



Parliamentary briefing for the Scottish Budget 2025-26: Investment needed to drive forward the prevention agenda in Scotland

The Housing (Scotland) Bill is currently making its way through the Scottish Parliament. Part Five of the Bill creates new homelessness prevention provisions, the latest in a series of work designed to put greater focus on prioritising prevention in Scotland. This must be a critical component to the Scottish Government's response to tackling the housing emergency. Stemming the flow of people coming into the system is an essential part of the strategy needed to end the emergency that councils are facing across Scotland.

Placing greater emphasis on upstream prevention will reduce the burden on a range of public services and reduce the need for expensive and often unsuitable temporary accommodation by minimising the number of people experiencing homelessness in the first place. However, for this to happen the prevention measures must be fully resourced if they are passed by parliament – it will not be enough to pass the legislation, it will also need to be implemented well and funded appropriately.

The funding asks outlined below will allow for immediate action to scale up the existing pockets of good prevention practice, ensuring these approaches are made available to everyone in Scotland. This does not need legislation to be passed but, if done now, it will help lay the ground for when new duties come in. The additional funding ask is for piloting aspects of the legislation that requires greater clarity, a better understanding of costs and savings, and the systems changes required for excellent delivery.

The homeless prevention agenda cannot be delivered in a vacuum, however. Investment in, and delivery of, these prevention measures must be done alongside adequate funding commitments for increasing housing supply to keep pace with demand, and for effective homelessness services - which remain essential throughout Scotland.

We are asking the Scottish Government to make the following commitments in the forthcoming budget:

Fund and deliver a Test and Learn Initiative to find answers to aspects of the Housing (Scotland) Bill that are unknowns.

Fund and deliver a programme of Scaling Up Prevention best practice across Scotland in response to the National Housing Emergency, and in preparation for implementation of the new homelessness prevention duties.

Establish a Prevention Delivery Unit at the heart of Scottish Government, tasked with transforming public services to create a new holistic support model for households in need of help early on.

Why it's important these measures are funded, how much is needed and what they will achieve:

1. Fund a Test and Learn pilot programme.

There are elements of the prevention measures in Part 5 of the Housing (Scotland) Bill that will require greater detail through amendments and guidance, but there are other elements that contain several "unknowns", including how much the new duties will cost and where the savings will come from, also what the "Act" duty will entail and how it will be fully and properly implemented by the sectors and organisations that will be affected by the introduction of the Bill. For this reason, we recommend funding a programme of pilots, via a Test and Learn Initiative, so that there can be a phased approach to implementing the homeless prevention measures contained within the Bill. **We recommend funding for this Initiative is announced as part of the upcoming Budget, on the 4th December, so that pilots could begin in 2025.**

2. Fund an initiative to proactively scale up prevention best practice across Scotland.

Some elements of the prevention measures, outlined in Part 5 of the Housing Bill, are already "knowns" with quantifiable successes of their operation in evidence in parts of Scotland. This positive preventative work should be scaled up across Scotland in response to the National Housing Emergency. Effective delivery of prevention work is vital to stem the flow of people becoming homeless in the first place and therefore to help reduce the number of people coming into the system and feeling the negative effects of the housing emergency. No legislation is required to scale up areas of best practice, however the political will and financial capital in the Scottish Government and Scotland's local authorities is necessary. **Crisis recommends this programme should be funded and implemented as a matter of urgency.**

3. Establish a Prevention Delivery Unit

Work to prevent homelessness requires cross-governmental input and collaboration. Strategic alignment of government agendas would see public services working collaboratively to deliver on their key policy objectives. Coordination of this work would be best served by a Prevention Delivery Unit which would be tasked with creating a vision for successful preventative public services, and a related definition of what homelessness prevention means in practice, as well as to develop and oversee delivery of objectives and outcomes central to implementing the homeless prevention duties as laid out in the Housing (Scotland) Bill. The unit would also track progress against clear and identifiable targets across a set timeframe and the delivery of the prevention piloting programme and scaling up best practice programme. **Crisis recommends the Prevention Delivery Unit is launched alongside the scaling up and piloting programmes and remains in place for the duration of the phased approach to implementing the new homeless prevention duties.**

What will it cost?

Funding a Test and Learn pilot programme.

Funding could be made available for different levels of programmes:

- Low level – 3 programmes (approx. 10% of Scottish local authorities)
- Medium level – 6 programmes (approx. 20% of Scottish local authorities)
- Intensive – 10 programmes (approx. 30% of Scottish local authorities)

Factoring in delivery and evaluation costs allowing £100,000 per test and learn programme – to cover all associated costs including delivery, evaluation and project management – would result in total costs of £300,000 per year (low-level), £600,000 per

year (medium- level) and £1,000,000 per year (intensive) for the delivery of a test and learn pilot programme in Scotland. We recommend pilots run for on average a 2-year period. The above totals would include the associated costs for commissioning cost/benefit analyses and evaluations.

Scaling up prevention best practice

The total funding required for this work could follow a similar example to the Test and Learn programme with low, medium and intensive ratings. Examples of programmes that could be scaled up include South Lanarkshire Council's investment of **£300,000 over 5 years to assist 30 households per annum** in the private rented sector to sustain their tenancies, City of Edinburgh Council's approx. **£300,000 spend over two years** to provide access and advice services as part of early intervention programmes to prevent homelessness and East Lothian Council's proposed investment of **£375,000 to secure 50 Housing First tenancies**. A similar size of budget as that required for the test and learn pilot programme could therefore go even further in scaling up existing best practice enabling more local authorities and programmes to access funding to help with this work.

Establishing a Prevention Delivery Unit

The Unit would be established using existing Scottish Government infrastructure but will make use of the wider sector for input and delivery. It would require an allocated budget to enable the phased approach to implementation, including the project management and coordination of transitioning a range of public services to deliver collaboratively on prevention, and to evaluate the social and financial benefits of doing so. **A budget of approx. £100,000 per year for this work may therefore be necessary.**

Wider systems change funding

Rapid Rehousing Transition Plan (RRTP) funding

As an alternative to creating a separate budget for scaling up prevention, and for piloting aspects of the legislation, further investment could be made via Rapid Rehousing Transition Plan budget to deliver a wider systems change to connect the Scottish Government's prevention agenda with reducing the use of temporary accommodation and moving people into stable accommodation as quickly as possible. **To do this, specific prevention outcomes would need to be identified in order to drive performance in this direction, and investment in Rapid Rehousing Transition Plan funding needs to be addressed in the immediate future.**

For RRTP funding to be successfully used to scale up prevention activity across Scotland and lay the ground for the new prevention duties, we believe the funding should be guaranteed for a longer period to allow for greater investment in prevention outcomes across the board, this could be a 3-5 year spend to save funding model, instead of the current year-to-year funding being provided. This will provide local authorities with the cash resources they require to substantially invest in prevention and will enable them to make longer term plans to improve local outcomes. **Moreover, RRTP funding should be uprated in line with inflation.** The first RRTP fund in 2019/20 was £8 million and that figure has remained static. Adjusting for inflation in the time that has elapsed since the introduction of RRTPs, **this year's figure should be approx. £10 million.** Without a real terms increase in the budget, local authorities are being asked to do more with less resource.

For further information please contact Rhuaraidh Fleming, Senior Policy Officer, Crisis, on Rhuaraidh.Fleming@crisis.org.uk