

PE1946/O: To call on the Scottish Government to pay all charges for homeless temporary accommodation

Cabinet Secretary for Housing written submission, 9 July 2025

Thank you for your letter of 5 June to the Minister for Housing following the committee's consideration of the petition PE1946. I am pleased to respond in my new role as Cabinet Secretary for Housing and look forward to keeping you updated on the work I will be undertaking in this vital portfolio.

The committee requested a response to each point raised by the Association of Local Authority Chief Housing Officers (ALACHO), which I have set out below.

The housing emergency has placed significant pressure on some local authorities. I know that the cost of temporary accommodation – both to the household and local authorities – can be expensive, which is why the government is firmly committed to reducing the number of households in temporary accommodation, and the use of unsuitable accommodation.

The Scottish Government established a Housing Affordability Working Group with the aim of reaching a consensus on a shared understanding of affordability. This short-life group made up of stakeholders and experts is currently finalising its report and I look forward to its recommendations.

I also appreciate the exercise ALACHO, COSLA and the local government directors of finance group are undertaking in partnership with the Scottish Government to better understand the costs, quality and value for money challenges around increasing the use of suitable temporary accommodation and I look forward to seeing the outputs of this work.

I understand that COSLA's housing special interest group has included assessing the shared understanding of affordability as part of its medium/long term actions, which could then inform whether local authorities will apply this to the costs of temporary accommodation.

Charges for temporary accommodation are a matter for individual councils, but councils must take into account what a person can afford to pay. The Scottish Government is willing to work in partnership - as suggested by ALACHO - to increase consistency in monitoring to improve transparency on charges and value for money.

On the Committee's ask on targeted funding, the Scottish Government aims to reduce the demands on temporary accommodation by (i) preventing homelessness in the first place; (ii) moving those in temporary accommodation into settled housing as quickly as possible; and (iii) increasing the supply of affordable homes overall. We have:

- Increased the Affordable Housing Supply Programme budget for 25-26 to £768m, including £40m targeted towards acquisitions to support the local authorities with the most sustained temporary accommodation pressures.
- In 2024-25, brought almost 1,000 homes back into use, through £40m targeted investment in acquisitions and reducing the number of empty social homes; helping reduce the number of homeless households in temporary accommodation.
- Helped an estimated 2,457 households with children into affordable housing in the year to end March 2025.
- Invested £46m in Charitable Bonds, supporting the delivery of around 325 homes.
- Made £1m available in 2024-25 to registered social landlords and third sector partners to help sustain tenancies and prevent homelessness.
- Included an additional £4m in the Ending Homelessness Together budget for 2025-26 to help local authorities, frontline services and relevant partners prepare for the new prevention measures and to help them to respond to the housing emergency by preventing homelessness before it occurs.
- Announced a long-term commitment of £100m for Mid-Market Rent – and with institutional investment we will grow that fund to at least £500m to support the construction of around 2,800 mid-market rent homes.
- As part of our City Deal approach, announced almost £16m of grant funding to City of Edinburgh Council to support the delivery of 847 homes in total, with 387 much-needed affordable homes.
- Through the Scottish Empty Homes Partnership and network of empty homes officers we delivered real results, with 1,875 homes returned to active use in 2023-24.

You may also have noted that last week I announced a £2 million investment in the Scottish Empty Homes Partnership. This will support local authorities to employ Empty Homes Officers who can focus on returning private, long term empty homes into liveable accommodation.

I also note the Committee's highlighting of data gaps on the costs of temporary accommodation. I would like to reassure the committee that to support our active and interventionist approach, the Scottish Government continues to work closely with local authorities and partners to facilitate greater understanding of the costs, impacts and value for money of temporary accommodation provision. We are also exploring the necessary data collection requirements to support the successful implementation of rent controls, using the powers in the Housing Bill.

The Scottish Government has shown its support for local authorities in the challenges they face through targeted support and engagement with the local authorities facing the greatest pressures. I have already seen early indications of the success of this approach and expect that this continues to have a positive impact in addressing the strategic housing system challenges facing local authorities.

It is a priority for me to enhance and expedite actions which can deliver more homes and reduce the number of people facing homelessness. I have already started

meeting with the local authorities facing the most sustained homelessness pressures to discuss the actions we need to take, and intend to complete this round of meeting this week. I will also be meeting with stakeholders and MSPs ahead of Stage 3 of the Housing (Scotland) Bill to ensure it responds to the challenges and opportunities we face.

I hope this response is helpful to the committee.

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