

Housing Review Group: Strategic Review of Output

February 2024

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Background

1. The Housing Review Group (HRG) was established in June 2023 by SOLACE, COSLA, ALACHO and the Scottish Government to explore how to maximise opportunities to increase affordable housing supply or to re-balance provision through the use of existing housing supply. The group's short-term remit has concluded and the final report is attached as Annex A below.
2. The HRG sought to boost cooperation between local and national government to meet our shared ambitions for developing a shared response to known and emerging challenges and existing funding constraints.
3. On 6 July, Solace Scotland, in collaboration with the Association of Local Authority Chief Housing Officers (ALACHO) published a report 'Housing in Scotland: Current Context and Preparing for the Future' which details their assessment of the housing challenges in Scotland and the steps needed to address it. The recommendations made in the SOLACE Housing report have been a key factor in the considerations of the HRG.

Some short-term recommendations of the SOLACE Housing Report reframed by HRG will be further developed, prioritised and completed where possible by the end of the current financial year. These can be found in paragraph 10 of the report. HRG has acknowledged that further work is needed across the medium-to-long-term with collaborative oversight at a senior level of local and national government.

4. Through its concluding report, the HRG has outlined the case for new governance arrangements to oversee at official level the operational delivery of affordable housing in the longer term, recognising the importance of housing for shared social and economic ambitions. The terms of reference for new governance arrangements remain to be confirmed, however, the board's views on the substance of its output report and approval to continue joint working to agree detailed governance points. would be welcomed.

Scottish Government

16 October 2023

Housing Review Group Concluding Report and Next Steps

Context and Remit

1. Housing to 2040 sets out a vision for housing in the next two decades and a plan to achieve this. However, there is an emerging view that while Housing to 2040, and Ending Homelessness Together, offer a long-term policy prospectus, immediate action is required to address challenges in light of exceptional external conditions including an ongoing cost of living crisis, the displacement of people following Russia's invasion of Ukraine and the growth of pressure points within the Scottish housing market.
2. Under the auspices of the Housing to 2040 Strategic Board and in order to augment current delivery, a short-life Housing Review Group of officials was established in June 2023 with members drawn from the Scottish Government, SOLACE, HOPs, ALACHO, and COSLA to explore in partnership how to maximise opportunities to increase affordable housing supply or to re-balance provision through the use of existing housing supply.
3. The formal remit of the Group was to review evidence relating to accommodation provision for domestic housing list demand, individuals experiencing homelessness, refugees and asylum seekers, and individuals displaced by the invasion of Ukraine, consistent with the ambition for everyone to have a safe, good quality and affordable home that meets their needs in the place they want to be. It was asked to consider these additional drivers of pressure (at LA and national level) and identify interim measures to support Local Authorities in managing demand.
4. This highly-collaborative approach to design and delivery builds on that outlined through the Verity House Agreement. Between June and September, the HRG has undertaken steps to review evidence relating to accommodation provision for domestic housing list demand, individuals experiencing homelessness, refugees and asylum seekers, and individuals displaced by the invasion of Ukraine.
5. Alongside these challenges, the group reaffirmed that housing policy must remain consistent with our ambition for everyone to have a safe, good quality and affordable home that meets their needs in the place they want to be and is cognisant of the scale of the challenges we face.

'Housing in Scotland: Current Context and Preparing for the Future' *Recommendations*

6. On 6 July, Solace Scotland, in collaboration with the Association of Local Authority Chief Housing Officers (ALACHO) published a report 'Housing in Scotland: Current Context and Preparing for the Future' which details their assessment of the housing challenges in Scotland and the steps needed to address it. The recommendations made in the SOLACE Housing report have been a key factor in the considerations of the group.

7. Of the 37 proposed actions, 29 have been earmarked for completion within the next 4 years and many represent activity that has been completed, is in progress or has been planned by government.
8. Some of the Solace recommendations seek additional funding, despite the clarity of the Housing Review Group's Terms of Reference that actions should be set in the context of the best use of the resource currently available across the system as a whole. As such, the Group recognised that requests for new funding cannot be considered at this time but may be considered or concluded in the development of the 2024-25 budget, set of course in the context of the Verity House Agreement.
9. More substantively, there are a further 7 Solace recommendations that the Scottish Government has, though the Housing Review Group and other fora, made clear cannot be taken forward as framed at this time.

Short-Term Action Plan

10. Some short-term recommendations of the SOLACE Housing Report reframed by HRG will be developed, prioritised and completed where possible by the end of the current financial year, as follows:
 1. From October, boost uptake and impact of the £60 million Nation Acquisition Programme through joint awareness raising, capacity building and improved data capture to monitor delivery;
 2. Progress work to reform and modernise Compulsory Purchase Orders with the appointment of an expert advisory group in 2023-24, and consider the justification for, and practical operation of, Compulsory Sales Orders.
 3. Develop National Framework guidance with ALACHO, SFHA, GWSF and SHR to maximise flexibility in stock management;
 4. Support development of Locality Plans, between LAs and Housing Associations, in areas facing greatest pressures;
 5. Through National Planning Framework (NPF4) require at least a 25% contribution of affordable homes as a proportion of the total number of homes on a market site;
 6. By end of 2023, convene a workshop with Solace, HoPS, COSLA and wider planning interests to inform a consultation on resourcing the planning system, that will cover changes to planning fees;
 7. By the end of 2023 Scottish Government officials will arrange a meeting between Local Government, UK Government and Scottish Government representatives to explore partnership working relating to refugees, asylum seekers, and displaced persons including the merits of improved tripartite collaboration by officials.
 8. By the end of 2023, explore and seek to pilot a recalibrated and funded Private Sector Leasing initiative, initially supporting Ukrainians to transition from welcome accommodation into local communities with scope to also address homelessness and other pressures;
 9. Work towards an early 2024 decision on exempting LAs from LBTT and ADS for acquisitions following consultations on exemptions based on Sc 1 of the 1988 Housing Act.

10. Better coordination and cooperation with Scottish Water in regard to responding to connection requests and approving the details of planned new connections.
11. These actions are largely already in development or reflect ongoing activity. However, the Housing Review Group has acknowledged significant and evolving challenges across the sector. We understand from recent research that rental prices and gross rental arrears have risen across Scotland, and that particularly acute challenges are being experienced across the central belt. At the same time, the number of people experiencing homelessness in Scotland is rising.

Ensuring Longer-Term Delivery of Affordable Housing

12. HRG members have a shared understanding of the crucial role housing can play in responding to our socio-economic ambitions for Scotland, and collectively recognised the case for enhancing existing governance arrangements to boost the supply of affordable housing. The Group recommends joint work to put in place more outcome-focused, cross-cutting and inclusive official-level oversight of operational delivery to support the Housing to 2040 Strategic Board. That may involve more senior leadership and broad membership that includes Scottish Government, Local Government professional associations and other partners to ensure impact and pace of implementation.



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