Citizen Participation and Public Petitions Committee

7th Meeting, 2023 (Session 6), Wednesday 3 May 2023

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

Petitioner Sean Anthony Clerkin

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

Webpage <u>https://petitions.parliament.scot/petitions/PE1946</u>

#### Introduction

- 1. The Committee last considered this petition at its meeting on <u>22 October 2022</u>. At that meeting, the Committee agreed to write to the Scottish Government and Shelter Scotland.
- 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 responses from the Scottish Government, Shelter Scotland and the petitioner which are set out in **Annexe C**.
- 4. Written submissions received prior to the Committee's last consideration can be found on the <u>petition's webpage</u>.
- 5. Further background information about this petition can be found in the <u>SPICe</u> <u>briefing</u> for this petition.

- 6. The Scottish Government's initial position on this petition can be found on the <u>petition's webpage</u>.
- 7. The Scottish Government's Temporary Accommodation Task and Finish Group published its <u>final report</u> on 30 March 2023. The group made two recommendations about charges for temporary accommodation:
  - **Recommendation 14:** COSLA should undertake a benchmarking process on TA and there should be greater transparency on charges of TA by individual local authorities. (page 21)
  - **Recommendation 15:** The Scottish Government should review the guidance to local authorities on setting charges for TA by clearly defining the terms "reasonable charge" and "affordable". (page 21)
- 8. To take forward this work, the group recommended that the Scottish Government should set up a working group to examine financing and the cost of temporary accommodation.
- 9. Longer-term solutions identified in the report included phasing funding towards making temporary accommodation free at the point of use by restructuring the funding model (Appendix 5).
- 10. Mark Griffin MSP lodged <u>S6M-08685</u> and on Wednesday 26 April 2023, a Scottish Labour Party debate took place (<u>Homelessness Prevention and Housing</u> <u>Supply</u>.)

#### Action

The Committee is invited to consider what action it wishes to take on this petition.

#### Clerk to the Committee

### Annexe A

## 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 the Official Report of last consideration of PE1946 on 22<sup>nd</sup> October 2022

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

Sean Clerkin tells us that vulnerable homeless people, including working people, "are being forced into serious debt."

His recent submission highlights the increase in the number of homeless households in temporary accommodation over recent years and states that the situation will worsen given the cost of living crisis. He says that, without the action that is called for, the financial burden and further poverty will drive many people into physical and mental ill health.

The SPICe briefing that the committee received states that councils use different methods of calculating charges for temporary accommodation and that a Social Bite report found that there was wide variation in costs, which ranged from £65 to £400 per week. The Legal Services Agency published a report that noted

"varying levels of detail in local authority policies and varying regard for, and definition of, the affordability of temporary accommodation."

The LSA recommends that, in the longer term, charging individuals for temporary accommodation should be prohibited.

The Scottish Government's response highlighted its forthcoming housing bill, which will seek to prevent homelessness through principles of shared public responsibility, earlier intervention and increased housing choices for individuals. It has also established a temporary accommodation task and finish group, which will review charging practices and affordability concerns.

Do members have any suggestions or comments in relation to the petition?

**David Torrance:** Perhaps the committee could keep the petition open and, in doing so, write to the Scottish Government to ask whether the forthcoming housing bill will include provisions to prohibit local authorities from charging individuals for the provision of temporary accommodation, and whether the Government will give consideration to paying for temporary accommodation for homeless people and to waiving the outstanding debt that is owed by homeless people to local authorities for temporary accommodation.?

**Alexander Stewart:** I am content to support Mr Torrance's calls, convener. As you indicated in your opening remarks, there is no doubt that the cost of living crisis will have a knock-on effect on all of this, and there might well be a need to clarify what

will be developed in the housing bill so that we can make progress. Without that, the situation could spiral into a much larger issue for many local authorities and individuals.

**Paul Sweeney:** I propose that we invite Shelter Scotland to make a submission on the petition, as it might have some important insights.

The Convener: I am happy to accommodate that.

As there are no further suggestions, are members happy to keep the petition open and proceed on that basis? We can consider the petition afresh when we receive the submissions that we are now seeking.

Members indicated agreement.

#### Annexe C

### Scottish Government submission of 24 November 2022

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

In response to the Committee's question on the forthcoming Housing Bill, I can advise that provisions to prohibit local authorities from charging individuals for the provision of temporary accommodation have not been considered for inclusion in this Bill. Instead, the Bill will focus on rented sector reforms, further strengthening existing rights for tenants, and introduce new homelessness prevention duties. These duties, as well as amending existing homelessness legislation to allow local authorities to act at an earlier stage, will ensure that public bodies 'ask and act' about potential homelessness. Our approach is guided by the principles that prevention should be a shared public responsibility and, by intervening at an earlier stage and encouraging services to work together to respond to people's needs, we can ensure fewer households experience the disruption and trauma of homelessness or the need to use temporary accommodation.

The Housing (Scotland) Act 1987 allows local authorities to make reasonable charges for temporary accommodation. Charges for local authority homelessness services have to cover the funding for providing the temporary accommodation, as well as staffing costs for providing these services. Temporary accommodation charges are a matter for individual councils and are based on local need.

Homeless Action Scotland's <u>Exclusion of Working Homeless</u> report shows that working people are less likely to take up offers of temporary homeless accommodation because they are put off by the higher charges, and that there are inconsistencies in local authority pursuance of any debt associated with the cost of temporary accommodation.

The Scottish Government encourages all local authorities to take a person-centred approach and to take individual circumstances into account when deciding how much to charge for temporary accommodation. The Legal Services Agency's report on <u>temporary</u> <u>accommodation charges</u> recommends that local authorities' policies on charges for temporary accommodation should align with the human right to adequate housing and the Code of Guidance on Homelessness. The Code states individual circumstances must be taken into account when charges are set.

The Scottish Government agrees that the cost of temporary accommodation – both to the household and local authorities – can be expensive. In line with Housing to 2040 commitments, we have established a short-life working group of stakeholders and experts from across the housing sector, including tenants and tenant groups, to develop a shared understanding of housing affordability to help us better understand the housing affordability problems experienced by particular groups. This group will consider the impact of charging practices on the use of temporary accommodation.

Regarding the Committee's question on paying for temporary accommodation, the Scottish Government's policy towards local authorities' spending is to allow local authorities the financial freedom to operate independently. As such, the vast majority of homelessness funding provided to local authorities in the annual local government finance settlements has been included in the block grant. In addition to the funding provided through the local government settlement, we are providing local authorities an annual share of £23.5 million for homelessness prevention and response measures in 2022-23. We are also providing local authorities with an annual share of £8 million to support the implementation of rapid rehousing transition plans, which aim to reduce the use of temporary accommodation by moving people into settled accommodation as quickly as possible.

Following savings of £560 million announced on 7 September, the Deputy First Minister announced additional savings of £615 million as part of the Emergency Budget Review to support the urgent priorities of enhancing public sector pay and cost of living support while maintaining a route to complying with Ministers' responsibility to balance the budget. This financial context places unprecedented pressure on the Scottish Budget for 2023-24, reducing its ability to commit to significant new programmes of expenditure.

The Scottish Government has no plans to pay for homeless temporary accommodation nor waive the outstanding debt owed by homeless households to local authorities for temporary accommodation. Instead,

our preferred approach is to reduce the use of temporary accommodation which is why, as previously stated, we have commissioned an expert group to work with us to find solutions.

I hope this response is helpful to the Committee in its consideration of petition PE1946.

# Shelter Scotland submission of 28 November 2022

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

We are responding to the Committee's request for information as part of their consideration of PE1946.

- Temporary accommodation is a crucial part of Scotland's rightsbased homelessness system and the fulfilment of the UN right to adequate housing.
- The current system can lead to inflated temporary accommodation charges which can act as a barrier to working households and those not eligible for housing benefit.
- A change in the financing of temporary accommodation is overdue.
- A sub group of the Homelessness Prevention and Strategy Group is set to consider financing of temporary accommodation in early 2023.
- An audit of existing homelessness funding should be undertaken to identify potential funding gaps and ensure money is targeted in the right places.
- Prioritising delivery of the social homes required to reduce housing need will reduce both the backlog and time households are stuck in expensive temporary accommodation.

All households experiencing homelessness should be able to access affordable temporary accommodation which meets their needs. However, the current financial arrangements for temporary accommodation mean that charges are often significantly higher than social rents. This creates a barrier for working households and those not eligible for housing benefit/universal credit. It can lead to a poverty trap whereby households are disincentivised from taking up employment or further education opportunities if it means their housing benefit entitlement will change, and their temporary accommodation becomes unaffordable to them as a result. It can also act as a barrier to households experiencing homelessness whereby they do not seek or take up support and the rights to which they're entitled when they cannot afford the accommodation charges.<sup>1</sup>

A recent report from Legal Services Agency<sup>2</sup> found that all Scottish local authorities issue some charges for the provision of temporary accommodation and use varied methods to calculate charges, resulting in a postcode lottery for homeless people. Whilst the law requires that charges for temporary accommodation must be reasonable, the report found that whilst local authorities consider affordability when setting their charges, they do not currently take individual circumstances into account.

Action is needed to ensure people aren't locked into a temporary accommodation system that makes them poorer or leaves people's lives on hold by preventing them from finding work. The cost of temporary accommodation to individuals must be addressed to ensure that people's housing and homelessness rights can be realised.

A subgroup of the Homelessness Prevention and Strategy Group (HPSG), the Task and Finish group on Temporary Accommodation, is due to conclude its work in 2023. The report and recommendations from the group may be useful for the Committee as part of their deliberations.

#### **Scottish Housing Emergency Action Plan**

Our Scottish Housing Emergency Action Plan<sup>3</sup>, launched in response to the growing national housing emergency, calls on the First Minister to spearhead a plan to protect households from homelessness and to reduce affordable housing need by 2026.

As part of this Emergency Action Plan, we have called for homelessness services to be fully funded, and for the Scottish Government to conduct an audit of existing homelessness funding at both local and national

- <sup>2</sup> LSA (2021) <u>Charges for temporary homeless accommodation in Scotland: law and reality</u>
  <sup>3</sup> Shelter Scotland (2022)
- https://scotland.shelter.org.uk/professional resources/policy library/scottish housing emergency act ion plan

<sup>&</sup>lt;sup>1</sup> For example, Crisis (2021) <u>The experiences and impact of in-work homelessness across Britain</u> and HAS (2022) <u>Exclusion of working homeless</u>

levels so that potential funding gaps can be identified and money targeted in the right places, including on temporary accommodation.

And prioritising the delivery of social homes needed to reduce housing need will reduce the backlog in temporary accommodation. This will ensure people are not trapped in expensive temporary accommodation for lengthy periods of time, and instead are able to move on and build their lives in a settled home which meets their needs.

#### Petitioner submission of 1 December 2022 PE1946/E: To call on the Scottish Government to pay all charges for homeless temporary accommodation

The submission by the Scottish Government is completely unacceptable for the times we live in where social rented tenants have record rent arrears of £169 million according to the Scottish Housing Regulator, private rented tenants have rent arrears estimated to be £126 million according to a study by Glasgow University and currently in Sheriff Courts throughout Scotland Banks are securing orders repossessing people's family homes all resulting in record amounts of homelessness in Scotland during this cost of living existential crisis.

In Glasgow alone I recently received a Freedom of Information response from Glasgow City Council that as at 1st October 2022 a record 6,634 homeless people are living in often unsuitable temporary accommodation with 2,677 of them being children. The same council has breached the unsuitable accommodation order on 2,013 occasions, another record number. The dam has burst and all the talk about preventing homelessness is a red herring when we have thousands of families being chased through the courts by Local Authorities for the sky high charges for temporary accommodation. Glasgow City Council admitted to me in another freedom of information request that they chase after the homeless for the £4 million that they are owed. Overall as the petition states, all 32 local authorities have accrued £33.3 million debt and most Local Authorities are making the lives of homeless people and their families a living hell of stress and worry beyond our normal comprehension.

In addition we have working homeless coming through this unworkable system who due to the high costs of temporary homeless

accommodation are forced onto the streets, sofa surfing, and sleeping in cars or vans. The system is unworkable and broken now and our vulnerable people need help now and not through some working group that will just be looking at this issue in the future. Thousands of people need help immediately not the Scrooge like statement in the Scottish Government statement that cruelly and callously says, "The Scottish Government has no plans to pay for homeless temporary accommodation nor waive the outstanding debt owed by homeless households to local authorities for temporary accommodation."

The above to me is the Scottish Government washing its hands of the poorest and most vulnerable people in our nation and I condemn the Sturgeon Government for abandoning its own people when the same Scottish Government can give £65 million lethal war aid for the war in Ukraine and can give £6.5 million to the arms industry in Scotland but not help our people most in need.

I stand by our petition as being truth to power and warn you all that civil unrest is a real possibility in the days and months to come as you can only drive people so far before the dam bursts.

#### Petitioner submission of 24 March 2023 PE1946/F: To call on the Scottish Government to pay all charges for homeless temporary accommodation

As of 1st March 2023, 6,634 homeless people are living in temporary accommodation in Glasgow with 2,778 of them being children often living in unsuitable temporary accommodation with those not qualifying for housing benefit having to pay £169 per week for a temporary furnished flat in Glasgow and for those living in hostels having to pay £382 per week to Glasgow City Council commencing on 3rd April 2023. Glasgow City Council are currently chasing the homeless for debt to the value of £4 million through the courts.

The above reinforces the validity of Petition 1946 and with a change in First Minister about to take place I believe the committee should reconsider re-submitting this petition to the Scottish Government to write off the £33.3 million debt of homeless people in temporary accommodation in Scotland and to pay the current charges of homeless people in temporary accommodation in Scotland as the numbers are rising because of the cost of living crisis. People need help now not more platitudes from Scottish Government politicians.