We welcome this enquiry by the Scottish Parliament and the opportunity to submit evidence. We look forward to discussing this in more detail in the oral evidence session on 7 December 2011.

Progress towards 2012
1. There is good progress by local authorities towards the 2012 target. All but one authority have confirmed to the Scottish Government that they are on track to meeting the 2012 target. Local Government is fully committed to the 2012 homeless target and has been pulling out all stops to make this happen.
   - The percentage of homeless assessed as priority has continually increased year by year (15 percentage points since 2003-04 and by 11 percentage points since 2006-07).
   - In terms of real outcomes, the number securing settled accommodation has increased markedly since 2001-02 while the number securing hostel accommodation has fallen.
   - The number of homeless households securing a permanent let in social rented accommodation increased from a little under 12,000 in 2002-03 to reach over 20,000 from 2009-10.

The 2012 target
2. The Homelessness etc. (Scotland) Act 2003 introduced the 2012 homelessness target. This grants Scottish Ministers powers to bring forward regulations which will end the use of the 'priority need' test by local authorities handling applications from homeless households.

3. The 2012 target and its introduction changes the response by local authorities to homelessness, from one based on a rationing approach to statutory assistance, to one geared towards assisting all unintentionally homeless households to access settled accommodation. Effectively this means that, after December 2012, not only those in priority need, but all persons presenting as unintentionally homeless are entitled to settled accommodation. The main group who becomes entitled to housing are single homeless men.

4. According to legislation, Scottish Ministers must specify the date, no later than the 31 December 2012, when all local authorities must be reasonably expected to meet the target. Following the introduction of the target, any legal action faced by local authorities will be by the way of individual households using their legal rights to go to the Court of Session for judicial review. Over and above the individual taking the case further, the Scottish Housing Regulator may take a view if a local authority is fulfilling its responsibilities through the homelessness legislation.

5. However, we have also continuously pointed out that our commitment to the 2012 target is dependant on adequate resources being available and all stakeholders fully taking on their responsibilities, in crisis intervention as well as in prevention work.

Approaching 2012
6. While progress with homeless work is good, the challenges in front of us are enormous. It would be irresponsible to pretend they are not. We are restricted by resources and circumstances. We have just had one of the tightest local government settlements, and the Scottish Government budget for new built housing has been almost halved. This puts enormous pressure on councils and on our already limited housing stock.

7. On the other side, we are confronted by increasing demand, as a result of recession, welfare reform and new duties such as the 2012 target and housing support. Welfare reform alone could lead up to an additional 3,000 homeless presentation in Scotland alone.

Housing Options Hubs and other responses to homelessness
8. Prevention work has been a crucial factor in progress as described above. The Housing Options Hubs have been extremely welcome by practitioners as a means of developing good practice and moving away from crisis intervention to much needed prevention work. This has also shown how much can be achieved out with a challenge fund approach.

9. The Scottish Government/ COSLA Joint 2012 Steering Group held a seminar in late August just after the last Executive Group which clearly showed the value of the approach, the impact of the work being
achieved, and the energy and commitment of those involved, with a clear focus on prevention and partnership work.

10. Apart from the Housing Option Hubs, we have a range of mechanism to take the 2012 work forward. We continue to chair the high level 2012 Steering group with representation from the Minister, as well as ALACHO and SOLACE. We are further progressing the vital link between health and homelessness, as a means of prevention and early intervention.

**Anticipated Impact of the Proposed Welfare Reform Changes**

11. The proposed welfare reform changes will add a significant challenge to councils’ ability to respond to the 2012 target. Welfare reform changes are likely to increase household debt, which in turn will increase the number of failed tenancies and result in more homeless applications. At a time of fiscal cutbacks councils will struggle to manage any additional pressures on their homelessness services. Welfare Reform will put an unprecedented pressure on councils with regard to the 2012 target if the proposed direct payment, the extension of the shared room rate, under occupancy and non-dependent deductions changes are implemented.

12. We are involved in substantial work, aimed at addressing the wide scale of negative impacts here. We have gone out to assess the detailed impact of the proposed changes on individuals, organisations, and the available housing stock and will start to look at actions for mitigating impact.

**Further statistics**

13. The annual statistics for Scottish homelessness, which were published 30 August 2011 show which councils are categorising homeless applicants as in priority need. The following statistics are taken from the 1st April 2010 to 31st March 2011 Scottish Government homelessness statistics release.

- Six local authorities assessed 100 per cent of their applicants as a priority - Angus, Dundee, Orkney, Renfrewshire, Stirling and West Dunbartonshire. Angus and Dundee Councils were the only local authorities to assess 100 per cent of homeless as priority throughout the year. Three local authorities – East Lothian, Scottish Borders and Moray – assessed less than 80 per cent of applicants as priority need.

- All local authorities, except one, (East Lothian) are on target to meet the 2012 homelessness target.

**Applications**

- An estimated 55,227 applications under the Homeless Persons legislation were made to local authorities in 2010-11.

- The majority (63%) of households who presented as homeless were single-person households. Most of these were single male households. Single parent households, predominantly female, accounted for the next largest group (23%).

**Assessments**

- The percentage of homeless assessed as priority has continually increased year by year. The proportion of homeless applicants assessed as priority marks progress towards the 2012 homelessness commitment that all unintentionally homeless households will be entitled to settled accommodation by the end of 2012. Of the applications assessed as homeless, 36,440 (88%) were assessed as priority.

**Action taken by councils to meet their homelessness duty**

- In terms of real outcomes, the number securing settled accommodation has increased markedly since 2001-02 from a little under 12,000 to reach over 20,000 in 2010-11, while the number securing hostel accommodation has fallen.

- In 2010-11, 20,832 (or 70% of) priority homeless households were offered a social rented tenancy, most of whom (18,542 cases or 89%) took up the offer.

- In 2010-11, a private rented tenancy was offered to 1,096 priority homeless households, almost all of whom (99%) accepted the offer.

**Repeat Homelessness**

- The percentage of homeless assessments identified as repeat cases has fallen from 9.8% in 2002-03 to 5.5% in 2010-11.
Trends since the late 1990s

- The number of applications to councils for assistance each year under the homelessness legislation, which had remained between 40,000 and 45,000 per year in the mid to late 1990s, increased rapidly from 2000-01 to a high point of about 61,000 in 2005-06. This increase is likely to be due, in part, to changes in homelessness legislation which placed new duties on local authorities to provide temporary accommodation to all assessed as non-priority homeless who previously would have received advice and assistance only. Since 2005-06, the number applying for assistance has fallen to about 57,500 in 2007-08 and 2008-09 and then to around 55,000 by 2010-11.