

# Local Government, Housing and Planning Committee

Shirley-Anne Somerville MSP
Cabinet Secretary for Social Justice
Scottish Government

## 29 April 2025

Dear Shirley-Anne,

# **Tackling Child Poverty Delivery Plan for 2026-31**

Thank you for your letter of 25 February on the Tackling Child Poverty Delivery Plan for 2026-31.

The Local Government, Housing and Planning Committee discussed this at its meetings on 25 March and 22 April. We have agreed to highlight the work we have undertaken where there are links to the issue of child poverty. Progress in these areas will support the aim of eradicating child poverty.

#### Housing

Under Article 27 of the UN Convention on The Rights Of The Child, children and young people have the right to adequate housing. Failure to meet that right then impacts on children's health, education and life opportunities. Housing is a complex issue and various factors can exacerbate child poverty. We wish to draw your attention to two pieces of work on housing as you develop the plan—

- The Housing (Scotland) Bill currently passing through Parliament; and
- Our inquiry into the housing emergency declared last year

### **Housing Bill**

The Committee will shortly be considering the Housing (Scotland) Bill at Stage 2. We were the lead Committee for Stage 1 consideration and our <u>report</u> details the evidence we heard on the contribution of housing issues to child poverty. A lack of affordable and social housing can make the (more expensive) private rented sector the only option for some people. Kate Thompson from the Children and Young People's Commissioner for Scotland told us:

"We have to think about that in the context of the Bill's ability to work towards ending child poverty. In the private rented sector, there are disproportionate numbers of families with children - in particular, families with disabled children - and single-parent households, and there are very long social housing waiting lists."

We also heard how this can impact on care-experienced young people and women.

We made the following recommendation—

"...A range of equality impact assessments have been published by the Scottish Government during the course of Stage 1 of the Bill, however much of the implementation of the Bill will be determined by secondary legislation and it will be critical that the Scottish Government carefully models the impact of that on equalities. In its subsequent scrutiny of any secondary legislation the Committee will be looking to the Scottish Government to demonstrate it has identified and addressed all equalities issues arising."

We heard uncertainty around provisions on rent caps exacerbated issues around rising rents and took evidence on proposed amendments on the rent cap in January.

We note Stage Two consideration of the Bill has not yet concluded and the Bill is yet to complete its passage through Parliament. As such, it is still subject to amendment. However, we recommend you consider the recommendations in our Stage One report, particularly those on equalities assessments, and subsequent evidence received on amendments on provisions on rent caps in the context of developing the delivery plan.

### **Housing Inquiry**

The Committee has also been considering the housing emergency. We wrote the following in our <u>Stage One report</u> on the Housing (Scotland) Bill:

"A key driver for this Bill is the lack of affordable housing in the private rental sector. During the Committee's scrutiny of the Bill at Stage 1 concerns about the availability and affordability of housing in Scotland have escalated. In June 2023 Argyll and Bute Council declared a housing emergency and in recent months the number of councils declaring housing emergencies has significantly increased.

At the time of writing 12 local authorities have now declared housing emergencies. Following local authority declarations, in May 2024 the Scottish Government supported an amended motion in the Scottish Parliament declaring a national housing emergency, in acknowledgement that there was a record number of people experiencing homelessness.

Stakeholders have highlighted that this emergency has been precipitated by a variety of factors including:

- a shortage of affordable housing
- demand for social housing outstripping supply
- increased rents in the private sector
- high inflation
- freeze of local government housing allowance rates
- labour shortages linked to Brexit
- cuts in Scotland's capital funding settlement from the UK Government."

We took evidence as part of our inquiry from:

- 5 November 2024 academics and local authorities
- <u>12 November 2024</u> academics and housing stakeholders

The Committee's report will be published shortly and notes the complexity of the issues that have led to the housing emergency. We urge the Scottish Government to consider the evidence received as part of this inquiry and the actions we have concluded are necessary to address the housing emergency.

#### **Energy costs**

In anticipation of the introduction of a bill on heat in buildings, the Committee has considered the issues of retrofitting and energy efficiency through events and visits.

Along with the Net Zero, Energy and Transport Committee we held an <u>event in collaboration with Scotland's Future Forum in April 2024</u>. This highlighted the impact of individual energy costs and debt, both of which impact on household incomes and child poverty.

We commend the <u>report</u> and the conclusions it reaches to you in developing the plan.

The Committee has considered the issue of building safety on an annual basis. Most recently we have considered the impact of damp and mould. We have heard there are many causes of damp and mould, which can include a reluctance to adequately heat properties due to the cost of energy. This can have serious effects on health, including in children.

This year we sought written views before hearing from two panels of witnesses:

- 18 March 2025 Representatives of tenants and homeowners, and architects; and
- <u>25 March 2025</u> local authorities and the Scottish Federation of Housing Associations.

We also took evidence from Paul McLennan MSP, Minister for Housing, on 22 April 2025.

The cost of energy and the pace of changes to how we heat buildings are not helping alleviate child poverty. We highlight the work we have done in these areas to you for consideration when developing the plan.

#### Council tax

In January 2025, the Committee agreed to consider <u>council tax reform</u>. This is a household expense linked to values of properties, which has not been assessed since 1991. Many lower income households are paying more than they should. In 2022 <u>the Robertson Trust published a report</u> showing that:

"Over one in ten (12%) of the lowest-income households are behind on council tax bills, compared to one in a hundred for the highest income."

We took evidence in February this year:

- <u>18 February 2025</u> academics, tax specialists, an equalities organisation and economists;
- <u>25 February 2025</u> professional bodies on local taxation and representatives of local government in Wales
- 4 March 2025 Cabinet Secretary for Finance and Local Government and COSLA

While the funds raised by the council tax represent a small proportion of the resources available to local authorities, it does contribute to their ability to deliver services and address issues (such as those detailed above) which support efforts to alleviate child poverty.

We have concluded revaluation should be progressed at the earliest opportunity and wrote to the Cabinet Secretary today with our conclusions. We hope these will also be helpful to you in developing the plan.

We hope highlighting these areas of the Committee's work and the evidence, conclusions and recommendations we have made will contribute to the development of the Plan. The Committee requests an update on how our recommendations in the above pieces of work have contributed to this once the plan is finalised.

Yours sincerely,

Ariane Burgess MSP

Convener, Local Government, Housing and Planning Committee