests that early intervention can result in substantial savings across criminal justice, social work, housing and other services. A safe and stable home also provides a foundation for education, training and employment and allows people to establish support networks.

- Warm, energy efficient homes - Good quality homes can help to prevent illness and excess deaths associated with living in a cold home. [Winter Mortality Statistics for 2020/21](#) record 23,370 deaths, the second highest in 30 years. The seasonal increase in deaths of 4,330 was the second highest in more than 20 years.
- Adaptations and accessible homes - Homes that are fit for purpose and can be adapted to meet people's changing needs can help to prevent hospital admissions for accidents such as trips and falls and also prevent the need for more costly residential care.

3. Does the framework properly reflect the current economic and political context?

The Framework does give an overview of the current context and a number of factors that will require budgets to be considered carefully with greater emphasis on our ageing population and the need to expand the provision of social care within a competitive jobs market.

Some additional factors that should be considered include:

- New [population projections](#) published on 12 January 2022 showing expected population decrease from 2028 and further ageing population which will likely further increase pressures on health and social care.
- The impact of Brexit on the cost of and access to goods and labour.
- The longer term impact of the pandemic on working patterns, how this may affect local economies, communities and the way that we live and work. How will this impact the location, type and specification for new homes being built in the future?
- Greater reliance on digital connectivity to support people working from home, reduce social isolation by keeping people connected and as part of the solution to supporting people to live well in their own home for as long as possible.

4. How does the framework approach cross-cutting issues, long-term challenges such as demographic trends, and preventative approaches?

The document identifies that Scotland's ageing population is creating a shift in economic activity and increasing need for access to health and social care services to support people to live well as they grow older. It also mentions the development of the new National Care Service (NCS) as part of the solution. While we agree with the overall aims of the NCS - improving access to services and outcomes for individuals, we have concerns about the lack of consideration given

to the role of housing within the draft proposals. Our concerns were set out in our response to the Scottish Government consultation [available here](#).

The document references the Christie commission, focus on prevention and the need for cross-Government collaboration. As we set out under question three, housing is an excellent example of how investment in one area can have positive impact in others. We strongly agree that there is a need for the benefits of good quality homes and services to be recognised across different portfolios including health and social care and community justice.



About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org.

Contact:

Ashley Campbell CIHCM
Policy and practice manager
CIH Scotland
Ashley.campbell@cih.org

21 January 2022