



COSLA Submission to the Scottish Parliament's Local Government, Housing and Planning Committee

COSLA welcomes the opportunity to provide written evidence to the Scottish Parliament's Local Government, Housing and Planning Committee on the Housing to 2040 Strategy. As well as oral evidence on 20 February to the Committee.

We have taken the opportunity to provide views on the fairly recent announcement on the Affordable Housing Supply Programme (AHSP) that impacts upon a key headline target of the Housing to 2040 Strategy, as well as briefly responded to the questions posed by the Committee. Our response has also been informed by Local Government professional practitioners from ALACHO and Solace.

Presently, there is a major housing crisis in many parts of Scotland. Local Government and in particular its largest city councils do not have enough homes available or in the pipeline to meet the needs of Scotland's existing and new populations. This lack of housing represents one of the biggest challenges that Local Government and its partners face.

Over the course of the last year there has been a record number of homelessness applications in Scotland. As well as the increasing and very high levels of demand on housing waiting lists within the housing system with around 15,000 people in Temporary Accommodation including 9,500 children.

Housing demand is also increasing as a result of pressures from the humanitarian protection programmes that local authorities participate in. Also related to this humanitarian work are the housing needs of around 32,975 (*January 2024**) displaced people in Scotland fleeing the war in Ukraine through the Homes for Ukraine and Scottish Super Sponsor schemes as well as Visa and Extension Schemes.

Effective policy interventions are made more difficult because of the lack of coherence between the UK and Scottish Government humanitarian programmes and with approaches to address the unprecedented housing and homelessness challenges that Local Government faces more broadly.

COSLA has responded to the housing crisis politically by establishing a Housing Special Interest Group (SIG) chaired by COSLA's Community Wellbeing Spokesperson.

Background

Investment in housing is critical for everyone and supports our ambition for local and national economic growth and the Housing to 2040 Strategy. Housing investment also needs to be prioritised, given its impact on poverty, communities and the economy, and this is supported by COSLA Leaders.

The recent Scottish Budget cut of the Affordable Housing Supply Programme funding by £196.1m – about 30% was very disappointing. The Programme provides funding for councils and registered social landlords to build or buy houses.

As mentioned councils across Scotland are already experiencing a housing crisis with some local authorities declaring a housing emergency. The impact of the budget cut to the Affordable Housing Supply Programme will mean there is a reduction in the number of affordable homes available within our communities, which are intrinsic to addressing the record level of homelessness across the country.

The housing construction industry is also vital to support our local and national economy, given it supports local jobs and skills. This cut will impact this important sector as well as local council teams, registered social landlords, and will have a negative impact for both local and national construction businesses, with some already going into administration

The cut to the Affordable Housing Supply Programme (AHSP) has been severe and this will cause disruption in the planning and construction of housing over future years due to the inconsistency with the level of funding to meet the Housing to 2040 Strategy. The huge cut in the AHSP will also have an impact on local economies and more importantly homelessness.

Additionally, the budgetary cut could make it difficult for local authorities to deal with other issues such as RACC. As well as put local authorities at potential risk of not being able to meet their statutory duties with respect to homelessness and unsuitable accommodation.

- **Building enough homes or bringing enough homes back into use to meet Scotland's current and future housing needs**

Our view is that not enough homes are being built or being brought back into use to meet Scotland's current and future housing needs, especially in the context of the recent significant cut to the Affordable Housing Supply Programme (AHSP) that will highly likely impact the Housing to 2040 Strategy's key target for the provision of 110,000 new homes by 2032.

Presently, there are around 43,000 homes in Scotland that have been empty for six months or more, of these about 28,000 have been empty for more than 12 months. Some action has been taken in regard to empty homes including the Scottish Empty Homes Partnership and the ability for local authorities to increase the tax payable on these properties through the Local Government Finance (Unoccupied Properties etc) (Scotland) Act 2012. We also welcome the recent changes to be made to LBTT and ADS that will mean local authorities receive tax relief similar to housing associations, when they purchase residential properties for the benefit of increasing housing availability in local communities.

That said, despite the number of empty properties involved and the good will to make the repurposing of empty homes a key component of the solution to the housing crisis, the complexities involved mean this is not necessarily a panacea. This is because the vast majority of empty homes are uninhabitable, in locations that would be unsuitable,

with owners that cannot be traced or are unwilling to take action to bring them back into use.

- **Building homes with a focus on placemaking**

We understand post occupancy surveys in the social housing sector appear to show high levels of satisfaction with new build developments. There is also a great deal of guidance on 20 minute neighbourhoods. These developments are positive, if investment levels are maintained.

Regional variations in the demand for housing are likely to be exacerbated in future years as a result of demographic change and migration. Across the Central Belt of Scotland there is a declining population in a number of local authority areas in the West of Scotland, and population growth in the east of the country.

COSLA and its member councils are seeking to work with the Scottish Govt to ensure that its work on both population distribution and migration reflect the needs and concerns of councils. It is also vital that this work is aligned to the Housing to 2040 Strategy.

Creating and sustaining a mix of housing that is financially and physically accessible to all

Given the projected demography of Scotland's population it will be important in the future there is a greater mix of housing that is financially and physically accessible to all e.g. more homes available to meet the needs of more older people who require accessible housing that has adaptations. As well as housing for the following partnerships, services and groups in our local communities:-

- Health and Social Care Partnerships (HSCPs) and Children's Services (e.g. Kinship carers and Foster carers);
- Veterans who have specific needs requiring a bespoke approach and represent a group with a high priority for housing; and
- Care experienced people in Throughcare and Aftercare.

Additionally, issues such as an emerging demand from those eligible for early release from prison linked to the SHORE Standards and with wider use of Home Detention Curfews (HDCs) will require to be addressed as a means to prevent offenders from reoffending. As well as the shortfall in the supply and quality of accommodation suitable for the Gypsy/Traveller community and an identified group of adults with learning disabilities in hospital long term due to a lack of appropriate local housing and sustainable care and support.

Building homes and retrofitting existing homes to provide for affordable warmth and zero emissions

The Scottish Parliament's Net Zero, Energy and Transport Committee concluded a year ago an inquiry that stated Scotland will not meet targets to be net zero without a more empowered local government sector. Essentially, ensuring that new builds meet

stringent environmental standards as well as decarbonising and retrofitting existing housing stock will be key to this however both come with a significant cost.

Last year the Scottish Government announced plans to introduce new minimum environmental design standards for all new build housing to meet a Scottish equivalent to the Passivhaus standard. The cost implications of this are substantial. While it currently costs around £200k to build a new social rented home, this will rise significantly with the new standards. The costs associated with meeting energy efficiency standards for social housing are also significant and we note the Scottish Government's current consultation on the new Social Housing Net Zero Standard.

- **Ensuring that new and existing homes are safe and of a high quality**

We understand issues around internal air quality, dampness and mould can be complicated. That said, we do know that cold damp homes cost lives and cause a lot of ill health. However, there are people in fuel poverty living in cold homes across the country. In addition, there are RACC issues for some properties that require to be addressed.

Undoubtedly, climate change will bring wider challenges in terms of more severe weather events including storms, higher rainfall etc. As a result, flooding including coastal flooding is likely to be much more of an issue in the future. There is also a question of how prepared the country is for those changes e.g. flood defences, deep flow gutters and the capacity of the ground water system.

Additionally, we understand there have been instances of raw sewage being flushed into local rivers in stormy weather due to a lack of monitoring across the country which is a public health hazard for local communities. As well as some flooding incidents caused by reduced maintenance of the drainage system resulting in blockages.

COSLA
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