Citizen Participation and Public Petitions Committee Wednesday 13 November 2024 17th Meeting, 2024 (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 7 February 2024. At that meeting, the Committee agreed to write to COSLA 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 COSLA, the Scottish Government, 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 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 November 2024

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 7 February 2024

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

We last considered this petition on 3 May 2023, and in its recent response to the committee, the Scottish Government outlined its planned work on two relevant recommendations from the Temporary Accommodation Task and Finish group's report. On recommendation 14, which calls for a benchmarking process for temporary accommodation and greater transparency in charges, the Scottish Government has stated that it will engage with the Convention of Scottish Local Authorities as necessary.

As for recommendation 15, which calls for a review of the guidance to local authorities on setting charges for temporary accommodation by clearly defining the terms "reasonable charge" and "affordable", the housing affordability working group has been developing a shared understanding of housing affordability with a critical review of the main working definitions and their different uses in policy and practice that could help clarify the relevant guidance.

The petitioner points out that there was a 27 per cent increase in households living in temporary accommodation between March 2020 and March 2023. He also notes that local authorities in Edinburgh, Glasgow and Argyll and Bute have declared housing emergencies, and he calls on the committee to pressurise the Scottish Government to act.

Do members have any comments or suggestions for action?

David Torrance: I wonder whether the committee would consider writing to COSLA to seek its views on the action called for in the petition and to ask for information about its work on recommendation 14 from the Temporary Accommodation Task and Finish group report. In particular, the committee could ask about the engagement that COSLA has had so far with the Scottish Government on this work.

The Convener: We could also write to the Scottish Government to ask how it intends to address the concerns about those existing households with a debt arising from temporary accommodation charges that have already been accrued. In particular, the committee would, I think, be interested to know how on-going household debt from temporary accommodation aligns with the Government's priority to reduce the number of households in temporary accommodation by 2026.

Are colleagues content with both those proposals?

CPPP/S6/24/17/8

Foysol Choudhury: Should we ask the councils, too? After all, I think that they, too, are under pressure. When we did the round table with local communities, we found that—

The Convener: I just wonder whether, if we are already writing to COSLA, we are potentially accommodating that approach through that body.

Do members agree with the proposed course of action?

Members indicated agreement.

Annexe C: Written submissions

Scottish Government written submission, 12 March 2024

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

Thank you for your letter of 14 February following the Committee's consideration of the petition PE1946 at its meeting on 7 February, which included the recent submission from the petitioner, submitted on 14 January, alongside the Scottish Government's previous response to the Committee in September 2023.

The Committee asked how the Scottish Government intends to address concerns about those existing households where debt arising from temporary accommodation charges has already been accrued.

We hear those concerns and we are well aware that rental and other debts play a part in people's journeys into and out of homelessness. Local authorities have a legal duty to help people who are homeless or at risk of becoming homeless, which includes providing information and advice on homelessness and the prevention of homelessness. The Homeless Persons Advice and Assistance (Scotland) Regulations 2002 (SSI 2002 No.414) prescribe the types of advice and assistance that local authorities must provide at minimum to homeless applicants and applicants threatened with homelessness who have become homeless intentionally. The financial advice provided must be appropriate to an applicant's circumstances and can include:

- advice on the availability of personal benefits, grants (including from Scottish Welfare Fund) and loans directly or indirectly related to the provision of housing;
- advice on rent and mortgage arrears and the financial implications of home ownership;
- advice on the management of personal finance;
- advice on rent guarantee and deposit schemes; and
- advice on specialist agencies providing financial advice to individuals.

However, working against these efforts is the UK Government's continuing freeze of temporary accommodation Local Housing Allowance (LHA) rates at 2011 levels. This has affected all broad rental market areas in Scotland and can lead to significant shortfalls between benefits received and a household's rent. LHA rates for other private rental properties are being raised to the 30th percentile of market rates from 1 April 2024, but rates for temporary accommodation will remain frozen. LHA rates setting is a reserved matter and the Scottish Government has called for immediate action to link rates to rents.

Local authorities also have a responsibility to ensure that charges for accommodation are reasonable for the applicant. The Scottish Government established a Housing Affordability Working Group to bring together stakeholders from across Scotland's housing sector to reach consensus on a shared understanding of housing affordability. Commissioned by the working group, recent

CPPP/S6/24/17/8

focus group research among the public found there was no consensus on the best measure or definition of housing affordability. However, participants agreed that it must be clear, specific and relative to tenants' everyday lives and finances; reflect the realities of the rental market; emphasise fairness and dignity for tenants; and consider what is realistic, affordable and allows for 'future-proofing', especially for people living on benefits or the minimum or living wage. The working group is developing a shared understanding and will be sending recommendations to ministers before the summer recess.

In addition, since 2017, the Scottish Government allocates funding annually to local authorities for Discretionary Housing Payments (DHPs). DHPs are awarded if a local authority considers that a housing benefit or universal credit (including the housing element) claimant requires further financial assistance towards housing costs. DHPs can be backdated to help pay rent arrears caused by a benefits shortfall. In 2024-25, the Scottish Government will invest over £90 million in DHPs, an increase of over £6 million from 2023-24.

There are other ways a household can be supported if they are accruing debt or rent arrears as result of their housing costs. For example, housing costs can be paid straight to the tenant's landlord instead of being part of their universal credit payment. There is also help available for energy costs, such as the Winter Heating Payment and Warm Home Discount Scheme, and people with low incomes may be eligible for help through Council Tax Reduction.

The Committee also asked how unaddressed household debt arising from temporary accommodation charges aligns with the Scottish Government's commitment to reduce the number of households in temporary accommodation by 2026.

The Scottish Government has acknowledged the cost of temporary accommodation – both to the household and local authorities – can be expensive. Reducing the number of households in temporary accommodation is necessary for a number of reasons, one of which is to reduce the financial impact on both local authorities and tenants.

The current economic context is one of the most challenging in recent history, both for national and local governments. The Scottish Government already provides funding to councils to deliver homelessness services through the local government settlement. We also provide funding to local authorities for their rapid rehousing transition plans to help them prioritise settled housing over temporary accommodation. It is a decision for individual councils to waive debts owed to them for temporary accommodation.

We will be making record funding of more than £14 billion in 2024-25 available to local authorities – a real-terms increase of 4.3% compared with the previous year. To enable local authorities to make best use of the resources they have, the Scottish Government's policy towards local authorities' spending is to allow local authorities the financial freedom to operate independently. Individual councils set their own temporary accommodation charges but, in deciding what is a reasonable charge for temporary accommodation, the local authority should take account of what the homeless household can pay in the longer term.

CPPP/S6/24/17/8

The forthcoming homelessness prevention duties will help public bodies identify households potentially at risk of homelessness at a much earlier stage, consequently reducing their chances of making a homeless application and needing to use temporary accommodation at all.

I hope this response is helpful to the Committee.

Directorate for Local Government and Housing

COSLA written submission, 15 April 2024

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

COSLA's Community Wellbeing Board were broadly content with all the recommendations from the Task and Finish Group. In relation to Rec 14, it was our shared understanding with the Scottish Government that ALACHO (the Association of Local Authority Chief Housing Officers) would have to lead on this as housing practitioners and experts, as it was clear COSLA would not have the resource for this type of discrete project.

Petitioner written submission, 28 October 2024

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

This petition is more important than ever in that we are now in a housing and homeless emergency in Scotland where more people are homeless and more of them are in temporary accommodation.

Homeless people are struggling to survive in a harsh cost of living climate in 2024 and it is vital that the state steps in to pay the full costs of the very expensive temporary accommodation from general taxation.

In addition, the full cost of debt to be paid by homeless people back in 2022 was £33.3 million. That figure will have increased substantially since I first wrote this petition. Therefore, I again state that the Scottish Government should recognise that local authorities will never get this debt paid off, therefore this total debt should be written off as stated in the petition.

Homeless people are in dire financial straights and I believe that this petition is more relevant than ever. I would urge members of the Committee to refer the petition on to the appropriate committee of the Scottish Parliament for further consideration given that we living in the middle of a housing and homeless emergency.