

Housing (Scotland) Bill: Call for views

Audit Scotland, Accounts Commission and Auditor General response

Background

1. Audit Scotland, the Accounts Commission and the Auditor General for Scotland welcome the opportunity to respond to this call for views.
 - The Auditor General for Scotland (AGS) is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
 - The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.
 - Audit Scotland is a statutory body established under the Public Finance and Accountability (Scotland) Act 2000. It is Scotland's national public sector audit agency which provides the Auditor General and the Accounts Commission with the services they need to carry out their duties.
2. Public audit provides independent assurance that public money is spent properly and is providing value for money.
3. Housing and homelessness have been and continue to be important issues for the Accounts Commission and the AGS. We published a joint [report on Affordable housing](#) in April 2020 as well as a co-authored blog, '[Homelessness affects us all - action is needed](#)', in April 2023.
4. Our audit of Affordable housing did not consider wider housing affordability issues such as private rental costs or the Scottish housing market, but it did recognise that these have an impact on the availability and deliverability of affordable housing.
5. Homelessness services, and the social, physical and mental health harms caused by homelessness, also feature in many of our other reports, including [Social care](#), [Drug and alcohol services](#), and [NHS in Scotland](#).
6. Our role as public auditors is not to be involved in setting policy or commenting on the merits of policies. Our role here is to look at how well councils and the Scottish Government are spending public money to reduce homelessness, including the building and delivery of more affordable homes and the strategies in place to prevent people from becoming homeless. These are key areas of future audit interest for us.

Homelessness

Q9: Overall, do you support the Bill's proposals in Part 5 of the Bill that deal with homelessness prevention?

7. Decent, affordable housing is central to addressing inequalities. However, in contrast to the message in the Christie report, much of the public spending on homelessness, as it is in areas such as health, continues to be focused on crisis responses. Pivoting services to focus on prevention will be key to improving outcomes and delivering more sustainable public services.
8. We have previously commented on how, where there was a collective determination, homelessness was tackled quickly and effectively. As Covid-19 impacted in early 2020, radical and swift action was taken to ensure that no one was without a space to sleep. Councils acted and worked alongside partners to achieve this.
9. We therefore welcome the focus on early intervention in the Bill's provisions for dealing with homelessness, with the overarching objective being to shift away from crisis intervention and towards preventative action. Preventative spending is both more effective and achieves better value for money.
10. We also note the intention to clarify the steps local authorities should take, with the purpose of improving consistency and transparency around the support available for people threatened with homelessness.

Q10: What are your views on the 'ask and act duty' for relevant bodies in relation to preventing homelessness in Part 5 of the Bill?

11. We agree with the principle set out by the Prevention Review Group that responsibility to prevent homelessness should be a shared public responsibility, and not rely solely or primarily on the homelessness service provided by local authorities.
12. Placing an obligation on a range of public bodies to seek to identify where people may be at risk of homelessness, and to provide support – within existing powers – should help reduce the pressures on councils' homelessness and support services.
13. We would support any plans that utilise existing place-based joint working responsibilities such as Community Planning Partnerships to make best use of resources and existing arrangements at a local level.
14. However, that positive impact depends on the extent to which – as is intended – a referral to the local authority is not considered the default action for other public bodies, but an option that is considered alongside other actions those bodies can take.

Q11. What are your views on the requirement on councils to act sooner to prevent homelessness by taking reasonable steps in Part 5 of the Bill?

15. Extending the definition of a person threatened with homelessness, to mean someone who is likely to become homeless within six months rather than two months, is likely to increase the overall number of people seeking help from local authority homelessness support services, at a time when (as our work has shown) there are signs of backlogs, declining performance, and systems at capacity – even before the cost-of-living crisis.
16. Our recent [Local government budgets 2024/25 briefing](#) showed the scale of the financial pressure councils are under in delivering services at current levels; they are not in a position to expand services without having to find ways to do things differently to ensure they can continue to support the most vulnerable.
17. Scottish Government [Homelessness in Scotland 2021-22 statistics](#), reported in the Accounts Commission's [Local Government Overview 2023 report](#), showed that while homelessness fell during the first year of the pandemic as a result of emergency extra protections, it had risen again, with some councils not meeting their statutory duties in.
18. [Scottish Government statistics for 2022-23](#) showed further increases in the numbers of people assessed as homeless or threatened with homelessness, in the number of applications for homelessness assistance, and in the numbers of those living in temporary accommodation.
19. However, we note that, in line with the early intervention approach – which we strongly support – the overarching objective is to reduce the likelihood of a household ending up homeless and reduce reliance on temporary accommodation. The current upward trend in demand for temporary accommodation – which is at its highest ever according to the latest official statistics – has a significant human impact and is also placing ever-greater pressure on councils' finances, constraining their ability to invest in prevention.
20. Thus while the numbers of those requiring support due to being threatened with homelessness are likely to increase, the extent and urgency of the support required by each household – and the pressure on local authorities to fulfil their statutory duty to house those assessed as being homeless – may be reduced, if the policy objective of the legislation overall (including rent controls and other protections) is achieved.
21. It will be important to consider this shift in the balance and 'location' of need in the future provision and resourcing of housing and homelessness support services.

Other comments

Q15. Do you have any additional comments on the other measures the Bill deals with or any other general comments?

22. In 2022, the Scottish Government introduced temporary emergency legislation to protect tenants in private and social rented sectors through a moratorium on evictions and freezing rents to protect tenants during the cost-of-living crisis. In [our blog in April](#)

[2023](#), we warned that extending the suspension on evictions while allowing rents to increase could intensify the pressures on those at risk of homelessness. Scottish Housing Regulator figures at the time showed rent arrears among social housing tenants were at their highest level on record.

- 23.** We commented that this demonstrated the importance of the Scottish Government and its partners working in collaboration to address long-standing policy challenges. We said that alongside looking to the longer-term, including building more affordable housing, collective action (which is much more than simply a referral to a council) was needed now to prevent homelessness and to support people at risk of losing their tenancy. Our future audit work will focus on how effectively all relevant public bodies are working together to achieve and deliver better outcomes in these areas.