Citizen Participation and Public Petitions Committee Wednesday 4 June 2025 10th Meeting, 2025 (Session 6)

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

### Introduction

Petitioner Sean Anthony Clerkin

**Petition summary** Calling on the Scottish Parliament to urge the Scottish

Government to use general taxation to pay for all charges for homeless temporary accommodation, including writing off the £33.3 million debt owed by homeless people for temporary

accommodation to local authorities.

Webpage https://petitions.parliament.scot/petitions/PE1946

The Committee last considered this petition at its meeting on 13 November 2024.
At that meeting, the Committee agreed to write to the Association of Local Authority Chief Housing Officers and the Scottish Government.

- 2. The petition summary is included in **Annexe A** and the Official Report of the Committee's last consideration of this petition is at **Annexe B**.
- 3. The Committee has received new written submissions from the Scottish Government, the Petitioner and the Association of Local Authority Chief Housing Officers which are set out in **Annexe C**.
- 4. <u>Written submissions received prior to the Committee's last consideration can be</u> found on the petition's webpage.
- 5. <u>Further background information about this petition can be found in the SPICe briefing</u> for this petition.
- 6. The Scottish Government gave its initial response to the petition on 29 July 2022.
- 7. Every petition collects signatures while it remains under consideration. At the time of writing, 7 signatures have been received on this petition.

### **Action**

8. The Committee is invited to consider what action it wishes to take.

Clerks to the Committee May 2025

# **Annexe A: Summary of petition**

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

### **Petitioner**

Sean Anthony Clerkin

### **Date Lodged**

11 July 2022

### **Petition summary**

Calling on the Scottish Parliament to urge the Scottish Government to use general taxation to pay for all charges for homeless temporary accommodation, including writing off the £33.3 million debt owed by homeless people for temporary accommodation to local authorities.

### **Previous action**

Written to Shona Robison on the homeless issue and I have highlighted this issue in various newspapers. Jackie Baillie MSP has been involved in homeless issue as well.

### **Background information**

The issue of the plight of homeless vulnerable people paying large charges for temporary accommodation from local authorities was first highlighted by a recent report from the Legal Services Agency in Glasgow which concluded that the Scottish Government should use general taxation to pay for all charges for temporary accommodation for homeless people.

More recently Homeless Action Scotland have highlighted in a report that working people who are homeless are being forced into serious debt. As they are above the threshold for housing benefits, the report suggests that local authorities are chasing after them using debt collection agencies.

The cost of living crisis will further impoverish many people in Scotland and it is highly likely there will be an increase in homeless applications and homeless assessments therefore the state has to protect our most vulnerable.

It is in this context of terrible financial hardship being experienced by many people in Scotland that I present this petition calling on the State to protect very vulnerable homeless people from this financial burden that will drive many of them into physical and mental ill health.

# Annexe B: Extract from Official Report of last consideration of PE1946 on 13 November 2024

**The Convener:** PE1946, lodged by Sean Antony Clerkin, calls on the Scottish Parliament to urge the Scottish Government to use general taxation to pay for all charges for homeless temporary accommodation, including writing off the £33.3 million debt owed by homeless people to local authorities for temporary accommodation.

We last considered the petition on 7 February, and we asked COSLA about its work on recommendation 14 of the temporary accommodation task and finish group's report, which calls for a benchmarking process for temporary accommodation and greater transparency on charges.

COSLA's response states that its shared understanding with the Scottish Government is that the Association of Local Authority Chief Housing Officers would have to lead on that as housing practitioners and experts, as it was clear COSLA would not have the resource for that type of discrete project.

The Scottish Government's recent written submission to the committee outlines the duty of local authorities to help people who are homeless or at risk of becoming homeless. The Scottish Government notes that it established a housing affordability working group, which conducted focus group research and is developing a shared understanding of housing affordability. The group was due to send recommendations to ministers before the summer recess.

The petitioner's recent written submission points to the housing and homelessness emergency and the cost of living challenges in Scotland. He points to the temporary accommodation debt from 2022, which sat at £33.3 million, and believes that that figure will have increased substantially since that time.

Do members have any comments or suggestions for action?

**David Torrance:** I wonder whether the committee would consider writing to the Association of Local Authority Chief Housing Officers, seeking information about its work on recommendation 14 of the temporary accommodation task and finish group report. We could also consider writing to the Scottish Government to request further information about the housing affordability working group recommendations and to ask what actions the Scottish Government intends to take in response.

**The Convener:** There are two suggestions from Mr Torrance. If there are no other suggestions from the committee, are we content to agree to proceed on that basis?

### Members indicated agreement.

**The Convener:** We will keep the petition open and make those requests, and further examine the options at a later date.

### **Annexe C: Written submissions**

### Scottish Government written submission, 12 December 2024

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

Thank you for your correspondence of 20 November 2024 to Kirsty Henderson, the Committee Liaison Officer, seeking information about the Housing Affordability Working Group's recommendations and what action the Scottish Government intends to take in response, in relation to Petition <a href="PE1946">PE1946</a>. I am responding as Housing Affordability Policy Manager within the Better Homes Division, with responsibility for secretariat of the Housing Affordability Working Group.

The <u>Housing Affordability Working Group</u> brought together stakeholders and experts from across Scotland's housing sector with the aim of reaching a consensus on a shared understanding of housing affordability.

With an initial focus on the rented sector, the group has explored the underlying meaning of affordability and its different uses within housing debates, policy and practice. The group has not been asked to find solutions to housing affordability problems, nor has it been asked to focus specifically on homeless households. Rather, members have worked together to agree a shared understanding of what housing affordability is and how it should be measured, in order to support a range of policy and sector requirements across relevant areas.

The group is currently finalising its report and recommendations, which we expect will be completed soon. We had previously indicated the group would report before summer recess 2024, but reaching a consensus between the wide range of stakeholders in this independent group has taken time. Once the report has been shared with us, the Scottish Government will carefully consider the group's recommendations and provide a response.

I would be happy to share a copy of the report with the Citizen Participation and Public Petitions Committee once available.

### **Better Homes Division**

## Petitioner written submission, 11 January 2025

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

The Scottish Government's recent submission to petition PE1946 in relation to the work of the Housing Affordability Working Group is very troubling.

This Working Group in considering a shared understanding of housing affordability has completely ignored the very high costs of temporary accommodation for homeless people in Scotland, with only one member of the working group from the minutes of the 21st May 2024 protesting that the high costs of homeless temporary

accommodation should be included. The whole exercise is yet another working group going nowhere.

The massive rise of 9% in homeless people being in temporary accommodation increasing to a record 16,330 homeless people including 10,110 children in 2023-2024 shows that the main contention of this petition is more important than ever. General Taxation should be used to pay for the costs of temporary accommodation and that the Scottish Government should write off the £33.3 million plus debt owed to local authorities by homeless people for the very high costs of temporary accommodation as it is obvious that homeless people will never be in a position ever to pay these debts off.

I would urge members of this Committee to support this petition and write to the Scottish Government accordingly urging that they implement the main objectives of the petition. Or at the very least the Committee should bring the Minister for Housing, Paul McLennan before the Committee and force him to answer questions about the issues raised by this petition.

# Association of Local Authority Chief Housing Officers written submission, 8 April 2025

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

### Introduction

ALACHO is the membership body for senior housing and homelessness officers working in local government. Our purpose is to provide impartial advice and comment to support the development of legislation, policy and practice in housing and homelessness nationally and locally and to promote best practice and improved outcomes from our housing at all levels. In doing so, we seek to reflect the diversity of views of our members which, in themselves, reflect the range of local contexts in which they work.

Our members are involved in a variety of policy discussions with the Scottish Government, COSLA and other organisations. More details about our work can be found on <u>our website</u>.

This paper has been prepared in response to a request from the Scottish Parliaments Petitions Committee for comment on Petition PE1946: To call on the Scottish Government to pay all charges for homeless temporary accommodation.

### **Background**

Petition PE1946 was first considered the Petitions Committee in July 2022 and reads as follows:

'Calling on the Scottish Parliament to urge the Scottish Government to use general taxation to pay for all charges for homeless temporary accommodation, including writing off the £33.3 million debt owed by homeless people for temporary accommodation to local authorities.'

Councils have a statutory power to charge for temporary accommodation, but the charge must be "reasonable". There is, however, no definition of this either in the statutory guidance or case law.

Most homeless applicants spend some time in accommodation at some point whilst they are homeless but at any given time, around 48% of applicants make their own accommodation arrangements. Most are placed in self-contained flats or houses provided either by a council or a Registered Social Landlord (RSL). Some councils also lease self-contained accommodation from private landlords.

However, as the housing emergency has developed some councils have been unable to meet the need for temporary housing directly and have placed a significant number of applicants in bed and breakfast or hotel accommodation.

The Committee has received a number of representations including several from the Scottish Government as well as from COSLA and Shelter. Mr. Clerkin, the petition's author, has also provided a number of further observations.

Between them, they seem to provide most of the relevant facts so there is no need to go over them further here. In their response dated 24 November 2024 the Scottish Government was clear that they have no plans to pay the cost of temporary accommodation.

#### The current situation

What we know about the financing of temporary accommodation

ALACHO's view is that it's not unreasonable to ask those living in temporary accommodation to pay rent. We are aware that there are long standing concerns about current rent charges. But we have too little information on the financial arrangements that sit behind the provision of temporary accommodation to come to a clear view how "reasonable" rents are or what impact rent debt is having after applicants move into settled accommodation.

Our current data gaps include:

- The cost of provision;
- The variation of costs between councils and accommodation types;
- Charges to occupants;
- Service levels:
- The % of the total charge that is covered by Housing Benefit;
- The number of those in temporary accommodation not entitled to full or partial housing benefit;
- The use of Discretionary housing payments to support those in temp; and
- The extent to which debts are being collected after individuals move on.

As a result, it isn't possible to be clear about value for money or say how much it would cost to fund temporary accommodation through general taxation or what the impact would be if charges were restricted to any given level.

### Charges for temporary accommodation

We do know that rent charges vary significantly between councils. The most recent survey carried out by ALACHO for the 2024/25 financial year included weekly charges for self-contained accommodation varying between around £69 to £358.

Most of those in temporary accommodation are eligible for and claim housing benefit. In most cases, housing benefit will cover the full cost to the resident with a deduction for heating or "board" where this is included in the rent charge.

The DWP pays some, but not all of the cost to the Council depending on the type of accommodation.

Arrears are likely to arise where:

- There is charge that isn't eligible for benefit, like "board", or heating and this isn't paid by the applicant;
- Where a benefit claim is late or missed: and
- Where the applicant is in work and is assessed as liable to pay some of the rent charge from their own income but don't make the necessary payment.

These rules are identical to those applied to non-homeless applicants in similar circumstances.

Councils work hard to ensure that those in temporary accommodation receive all the benefits they are entitled to. However, it is clear that this isn't always successful and, in some cases, arrears can rise quite quickly.

Councils also take a proportionate approach to collecting any arrears that do arise. This includes writing off the debt when this is the most appropriate way forward.

### **Cost to councils**

The % of benefit paid by the DWP to the council varies depending on the type of accommodation. The current subsidy calculation for those in temporary accommodation is as follows:

Local Authority homeless accommodation is treated as a rent rebate and not based on the Local Housing Allowance. It is subject to an upper cap limit £375 per week.

Board & Lodging (non-self-contained) including Bed and Breakfast/Hotel Accommodation, which is set at the lower of the:

- weekly (or part-weekly) housing benefit entitlement;
- the one-bed Local Housing Allowance rate for January 2011; or
- upper cap limit of £375 cap.

Leased or licensed self-contained accommodation, including accommodation leased to a council by a private landlord or RSL. The level of subsidy payable is the lowest of the:

- weekly (or part-weekly) housing benefit entitlement;
- 90% of the relevant January 2011Local Housing Allowance rate; or
- upper cap limit of £375.

Where temporary accommodation is provided in "board and lodging" or "leased or licenced" accommodation, councils will receive significantly less from the DWP than the benefit payment to the applicant.

ALACHO members have estimated that this subsidy loss (and therefore direct cost to the Council) was at least £49m in 2023/24.

The rapid increase in the number of households in temporary accommodation has resulted in a significant rise in costs to council. This has been particularly marked for the six stock transfer councils where leased properties make up a significant % of the temp they provide. Those that are making significant use of "board and lodging" accommodation have also faced rapidly rising costs.

The relative complexity of these arrangements means that costs for temporary accommodation are spread across a number of accounting areas, making it difficult to see the whole picture.

### **Conclusions and suggested further actions**

The funding and charging arrangements for temporary accommodation are complicated and not well understood.

Some applicants face rent charges that they consider unaffordable, some also accrue significant arrears during what can be an extended period in temporary housing.

The current housing emergency has driven a significant rise in the numbers in temporary housing and, in some areas, a rapid rise in the use of accommodation that doesn't meet the requirements of the unsuitable accommodation order or, more importantly, the needs of many homeless people.

Significant numbers of applicants have opted not to take up temporary accommodation. Whilst we know too little about this group, there are good grounds to believe that some have made their own arrangements because the accommodation offered was either unsuitable or too expensive.

The Scottish Housing Regulator is clear that part of the route out of the current housing emergency will involve an increase in the use of temporary accommodation, particularly directly provided or leased accommodation in order to eliminate breaches of the temporary accommodation order.

ALACHO, COSLA and Directors of Finance Scotland (DOFS) (our sister organisation representing chief finance officers in local government) are working with the Scottish Government to get a better understanding of the costs, quality and value for money challenges involved.

We do not think that there is any case for the Scottish Government to take on the cost of funding temporary accommodation or to write off existing arrears.

But we do think that there is a case for targeted funding to support the acquisition of additional, directly provided temporary accommodation to support councils to meet their statutory obligations and provide the quality of temporary accommodation that homeless applicants are entitled to expect.

We also think there is a case for a more consistent approach to accounting for the cost of temporary accommodation to improve transparency around charges and value for money.