

Scottish Churches Housing Action



no room for homelessness!

Commission on Housing and Wellbeing

Submission of views

December 2014

Introduction

Scottish Churches Housing Action brings together the main Christian churches in Scotland, with a vision that there can be a Scotland free of homelessness. Our purpose is to support the churches in making a contribution to this vision. A list of members of the organisation is listed at Appendix A.

Our work comprises:

- ❖ development of volunteer-based responses to homelessness at a local level
- ❖ encouraging the churches to make redundant or under-used church property available for affordable housing
- ❖ a programme of awareness-raising and education on homelessness throughout the churches, and speaking out for justice on behalf of the churches.

Scottish Churches Housing Action believes that homelessness represents the most extreme form of housing exclusion. We also take the view that the present housing system in Scotland is essentially dysfunctional, in that at great expense, it fails to meet the needs of a large number of people – not just those who are homeless, but young people seeking to enter owner-occupation, working people on low wages, and others.

We accordingly strongly welcome the establishment of the Commission on Housing and Wellbeing, and find that the questions asked in the consultation paper address some – though not all – of the dysfunctional issues. We are grateful for the opportunity to comment, and to have participated in consultation meetings.

Importance of housing in relation to wellbeing

Without a house, it is hard to make a home. At the margin, there is a small minority of people – at all points on the social spectrum – who prefer to be mobile and relatively rootless, but for the vast majority, having a house is a necessary precondition to the wellbeing that accompanies having a home: a base from which to work, in which to bring up children, to be able to participate in wider community, and to offer as well as receive hospitality.

These aspects are missing from para 1.4, perhaps because they are more subjective. But quality housing should provide the following as well as design, comfort, state of repair and affordability:

- ↳ **privacy** – *ie* the right to share living space only with those people I choose, such as family;
- ↳ **security**, both in the sense of being free from break-in, but perhaps more importantly, in terms of knowing I can stay put as long as I choose (provided I stick to basic rules like paying the rent and not annoying the neighbours);
- ↳ **neighbourhood** – what goes on within the walls is not enough: if the house is situated in a neighbourhood that is unsafe, unfriendly or run-down, it is hard to make a home there.

‘House’ and ‘housing’ are not terms that sufficiently define the diverse needs of individuals seeking greater wellbeing. It must be recognised, too, that ‘home’ will have a different significance for people at different stages in life.

Young people may be more likely to be mobile, and willing to compromise on issues such as privacy and even on housing quality, though security tends to be important throughout one’s housing career.

At the other end of the age spectrum, home often carries with it a strong element of identity, to be given up only with great reluctance: most people looking ahead to their death express the wish if possible to die 'at home'.

There is a task, perhaps, to put at least as much emphasis on making existing housing stock flexible for changing needs as there is on building new stock.

Investment

We endorse the recommendations in 2.7, and note the comment in 2.5 that Scottish Government targets have been driven by what can be afforded rather than by need. In our response to the Smith Commission, we made the case for the Scottish Government to have borrowing powers in its own right, and added:

We find that Treasury rules are a significant barrier to housing investment¹, since they treat all public borrowing as Public Sector Net Debt, without recognising the difference between borrowing to cover deficits and borrowing which generates an income stream, which is the case with affordable housing. In other words, borrowing to invest in the future is penalised, when it should be celebrated. We would welcome, along with the devolution of powers of taxation and spending, the power for the Scottish Parliament to operate rules which recognise this distinction.

We saw no indication in the Smith Commission report that this had been picked up, and would be glad to see a view expressed in your report.

Housing and the economy

Housing is central to the way the UK economy operates: its role in the financial crisis of 2008-09 makes this clear. We have always taken the view that house price inflation, seen as a positive by some financial institutions and the popular press, is a problem.

There is a major confusion of roles for the house when it comes to home ownership – is the house primarily somewhere to live; or is it the major household investment, and an asset to pass on to the next generation? The house as a place to live should be affordable, particularly at the point of entry into home ownership; the desire for a higher value asset creates an inflationary drive.

We strongly agree that house prices should be lower, and that government should seek more levers to establish the conditions for a controlled market intervention to this end.

We believe the role of the cost of land in setting high initial price for homes should be explored in more detail – while the costs of materials and labour have not risen substantially, the cost of land for building has. This is an area where state intervention in market processes is entirely appropriate.

Welfare policy

There was a shift in the course of the later decades of the 20th century from subsidising bricks and mortar, to subsidising individuals through housing benefit. We see this as problematic on two main grounds.

Firstly, housing associations are having great difficulty in developing new affordable homes at the reduced grant rates. Housing Association Grant (HAG) levels have been raised slightly since the low point during the financial crisis, but are still considerably below the levels needed. This has a particular impact in remote rural locations, where small numbers of houses are needed in each place, and there are no economies of scale.

Secondly, it has created an unemployment trap for claimants, particularly those requiring support in the transition from homelessness to settled housing. High rents, coupled with support costs which are met through Housing Benefit, mean that it is near-impossible to take low-paid work – much of it on zero-hours contracts – and pay one's way.

¹ See, for example *Let's Get Building*, National Federation of ALMOs, 2012; download available at http://www.almos.org.uk/guidance_docs.php?subtypeid=14

We take the view that tinkering with Housing Benefit arrangements is no longer sufficient, and that new mechanisms are needed of ensuring that the basic right of a home is denied to no-one because they cannot afford it. The organisation has no view on the introduction of a citizen's income but agrees that a debate as to the impact it might make would be worthwhile.

Environment

One of the biggest impacts of housing on the environment is land use. Current funding arrangements make it much more attractive to build larger developments on clear land, rather than making the best use of existing buildings and brownfield sites.

One of our roles is to seek to develop affordable homes from redundant and under-used properties owned by the churches. We frequently find that while it is technically possible to convert a property, it cannot be done affordably, and therefore it does not happen.

New-build homes should be built to high environmental standards, both to ensure longevity and to reduce fuel and other costs to the occupier.

Health & education

Homelessness has been described as 'a very expensive way of making people ill'. It has become clear that lack of temporary accommodation means that local authorities in both Glasgow and Edinburgh, and possibly in other areas, are failing to meet their basic legal obligations to homeless people.

We are concerned that the concentration on the housing options approach may mean that other aspects of homelessness are being overlooked. We are also concerned that local authorities will need to deal with greater concentrations of people with multiple and complex needs, at a time when they are being starved of the resources to respond appropriately.

Lengths of stay in temporary accommodation are increasing, which in turn has a knock-on effect on the supply of long-term tenancies in affordable homes – a classic vicious spiral.

While the housing options approach is welcome, it is insufficient to meet the whole problem. A wider range of options is needed, as well as a greater volume. Innovation is needed: for example, the development of lodgings schemes for young people, and the range of options for older people suggested in your medium-term proposals.

We are concerned that the current process of health and social care integration will fail adequately to take account of the importance of involving housing decision-makers in their work.

Community regeneration

We think 'regeneration' is inadequate as a way of conceptualising the role of housing in communities, focusing as it does on stigma and the physical landscape. The need to decentralise and foster community identity goes a lot wider, and we have a particular concern about affordable housing in the rural setting. Poverty in rural areas is often ignored as it does not show up in census data. It is nonetheless real.

The lack of supply of affordable homes is also an issue for people who do not traditionally feature among the poor – but if a teacher, nurse or other professional cannot find a decent home, then local services are at risk. As noted earlier, it is often difficult to build the small number of new homes that might be appropriate in small rural settlements, where a development of 20 or more homes would not be appropriate. Our colleagues at Rural Housing Scotland (www.ruralhousingscotland.org) work on these matters, supporting local communities in finding ways of meeting this need.

Our own initiative, Whitebeam Homes (www.whitebeamhomes.org), is addressing the issue both of unaffordable homes and empty properties by buying homes on the open market and letting them at below-market rent. However, there appears to be no financial support to encourage more of this approach.

Private rented sector

There appears to be a consensus that the private rented sector should make a greater contribution to meeting housing need. This is not one we share.

The private rented sector, having declined throughout the 20th century, is now bigger than either the council or housing association sector. This growth has happened as a result of council house sales, cuts in Housing Association Grant, rising house prices, and restrictions in mortgage availability.

Since it is the sector which includes some of the worst physical standards and the poorest management practices, and has the highest rents, we do not see that it can be a major part of the solution to dysfunction.

This is not to say that there is no role for a private rented sector, but that it should remain a sector for those who require its strengths, which include flexibility for those who are not looking for a long-term housing commitment.

It is not a good use of public funds to channel Housing Benefit to private landlords in order to house our society's poorest citizens, with no guarantee that surplus will be ploughed back into the increased housing supply that is needed.

Nor is it to say that measures should not be taken to improve physical and management standards, or to provide a better balance of rights and duties between landlord and tenant. Scottish Churches Housing Action has responded to the current Scottish Government consultation on a new form of private sector tenancy, and will continue to work for other improvements.

Other matters

As well as some matters addressed in the text above, we find that the format of the consultation document leaves out of account some significant issues, which we would like to draw attention to at this point.

Empty properties In addressing housing supply, it is important to look not just at new-build housing, but at bringing empty housing back into use, and securing the use of other unused building types for houses where possible. The Scottish Government's Empty Homes Partnership, hosted by Shelter, is developing useful approaches which should be more vigorously pursued, and applied more widely.

Rural housing There are specific issues in relation to rural housing supply, some of which are touched on above, which deserve greater attention in the final report of the Commission.

Homelessness There are specific groups of people who are more vulnerable to homelessness than the general population, and for whom specific approaches are needed. These include people, predominantly women and their children, who are subjected to domestic violence; people leaving prison; young people leaving care; people with multiple and complex needs, including addiction, mental ill-health, learning disability.

Organisational size There is a regrettable tendency towards centralisation on the part of the current Scottish Government, which plays out, amongst other ways, in its relation to local authorities. This frequently contradicts policy in relation to community planning, and certainly goes against the grain of the Christie principles². We also see the tendency towards concentration among housing associations, particularly in relationship to development. We tend to the view that smaller, locally-based organisations are more attuned and responsive to local needs. If bigger is indeed better both in terms of outcomes and value for money, we believe evidence should be provided.

Alastair Cameron
Chief Executive, **Scottish Churches Housing Action**

² Christie commission report: <http://www.scotland.gov.uk/Publications/2011/06/27154527/0>;
Scottish Government response: <http://www.scotland.gov.uk/Publications/2011/09/21104740/0>

Appendix A – membership of Scottish Churches Housing Action

The members of Scottish Churches Housing Action are 12 major Christian bodies in Scotland.

At December 2014, they are represented by:

Baptist Union of Scotland	Rev Graeme Clark
Church of Scotland	Clare Fleming
Evangelical Alliance	Rev Graeme Clark
Free Church of Scotland	Rev Douglas MacKeddie
Iona Community	Carrie Gooch
Methodist Church in Scotland	Laurence Wareing
Religious Society of Friends (Quakers)	Kate Arnot
Roman Catholic Church in Scotland	Miriam McHardy
Salvation Army	Lieut-Col Jonathan Roberts
Scottish Episcopal Church	Joe Cassidy
United Reformed Church	Brian Graham – Vice-convener
United Free Church of Scotland	Rev Ronald Thomson
Co-opted Board members:	Rev Graeme Wilson - Convener
	John Kitson – Finance Convener
	Rhoda Wright
Chief Executive & Company Secretary	Alastair Cameron
Associate Convener	Rt Rev Bruce Cameron