

**Shelter Scotland
written submission**
Visit by the UN
Special Rapporteur
on extreme poverty
and human rights to
the UK

September 2018

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SHELTER SCOTLAND

Shelter Scotland welcomes the opportunity to provide input to the Special Rapporteur in preparation of his visit to the United Kingdom in November 2018. The focus of this visit is to consider and investigate extreme poverty and human rights across the United Kingdom with a specific focus on:

- Extreme poverty
- Austerity
- Universal credit
- New technologies in the welfare system
- Child poverty
- Brexit

Shelter Scotland is the national housing and homelessness charity. Shelter Scotland helps over half a million people a year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help. In the past year (2017/18) we supported 21,290 people through our advice and support services. The top three issues from our clients were: struggling to pay or afford housing costs, housing conditions and issues with their landlord.

Shelter Scotland has Hubs in Edinburgh, Glasgow, Aberdeen and Dundee and deals with housing and related issues across all tenures. Given our role as a housing charity, our submission focuses on poverty and its interaction with housing, based around question A5: **how poverty interacts with economic and social rights issues.**

In 2013 the Special Rapporteur on adequate housing reported on the realisation of the right to adequate housing in the UK¹ after visits to London, Edinburgh, Glasgow, Belfast and Manchester. Shelter Scotland was a part of that process.

¹ UNHR Office of the High Commissioner (2013)
<https://newsarchive.ohchr.org/en/NewsEvents/Pages/DisplayNews.aspx?NewsID=13707&LangID=E>

INTRODUCTION

Poverty interacts with the right to adequate housing in many ways. Those who are marginalised or excluded from good quality, affordable housing have dramatically worse health and wellbeing outcomes. There are very close links between inequality, poverty and poor housing. Inequality in household incomes in Scotland increased significantly in the 1980s and has remained high.

Poverty rates in Scotland are continuing to rise, figures published in March 2018 show that 1 million people were living in poverty and 8% of people are living in 'persistent poverty'. This includes 230,000 children in poverty, 140,000 pensioners living in poverty. Currently 19% of children are classified as living in poverty before housing costs, if housing costs are included this figure rises to 24% of children².

Shelter Scotland believes that everyone has the right to a safe, secure and affordable home. The fulfilment of this right is essential in eradicating poverty in Scotland.

² Scottish Government: Poverty in Scotland (2018) <https://news.gov.scot/news/poverty-in-scotland-2>

FUEL POVERTY

There are still 649,000 households in Scotland in fuel poverty in 2016, after a Scottish Government target to eradicate fuel poverty by November 2016 was missed. It is unacceptable that, under the current definition, 649,000 households are living in fuel poverty and unable to meet their basic needs of heating their home and using cooking and washing facilities without spending a large proportion of their income on energy.

This is particularly problematic given the increasing pressures on household incomes for instance from welfare reform, the freeze to working age benefits and stagnating wages, especially for those who are already living in poverty.

A new Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill has just been introduced to the Scottish Parliament setting a new target and strategy to tackle fuel poverty, as well as introducing a new definition intending to focus resources on those most in need. This is largely welcome, though Shelter Scotland has concerns that those living in rural areas, who are at high risk of fuel poverty, will not be fully accounted for.

Overall, we stress that this target cannot be missed like the last – that this strategy must ensure that people who are struggling to provide a warm and well-lit home for themselves and their families, regardless of definitions or targets, are provided the support that they need.

AFFORDABLE HOUSING

In Scotland, 16% of people are living in relative poverty and this figure rises to 19% after housing costs are included. There is currently a housing crisis in Scotland with a lack of social and truly affordable homes. There are currently 137,100 households on local authority housing waiting lists across Scotland and in 2017/18 34,972 homeless applications were made.

In 2015, Shelter Scotland, along with the Chartered Institute of Housing (CIH) Scotland and the Scottish Federation of Housing Associations (SFHA) jointly commissioned research into the need for affordable homes across Scotland³. This research identified that there is a need for 12,014 affordable homes to be built every year for five years to meet unmet need. The Scottish Government subsequently committed to the most ambitious house building programme since the 1970s with a target of 50,000 affordable homes, including 35,000 for social rent, by 2021. New research, commissioned jointly with Scottish Federation of Housing Associations and the Equality and Human Rights Commission⁴, in early 2018, shows that this target is within reach, which is very positive news. The focus now must be on ensuring continued supply of affordable homes post 2021 and ensuring that the right homes are built in the right places to meet the need for affordable housing.

³ Shelter Scotland, SFHA & CIH Scotland (2015)
https://scotland.shelter.org.uk/data/assets/pdf_file/0009/1190871/7909_Final_Housing_Needs_Research.pdf

⁴ Shelter Scotland, SFHA & CIH Scotland (2018)
https://scotland.shelter.org.uk/data/assets/pdf_file/0005/1488560/Shelter_AffordableHousingReport_Feb18.pdf/nocache

HOUSEHOLDS IN CRISIS: SOCIAL SECURITY AND INTERACTION WITH HOUSING

According to the most recent Scottish Government statistics⁵, there were around 350,000 households with at least one adult in work who were classified as being in poverty after housing costs – the highest this figure has been for four years. In Shelter Scotland’s experience, someone struggling with in-work poverty is more likely to accumulate rent arrears and risk eviction and subsequent homelessness through no fault of their own. The person may then be faced with the high cost of temporary accommodation, which can push them more into debt. However, this fate is avoidable if the social security system is set up to properly support those on low and uncertain wages. Universal Credit (UC) is intended to support people back into work, but our client experiences indicate that there is much to improve before it can be regarded as doing so. Shelter Scotland has joined sector organisations in Scotland calling for a halt to the roll-out of UC, so that the many problems with its administration and delivery can be fixed.

The most concerning area where poverty affects the realisation of the right to an adequate standard of living, however, is when a family is in crisis. For many, welfare reform has pushed them further into poverty and resulted in rising rent arrears, eviction and subsequent homelessness, and those receiving support from the housing safety net when homeless are often penalised by a punitive and incompatible social security system.

⁵ Scottish Government (2018); <https://www.gov.scot/Publications/2018/03/3017/downloads>

UNIVERSAL CREDIT

Shelter Scotland has concerns that the roll out of UC is pushing more people into financial hardship and, as a result, homelessness. The main issues Shelter Scotland sees through it's national services as a result of UC are:

- The impact of the waiting period of five weeks and people being pushed into hardship.
- The housing element being wrongly missed out or the wrong amount awarded when the first Universal Credit payment is made.
- The difficulty of setting up Alternative Payment Arrangements for those who struggle to manage money and the different APA payment schedule.
- The advance payment repayment rate being too high, especially for those with other debts.

According to research from 2018⁶, In Scotland two thirds (65%) of Universal Credit tenants are in arrears, compared to less than a third (32%) for all other tenants. We are therefore concerned that Universal Credit is leading to arrears which might threaten a person's housing situation, pushing them into poverty.

⁶ SFHA (2018) <http://thirdforcenews.org.uk/tfn-news/all-uk-housing-groups-condemn-flawed-universal-credit>

POVERTY

The dominant presenting problem that clients came to Shelter Scotland with in 2017/18 is “struggling to afford or pay housing costs”.

Today, 1 million people are in poverty in Scotland, including 230,000 children⁷. Whilst poverty had been decreasing in Scotland from the late nineties onwards, progress plateaued with the 2008 recession, and it is now slowly rising again. Before housing costs, around 1 in 5 children are living in poverty, almost 1 in 4 children in Scotland are living in poverty after housing costs.

Shelter Scotland focus on poverty numbers after housing costs because housing costs are unavoidable. The difference between these two poverty measures is particularly interesting to us at Shelter Scotland because it shows the amount of people who are pushed into poverty as a result of their housing costs. Before housing costs, 860,000 people are living in relative poverty. After housing costs, this figure soars to one million people (equivalent to nearly a fifth of Scotland’s population). That means that an additional 140,000 people in Scotland are in poverty because of their housing costs. When broken down by age, this gap is widest among children: 19% of children are living in poverty before housing costs, and 24% after housing costs. **That’s an extra 50,000 children in poverty, just because housing costs are unaffordable.**

This confirms that unaffordable housing is a major contributing factor to rising poverty among adults and children in Scotland. In order to alleviate this problem, we need more affordable housing built, and a strong housing safety net to support households in low incomes, or who fall into crisis.

Case study:

Sue lives with her children, who are currently working. A low income, coupled with high housing costs and bills, left her unable to make ends meet.

“I worked for a year, and it absolutely crippled me. My situation was worse when I was working than now when I’m not, because the rent and the Council Tax were so high. That was the thing that crippled the wages; there wasn’t any point in working.”

⁷ Scottish Government (2018) <https://www.gov.scot/Publications/2018/03/3017/downloads>

HEALTH AND HOUSING

Shelter Scotland believe a strong and robust housing system is integral to maintaining good physical and mental health.

New Scottish Government evidence shows that people who have experienced homelessness have many more interactions with the health service than non-homeless households, along with an increase in interactions with health services preceded people becoming homeless⁸.

- As a group, people who have experienced homelessness have many more interactions with health services than those who have no experience of homelessness. Interactions with some services, particularly those related to alcohol, drugs and mental health, increase in the lead up to a homeless application⁹.
- People who have experienced homelessness are more likely to have experienced multiple health conditions relating to drugs, alcohol and mental health.
- For people experiencing homelessness more than once, the health activity and problems can be even more drastic.
- All evidence indicates the value of partnership working between health and homeless services, including the importance of signposting and the colocation of services, to ensure that where homelessness can be prevented, it is, and where it cannot, that people receive the right support at the right time.

A household's access to a safe secure and affordable home can dramatically impact their health and interaction with health services. As part of an effort to tackle this, Shelter Scotland are involved in a local project in Fife to embed housing advisors in health services in order to get to the root of the health problem – bad housing.

Case study:

One woman, caring for her three young grandchildren, chose to move in with extended family whilst waiting for housing, rather than using temporary accommodation provided by the council. The family of four slept on two mattresses on the living room floor for three months over the Christmas period before a permanent home was found nearby.

During this period, stress levels were high as a result of living on top of one another and having no private space or room to store belongings except in bags on the floor.

⁸ Shelter Scotland (2018)

https://scotland.shelter.org.uk/_data/assets/pdf_file/0009/1547280/Health_and_hln_2018_final.pdf_nocache

⁹ Scottish Government (2018) <https://www.gov.scot/Publications/2018/06/7974/downloads>

TEMPORARY ACCOMMODATION

Temporary accommodation (TA) in Scotland is a major part of Scotland's homeless process. It is supposed to provide short term, immediate accommodation for those unintentionally homeless. Unfortunately, our services see too many clients who are in unsuitable temporary accommodation for too long.

Unsuitable is a block to a household achieving a secure home – essential to tackling poverty. On average, households spent 171 days (just under 6 months) in temporary accommodation in 2017/18. Long periods in TA can impact on a child's physical and mental health and their educational attainment¹⁰.

At Shelter Scotland we regularly advise and advocate on behalf of clients who are living in mouldy, unhygienic, unsafe accommodation without basic cooking and washing facilities.

Case study:

Cameron and Amy are a young couple from Edinburgh and at the time of their homelessness, Amy was 34 weeks pregnant. They were living with parents but were asked to leave and went to the City of Edinburgh Council for help with homelessness. They were placed in a bed and breakfast and despite assurances from the Council that it was family friendly, many other residents were openly using drugs and only one communal microwave was provided to residents to heat meals.

The couple approached Shelter Scotland after living at the B&B for three weeks, and were informed that as per the Unsuitable Accommodation Order, they should not have been in the B&B for more than a week. The couple were unaware of this and Shelter Scotland advisers advocated on their behalf to the Council and were able to secure them a temporary flat. The couple were later moved to another temporary flat nearer to family, and remain there while they wait for permanent accommodation.

¹⁰ Shelter Scotland (2013)
https://scotland.shelter.org.uk/data/assets/pdf_file/0012/728886/Temporary_Accommodation_Campaign_Paper.pdf/nocache

THE BENEFIT CAP

Households who are in receipt of benefits and in temporary accommodation are likely to be penalised by the benefit cap because of the high costs of temporary accommodation, and therefore housing benefit entitlement, pushing them over the cap threshold.

In addition, the benefit cap is also a cause of homelessness whereby the cap limits the amount of benefits a family can receive, with any money above the threshold being taken off housing benefit (or the housing cost element of universal credit), leading to arrears, and subsequent eviction and homelessness.

This is particularly an issue since the lower threshold was imposed by the UK Government in November 2016 meaning a household's benefits are capped at £20,000 in Scotland (and throughout the UK out-with London). Our experience is that the benefit cap is a punitive, gendered, arbitrary cap. It has a disproportionate effect on single parents and affects many families who are in low-paid work and already struggling to make ends meet, as well as those who are unable to work. The benefit cap has caused severe hardship for families, stress and anxiety over the financial strain, and has pushed many into arrears, eviction and homelessness. For some, it has actually pushed them further away from work than they previously were. We believe the benefit cap does not meet its intended aims and causes undue hardship, and that the public and personal cost of homelessness caused by the benefit cap outweighs any direct monetary gains it may make. Local authorities are left to cover the cost of supporting people who are made homeless and many who are unable to afford the charges for their temporary accommodation, notwithstanding the cost of discretionary housing payments used to mitigate the worst effects of the cap. We need a strong housing safety net to ensure help is in place when people need it. The lower benefit cap does not deliver this safety net and actually leaves a gaping hole in the welfare system, despite affecting people who have already been deemed eligible for support through the social security system. Shelter Scotland strongly recommends removing the benefit cap.

It is not only households in social housing who are being pushed into poverty by unaffordable housing. Shelter Scotland has concerns about the freeze to Local Housing Allowance. Local Housing Allowance (LHA) is a benefit supporting low income households who are renting privately. LHA is now in the third year of its freeze, this goes alongside rents which show no signs of slowing. Evidence shows

that in many areas LHA rates are no longer sufficient to access the bottom 30% of the market¹¹.

This is very concerning, last year (2017/18), 36% of our client base came from the private rented sector. The PRS is becoming increasingly unaffordable. This unaffordable housing system risks pushing more households into extreme poverty in Scotland through a housing block.

¹¹ Scottish Government (2018) <https://cdn.prgloo.com/media/dfa6e476060441c3b7d303de52401b8c.pdf>

CONCLUSION

Shelter Scotland believes that housing is an integral part of the solution in eradicating poverty in Scotland. Scotland is in a housing crisis. Homeless figures are increasing, households are spending longer in temporary accommodation, and benefits are continually frozen.

In order to alleviate poverty, Scotland needs more social homes, and a strong welfare safety net to catch people when they fall into crisis.

Shelter Scotland helps over half a million people every year struggling with bad housing or homelessness through our advice, support and legal services. And we campaign to make sure that, one day, no one will have to turn to us for help.

We're here so no one has to fight bad housing or homelessness on their own.

Please support us at shelterscotland.org

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