Homelessness services in Scotland
A thematic review

February 2023

About this thematic review

This report presents the findings of our thematic review of our work on the services provided by councils to help people experiencing homelessness.

Our Strategy sets out our priority focus on monitoring, assessing and reporting on social landlords' performance on discharging their duties to people who are or have experienced homelessness, with a particular focus on duties to provide temporary and permanent accommodation.

Over the last two years we have engaged with every council about their homelessness services. We did this principally to allow us to focus on their response to the challenges in delivering these services during the Covid-19 pandemic. This thematic review draws on the evidence from these structured conversations with every council and from the information we gather to inform our annual risk assessment. We published the outcomes from the risk assessment in engagement plans for each council, and in a report on the broader outcomes of our annual risk assessment. We also considered information from a range of external stakeholders, including from a roundtable discussion with homelessness advice agencies in December 2022. We set out more information on our approach to regulating homelessness services in Annex A.

The Scottish Government regularly publishes a range of statistics on homelessness in Scotland which it bases on the information provided to it by councils. We use this information in our work with social landlords around homelessness. The tables and charts in this report are largely taken from these publications.

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Key messages

Councils are making considerable efforts in very challenging circumstances to deliver effective services for people who are or have experienced homelessness, and a number have had success in moving toward an approach with rapid rehousing at its centre. They face three major strategic challenges in providing homelessness services:

- dealing with the significant numbers of people currently in temporary accommodation;
- maintaining a sufficient supply of appropriate temporary accommodation; and
- ensuring access to the number of permanent homes that are needed.

Some councils are finding it increasingly difficult to meet these challenges, and so to fully meet their statutory duties. There is evidence of increasing, and more widespread, breaches of statutory duties around the provision of temporary accommodation, and that some households with particular equality characteristics do not always receive a service that meets their specific needs.

There is considerable pressure on councils in the provision of homelessness services, and there are actions councils should and can take to respond to these challenges and to meet their statutory obligations; however, for some there is an emerging risk of systemic failure.

It is in this context that the Scottish Government may need to consider what further urgent measures it can take to support councils to respond to the immediate challenges they face in delivering services for people who are homeless.

Context

We are all experiencing some of the most challenging economic circumstances in recent times. The COVID-19 pandemic, Brexit and the war in Ukraine have all contributed to significant volatility in national and global economies. Our housing system is interconnected with, and much of what we do is dependent on, or influenced by, these wider economic and global systems. The resulting cost of living crisis is leading to significant hardship for many people, including some of the most vulnerable in our society.

National Policy

In 2018 the Scottish Government and CoSLA published the Ending Homelessness Together Action Plan which set out a shared direction towards ending homelessness. The plan sets out a vision for transformational change and comprises a wide range of policy actions focusing on tackling homelessness through achieving the following:

- a person-centred approach;
- prevention of homelessness;
- prioritising settled housing for all;
- responding quickly when homelessness happens; and
- joining up planning and resources.

The Scottish Government has also encouraged councils to transition to rapid rehousing by default and to end the use of night shelters by expanding rapid rehousing approaches, such as Housing First.

The Scottish Government and CoSLA co-chair the Homelessness Prevention and Strategy Group which aims to achieve the goal of ending homelessness in Scotland. The Group has convened a number of Task & Finish Groups to bring forward recommendations on specific areas of homelessness policy and practice, including on temporary accommodation. The Task & Finish Groups aim to report their findings and recommendations in spring and summer 2023.

Demand for accommodation

Specific external factors that can affect the demand for temporary and permanent accommodation include:

- availability and/or affordability of alternative housing options;
- the performance of the broader economy / the labour market; and
- levels of immigration and refugee arrivals, particularly to Scotland's biggest cities and most dynamic centres of economic activity, such as Glasgow and Edinburgh.

At 31 March 2021, 178,260 applications were recorded on local authority or common housing register housing lists, an 8% increase on the 164,946 applications in 2020, with the figure in the latest year likely to have been impacted by the COVID-19 pandemic. In 2021/22 social landlords let a total of almost 53,000 homes.

In its 2022 Quarter 3 market report, the private rented sector (PRS) letting agent Citylets reports that average available stock levels in Scotland fell to historic lows even after taking account of seasonal fluctuations. Citylets also expect further demand to be put on the PRS with would-be buyers being priced out of house purchases by higher mortgage rates. These pressures have contributed to rising rents across Scotland. In the year to 2022 Quarter 3 average private rents in Scotland rose 8.3% to just under £1,000 per month which is an all-time high. The time to let PRS homes has also fallen markedly over the last year further demonstrating the squeeze on demand and supply. The Scottish Government has introduced emergency legislation in response to the cost of living crisis which has frozen rent levels in the PRS until the end of March 2023 and will cap increases at 3% from April 2023.

Since the conflict in Ukraine began in February 2022, more than 20,000 refugees have arrived in Scotland. Two cruise ships in the Edinburgh and Glasgow areas currently provide temporary accommodation to a large number of Ukrainian refugees while they wait to be matched to longer term housing by councils. Other Ukrainian refugees across Scotland are temporarily staying in hotels and with individual sponsors/families while they wait. It is unclear how long refugees will have to wait for permanent accommodation, and whether at a later date they will move from their current arrangements to the temporary accommodation provided by councils to homeless people. The provision of accommodation in the two cruise ships is due to end by early summer 2023.

All of these factors combine to create a significant demand for homes in Scotland.

Supply of accommodation
The Scottish Government acknowledges in [Housing to 2040](#) that more affordable housing is needed. It has a range of medium and long term initiatives, and investment plans, through which it aims to achieve this. Nevertheless, as things stand there are clearly significantly more people requiring permanent, affordable housing than there are homes available. This means that most councils and Registered Social Landlords (RSLs) have to make choices to whom they provide permanent accommodation.

This fundamental mismatch between the demand for, and supply of, permanent, affordable housing is one of the reasons we are seeing an increase year on year in the number of people requiring, and the time spent in, temporary accommodation. Councils can make more temporary accommodation available, but this can take considerable resource and time, and can reduce the availability of accommodation to let on a permanent basis. Moreover, councils have obligations on the quality of temporary accommodation which can take time to get in place, and resource to sustain.

Quality of temporary accommodation
The Scottish Government is currently considering whether, how and when temporary accommodation standards can be made legally enforceable. This followed recommendations made by the Housing and Rough Sleeping Action Group (HARSAG) who said that "standards in temporary accommodation are extremely variable both across different council areas and in terms of the types and provider of that accommodation".

Analysis

Number of homeless applications

	2017/18	2018/19	2019/20	2020/21	2021/22
Applications	35,559	36,778	37,060	34,286	35,230
Assessed as homeless	29,386	30,274	31,612	28,042	28,882

The number of applications received by councils during 2021/22 from households looking for help with homelessness increased by 4% on the previous year to just over 35,000, but this was below the level recorded in 2019/20. We have anecdotal evidence from some councils that rates of applications are increasing during the current year. Advice agencies told us that they hope new Prevention Duties being considered by the Scottish Government will help to reduce homelessness in the medium to long term. The Scottish Government is considering options for a new law ensuring all public bodies work together to prevent homelessness.

Numbers in temporary accommodation at 31 March 2022
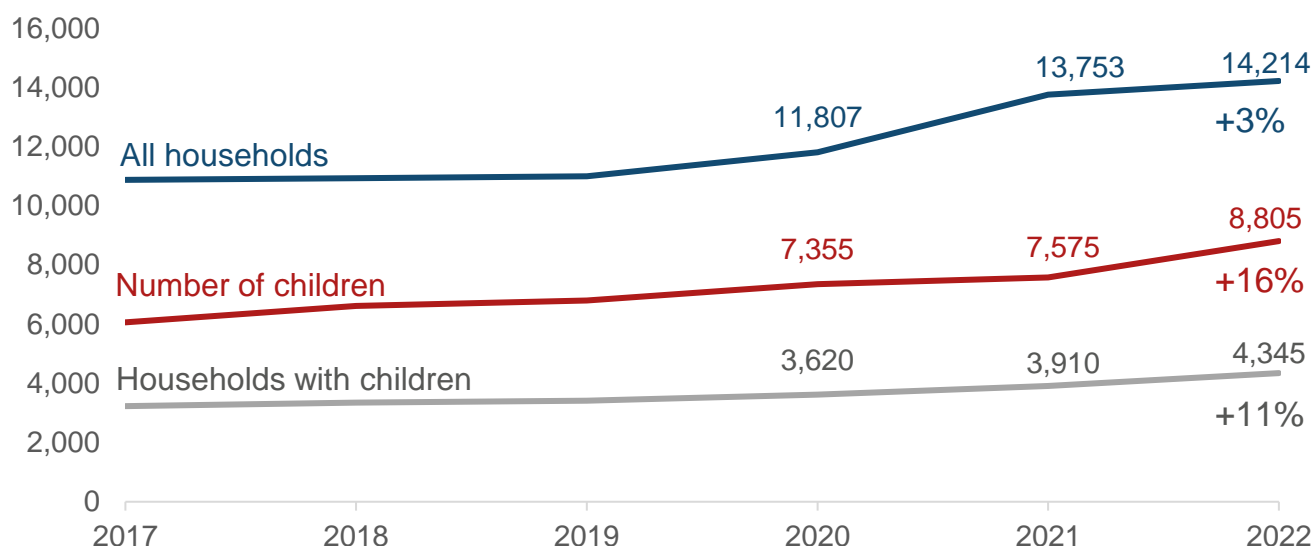
There were 14,214 households in temporary accommodation at 31 March 2022; an increase of 3% from 2021 (13,753) and higher than 2020 (11,807). The number of children in temporary accommodation increased markedly by 16%, and higher than 2020 (7,355). The number of people in temporary accommodation has been increasing over the last five years, with a significant rise in the last two years, much of which is a consequence of the provision of emergency accommodation during the Covid-19 pandemic. The number of households in temporary accommodation increased further to 14,458 at 30 September 2022, with the number of children in temporary accommodation increasing to 9,130.

From our structured conversations and engagements with Councils, we know that some are considering whether they need to increase the supply of temporary accommodation, how this can be achieved, and the opportunities and barriers to doing so. Other councils report shortages in particular types of temporary accommodation, such as one bedroom properties. Advice agencies told us that they do not expect this position to change anytime soon because of a continuing shortage of both temporary and permanent accommodation, and that this is particularly the case in some council areas more than others.

Failure to accommodate

Council	2019/20	2020/21	2021/22
Scotland	**4,585**	**595**	**725**
Aberdeen City	10	5	0
Angus	10	<4	<4
East Renfrewshire	0	<4	0
Edinburgh	655	530	695
Fife	55	<4	20
Glasgow City	3,830	60	<4
Highland	35	0	0
Orkney	0	0	10
South Lanarkshire	<4	0	<4

Some figures are rounded to the nearest multiple of 5 due to data disclosure limits

Councils have a statutory obligation to offer temporary accommodation when they assess a person or household as unintentionally homeless. Most councils meet this obligation all of the time. In 2021/22 there were 725 instances where there was failure to provide temporary accommodation, of which Edinburgh accounted for 695. The total figure is higher than 2020/21 but significantly lower than in 2019/20. The marked reduction from 2019/20 is due to Glasgow City reducing its non-compliance from over 3,800 to almost zero.

From our structured conversations and engagements with Councils, we know that for some the funds available within existing budgets to resource temporary accommodation is very limited. Some councils are exploring options for earlier interventions to try and prevent homelessness in the first place. More broadly, many councils tell us that they could face considerable pressure because of their role in responding to the need of Ukraine refugees and because of changes to the legislation on local connection that came into force in November 2022.

Advice agencies told us that they sometimes see people who are homeless who tell them they have been advised by some councils to try other housing alternatives before applying for temporary, and then permanent, accommodation through the homelessness route. Alternatives suggested can include applying directly to a RSL or in the private rented sector, before coming back to the council once those options are exhausted. Advice agencies told us that this can occur even when the applicant is statutory homeless. This is often referred to as 'gatekeeping' and is a practice that is not consistent with statutory requirements.

Time spent in temporary accommodation

Council	2017/18	2018/19	2019/20	2020/21	2021/22
Scotland	**175**	**183**	**187**	**204**	**207**
Aberdeen City	144	138	131	140	101
Aberdeenshire	172	154	147	133	105
Angus	158	181	160	213	149
Argyll & Bute	164	200	203	245	202
Clackmannanshire	146	143	140	130	152
Dumfries & Galloway	130	106	94	131	109
Dundee City	145	131	134	163	203
East Ayrshire	79	76	84	120	117
East Dunbartonshire	307	325	332	466	340
East Lothian	347	346	345	339	391
East Renfrewshire	127	145	151	176	151
Edinburgh	248	291	294	364	449
Eilean Siar	286	284	306	326	297
Falkirk	124	121	135	205	226
Fife	167	163	169	174	213
Glasgow City	184	199	229	225	196
Highland	194	265	290	345	344
Inverclyde	89	116	84	119	138
Midlothian	286	420	510	611	524
Moray	145	131	129	151	136
North Ayrshire	130	125	140	150	118
North Lanarkshire	152	139	131	139	126
Orkney	146	120	193	224	207
Perth & Kinross	118	100	79	79	60
Renfrewshire	126	125	120	117	115
Scottish Borders	137	152	135	135	165
Shetland	466	355	308	381	406
South Ayrshire	110	110	113	151	164
South Lanarkshire	202	191	192	199	180
Stirling	191	231	237	239	322
West Dunbartonshire	158	155	162	214	188
West Lothian	167	187	166	198	255

The average time spent in temporary accommodation has been increasing every year since 2017/18: 175 days in 2017/18, up to 207 days in 2021/22. The largest increases in average total time spent in temporary accommodation between 2020/21 and 2021/22 were in Edinburgh (increase of 85, from 364 to 449 days) and Stirling (increase of 83 from 239 to 322 days).

From our structured conversations and engagements with Councils, we know that where temporary accommodation shortages exist some councils have to consider provision outside

their area. A number of councils tell us that refusal rates for temporary accommodation are increasing largely due to issues with the type of accommodation offered and its location.

Advice agencies that work with people who are experiencing homelessness told us that people staying in temporary accommodation are usually treated more 'seriously' than those not in temporary accommodation, including being given higher priority for permanent housing. It was raised with us that this can be dangerous for some groups, such as women trying to escape domestic abuse who are unable to leave the home until permanent housing is found.

Time spent in temporary accommodation by household type

Household type	Average time (days)
Single Person	193
Couple	204
Other	212
Single Parent	234
Other with Children	291
Couple with Children	343
All	**207**

Average time spent in temporary accommodation varies by some equality characteristics. For example, households with children spend longer in temporary accommodation than those without. A couple with children on average can spend almost a year in temporary accommodation compared to less than 200 days for a single person. This could suggest that the types of permanent housing that become available for people who are homeless are more suitable for smaller households and that supply shortages are more acute for family sized accommodation.

From our structured conversations and engagements with Councils, we know that securing both suitable temporary and permanent accommodation for larger families can be particularly difficult for some councils. Several councils say they are considering 'flipping' some of their temporary accommodation to permanent particularly where a household has children. Conversely, others say they may need to use more of their permanent accommodation for temporary accommodation.

Advice agencies that work with people who are experiencing homelessness stressed the importance of councils having a strong focus on equalities and human rights when they are meeting the needs of the household. They gave examples of ensuring children have suitable accommodation, vulnerable people have all of their needs taken account of including those with mental health conditions, and that women are assured of a safe environment.

Advice agencies also highlighted the challenges for some people in accessing homelessness services and completing application forms, especially when the initial access was through digital routes only. They stressed the importance of councils providing assistance in completing applications and helping to ensure digital inclusion.

Breaches of the Unsuitable Accommodation Order

Council	2019/20	2020/21	2021/22
Scotland	**505**	**560**	**2,040**
Aberdeenshire	0	10	20
Angus	0	0	<4
Clackmannanshire	0	0	35
Dundee City	0	0	15
East Lothian	0	125	130
East Renfrewshire	5	50	45
Edinburgh	370	20	1,095
Eilean Siar	0	0	<4
Falkirk	0	0	<4
Fife	<4	155	435
Glasgow City	95	75	210
Highland	0	10	20
Inverclyde	20	10	0
Midlothian	10	0	0
Moray	0	<4	<4
Renfrewshire	0	105	5
South Lanarkshire	0	<4	0
Stirling	10	<4	0
West Lothian	25	15	330

Some figures are rounded to the nearest multiple of 5 due to data disclosure limits

The Scottish Government extended the Unsuitable Accommodation Order (UAO) to all homeless households in September 2021. This means that councils should not place any household in temporary accommodation for more than seven days if it does not meet defined conditions. In 2021/22, 15 councils breached the UAO on a total of 2,040 occasions, up from 560 in 2020/21.

The significant increase in breaches is likely to be the result of the ending on 30 September 2021 of the exceptions to the UAO that the Scottish Government introduced in May 2020 in response to the Covid-19 pandemic. The Scottish Government has identified possible reporting anomalies around these statistics and has highlighted the need for caution in using them.

From our structured conversations and engagements with councils, some have told us that they may struggle to comply fully with the UAO in the short to medium term, largely because of a lack of an adequate supply of temporary accommodation that meets the defined standards. We have seen some evidence that the level of UAO breaches in some councils is increasing in the current year. Advice agencies told us that they too expect the number of breaches to increase given the lack of appropriate accommodation in some areas.

Access to permanent accommodation

Outcomes for homeless households	2019/20	2020/21	2021/22
Hostel	1%	1%	1%
Private rented tenancy	5%	5%	4%
Moved-in with friends/ relatives	4%	5%	5%
Returned to previous/present accommodation	5%	6%	5%
Other (known)	7%	8%	8%
RSL (Housing Association)	30%	32%	33%
LA tenancy	47%	42%	45%
Proportion securing settled accommodation	**83%**	**80%**	**82%**

Each year around 80% of known outcomes are households settling in council or RSL homes. An adequate supply of permanent, affordable housing provided by councils and RSLs is therefore vital in ensuring that people who are homeless secure a suitable permanent home.

**Number of homes (lets) given to people who are homeless**
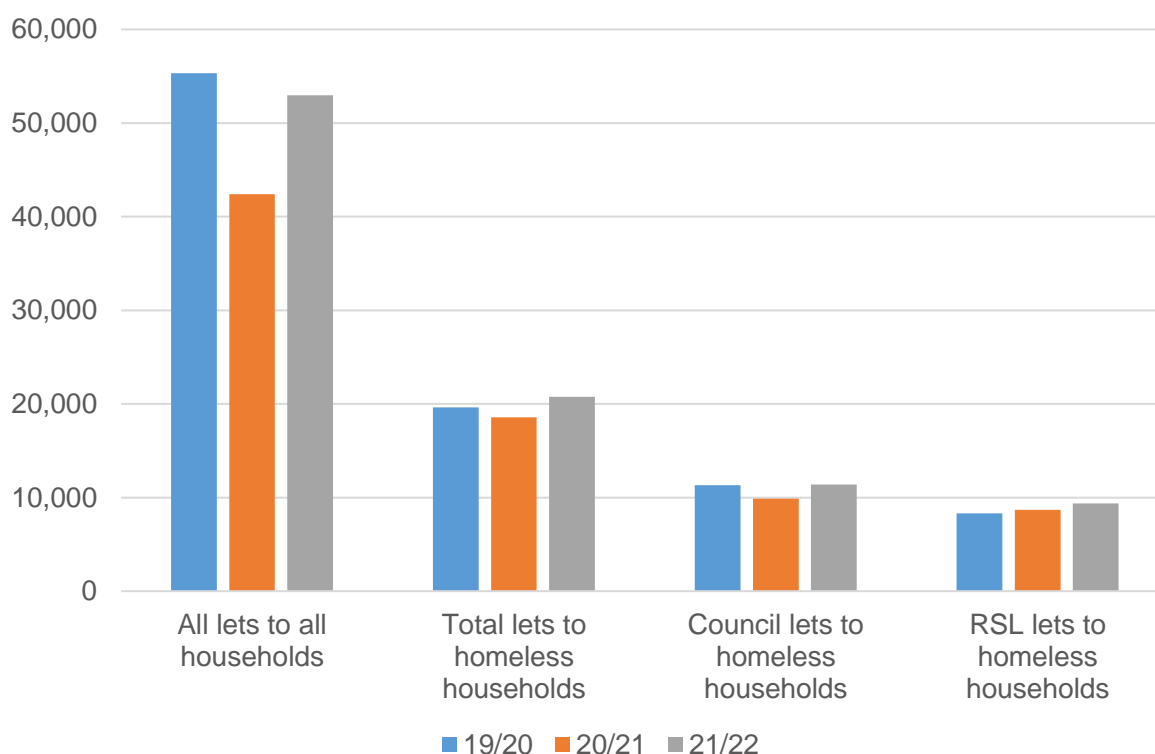
In 2021/22, councils and RSLs let 20,756 homes to people who councils had assessed as homeless. This is up 12% on 2020/21 and up 6% on 2019/20. Councils and RSLs let 39% of all their lets to people assessed as homeless, down from 44% in 2020/21 and up from 36% in 2019/20.

It is important to consider the figures on the number and proportion of lets to people who were homeless in the context of the pandemic-related restrictions on letting activity, which impacted particularly during 2020/21. Having said that, the figures help to illustrate the challenges social landlords face in using homes that become available to meet the range of housing needs from people who applied to them for a home, including those who are homeless.

From our structured conversations and engagements with councils, a number have told us that they are seeing a significant reduction in the turnover of existing homes, which in turn is reducing the number of homes available to let to people who are homeless and others on their housing lists.

Sustaining permanent accommodation
In order to understand the longer-term outcomes for homeless households, it is important to look at whether permanent tenancies are sustained, and for how long. Where tenancies are not sustained, this can lead to people returning to councils for help; this is called repeat homelessness.
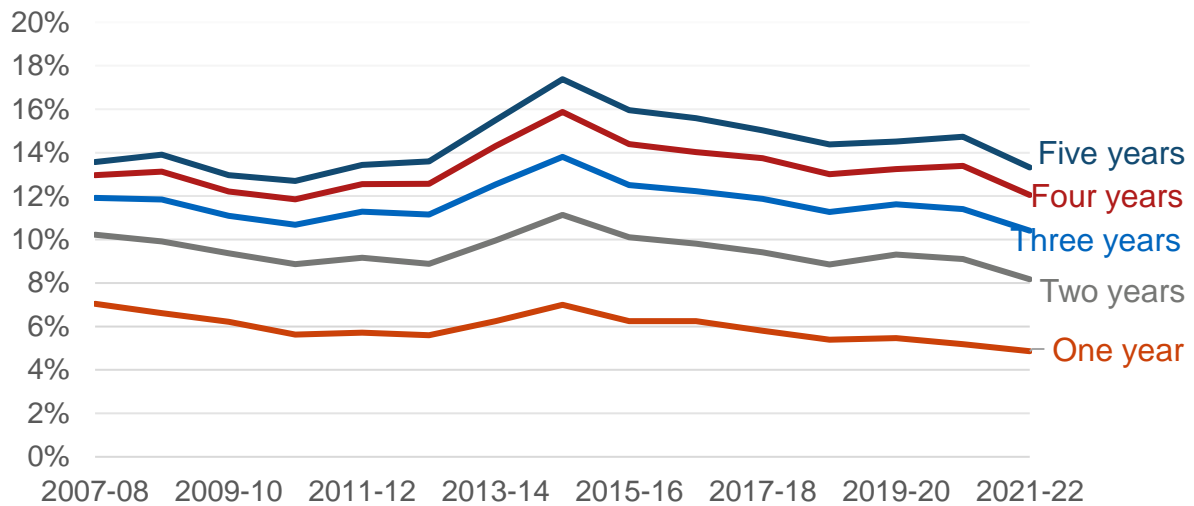
The graph above shows the long-term trend in households assessed as homeless that have previously been assessed as homeless in the last one to five years (cumulative), as a proportion of all homeless households. The figures show an improving trend since 2014/15.

From our structured conversations and engagements with Councils, many tell us that the key to sustaining tenancy is improving choice and quality of homes. Some councils have told us that other wrap around services help sustainment, particularly for those with physical and/or mental health conditions. Such services can include support with help ensuring income maximisation, financial and digital inclusion, regular tenancy visits and early intervention where rent arrears occur. Advice agencies told us that they recognise the importance of RSLs, through the community anchor role that many have, playing a key role in helping to ensure tenancies are sustained by homeless households.

Challenges

From our structured conversations and engagements with Councils, it is evident that they are making considerable efforts in very challenging circumstances to deliver effective services for people who are experiencing homelessness, and a number have had success in moving toward an approach with rapid rehousing at its centre. Councils face three major strategic challenges in providing homelessness services at this time:

- dealing with the significant numbers of people currently in temporary accommodation, which in part is a legacy of the lockdowns in response to the Covid-19 pandemic;
- maintaining a sufficient supply of appropriate temporary accommodation at all times; and
- ensuring access to the number of permanent homes that are needed.

Many councils consistently meet their statutory obligations and provide a service that meets the needs of people who seek their help because of homelessness. However, we have a clear sense that at least some councils are reaching the limits of their capacity to respond effectively to the demands from people applying for help, the range of policy and statutory requirements they must meet and impacts from the wider economic context. Some councils have spoken about a "crisis" in accessing accommodation, and that the current situation is "beyond the normal".

A number of councils are finding it increasingly difficult to fully meet their statutory duties, particularly those relating to the provision of temporary accommodation; other councils are managing but see emerging challenges that put meeting their duties at risk. Much of this relates to problems in accessing an adequate supply of appropriate temporary and permanent accommodation for people experiencing homelessness.

There are of course actions councils can take to respond to these challenges, and there are other improvements to services that councils can make. Many councils are doing this, and all councils should continue best efforts to meet their statutory obligations. That said, the pressures on councils are considerable, and for some there is an emerging risk of systemic failure in the provision of homelessness services, particularly in securing temporary and permanent accommodation.

The Homelessness Prevention and Strategy Group is working to bring forward recommendations to achieve the ending of homelessness. However, the Scottish Government may need to consider what further urgent measures it can take to support councils to respond to the immediate challenges they face in delivering services for people who are homeless, and in particular to ensure an adequate supply of suitable temporary accommodation. Tackling these immediate challenges may need to be the principal priority for the coming period for the Scottish Government, councils and others working to meet the needs of people who are homeless.

Annex A: Our regulation of homelessness services

Our role
A key element of our [statutory objective](#) is to safeguard and promote the interests of around 40,000 people and their families who experience homelessness and seek help from councils. We monitor, assess and report against:
- a range of duties, obligations and responsibilities placed on councils by legislation and through statutory guidance. An example of this is the requirement that councils provide temporary accommodation to those that need it; and
- relevant standards and outcomes from the Scottish Government's Scottish Social Housing Charter most notably outcomes 1, 7, 8, 9 and 12.

Our annual risk assessment and engagement outcomes
Our annual risk assessment informs our decision about what further information or assurance we need from councils. We then set out how we will engage with each landlord in an engagement plan which we publish on our website. Each November we publish a [summary of the risks we will focus on](#) including those relating to homelessness. To do our risk assessment we used information from a range of sources:
- Scottish Government official homelessness statistics;
- data from councils' annual returns on the Charter (ARC); and
- other relevant evidence we gather in our broader engagement with councils such as from Annual Assurance Statements, information shared through the Local Area Networks and any patterns in service user complaints.

As part of our annual risk assessment in 2021/22 and 2022/23, we also engaged with all councils to develop a better understanding of the extent of the impact of the pandemic on their ability to deliver homelessness services and consequently on the outcomes for people who are homeless or at risk of homelessness. We also discussed with councils how they are working with RSL partners to provide permanent accommodation.

Our focus
We have a strong emphasis on councils' discharge of their statutory duties. This helps ensure that we concentrate on areas where we can have the most influence in the achievement of good outcomes for people who are homeless or threatened with homelessness.

Through our risk assessment we monitor and assess the following four key stages of the homelessness journey:

ACCESS: whether councils are complying with their statutory duties to take homeless applications from households who they have reason to believe are homeless, ensure services are well publicised and that households can access the service easily.

ASSESSMENT: how long it takes to complete homelessness assessments and the decision types made.

TEMPORARY ACCOMMODATION: whether councils are complying with duties to offer appropriate temporary or emergency accommodation to households when they need it and ensure households do not spend too long in temporary accommodation.

OUTCOMES: how many homes councils and RSLs make available to people who are homeless and whether households sustain their permanent tenancy.