

ISLAND COMMUNITIES IMPACT ASSESSMENT

Name of Policy, Strategy or Service	The Homeless Persons (Suspension of Referrals Between Local Authorities) (Scotland) Order 2022
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STEP ONE – DEVELOP A CLEAR UNDERSTANDING OF YOUR OBJECTIVES

<ul style="list-style-type: none"> • What are the objectives of the policy, strategy or service? • What are the intended impacts/outcomes and how do these potentially differ across the islands? 	<p>The Homeless Persons (Suspension of Referrals Between Local Authorities) (Scotland) Order 2022 exercises the power, under Section 33A of the Housing (Scotland) Act 1987, which allows Scottish Ministers to modify the rules on local connection. The order suspends the power of all Scottish local authorities to refer a homeless person/household to another local authority within Scotland on the grounds of the applicant's local connection. The change only applies to referrals to and from Scottish local authorities and arrangements with England and Wales will continue to operate as they do now.</p> <p>The decision to suspend local connection referrals is based on the belief that people who are homeless or threatened with homelessness generally have good reasons to present to a particular authority. The Scottish Government takes the view that households are more likely to resettle successfully, and avoid repeat homelessness, if they are living in an area of their choosing where they can access the specific services and person-centred support they require and where they are able to integrate successfully into the local community. Additionally, for some households who are homeless or experiencing homelessness, the ability to have a fresh start in another area can be an important factor in helping them to sustain a safe and settled home.</p> <p>At present, most households who are homeless or at risk of homelessness present to the local authority where they currently reside or have another connection to through work, family and friends, or through accessing support services. Where a household</p>
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does not have a local connection, the local authority can refer to them to a local authority where they do have an established local connection. By suspending the power of local authorities in Scotland to make referrals, we are eliminating one of the barriers people face to receiving the right support, where and when they need it. This will ensure that frontline staff can focus on providing a prompt, person-centred approach to applicants, and help more people into a settled home more quickly.

One potential outcome following the legislative change is that some local authorities may receive an increase in presentations following the suspension of referrals. However, other areas may see a decrease in presentations, therefore we expect the overall impact of suspending local connection referrals will be neutral at a national level. The potential impact of increased demand on housing and support services is not unique to island community local authorities. However, we acknowledge the concerns raised by stakeholders even a small increase in the number of homeless households could have a significant impact on services, particularly if the household has significant or complex support needs.

STEP TWO – GATHER YOUR DATA AND IDENTIFY YOUR STAKEHOLDERS

<ul style="list-style-type: none"> • What data is available about the current situation in the islands? • Who are your key Stakeholders? • How does any existing data differ between islands? 	<p>Two key sources of data have been gathered on the differences that occur in island communities, and between island groups, in contrast to mainland Scotland. Firstly, insights gathered from stakeholders representing island communities and secondly from published research and statistics.</p> <ul style="list-style-type: none"> • people with lived experience of homelessness • the six island community local authorities • advocacy groups e.g. Shelter Scotland <p>Housing demands vary across islands for a range of reasons for example due to differences in availability of properties through the private rented sector, the availability of social housing properties and fluctuating levels of seasonal workers.</p> <p><u>Migration</u></p> <p>Internal migration may lead to population changes with people leaving smaller islands to move to bigger islands or mainland Scotland driven by factors such as housing, education and employment. The extent of this differs across island regions. For example, migration to mainland Scotland happens more frequently for people living on Skye but is less common in the Orkney islands where there is more migration between Orkney islands. For island-only authorities this migration trend can impact on the demands for temporary accommodation as there is no mainland alternative to offer households.</p> <p>In April 2021, an open letter was signed by 1,700 young people from across the Highlands and Islands organised by young people from Skye and a pressure group was created to bring attention to a range of issues affecting young people living in island communities, including the lack of available affordable housing. An inability to retain young people has an effect on family and community sustainability. Young people may leave island communities for education or work, perhaps going to mainland Scotland, and are unable to return to their island communities to live and work at a later date due to a lack of available properties. There is currently a lack of</p>
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suitable affordable housing for young people who want to remain or return to living in island communities, and removing the local connection test may add to the number of people seeking temporary accommodation in an island setting, particularly during peak tourist seasons.

Local Connection Trends

Most homeless households present as homeless to the local authority where they currently reside or have another connection to through work, family and friends or accessing support services. In 2021/22¹:

- 95% of homeless households had a connection to the local authority to which they made their application²
- 3% of homeless households had a connection to another local authority in Scotland
- 2% had no known local connection to any local authority in Scotland.

(Note: The Covid pandemic response limited movement of people during some of this period however the figures reflect long-term trends in local connection status of applicants.)

The majority of applications with no local connection were in major cities, with Glasgow and Edinburgh accounting for over 75% of these applications.

In 2020-21, 195 homeless households were referred to another local authority. This number has fallen from 240 in 2020/21. In 2021/22:

- 5 local authorities had an increase in their number of referrals
- 11 local authorities had a decrease in the number of referrals
- 16 local authorities stayed the same as the previous year.

In island local authorities in 2021/22:

- North Ayrshire made no referrals (same as last year)

¹ The most recent stats release has information from 2021/22 in table 24.

² [Homelessness in Scotland: 2020 to 2021 - gov.scot \(www.gov.scot\)](https://www.gov.scot/homelessness-in-scotland:2020-to-2021-gov.scot)

<ul style="list-style-type: none"> • Are there any existing design features or mitigations in place? 	<ul style="list-style-type: none"> • Highland made five referrals (same as last year) • Argyll & Bute made 5 referrals (an decrease from 10 the previous year). • There were no referrals made by Orkney Council, Shetland Council or Western Isles Council. <p>(This data is gathered at local authority level and is not available at an island level for Argyll & Bute, Highland and North Ayrshire.)</p> <p>Although some local authorities will have an increase in applications following the suspension of referrals, other areas will see a decrease in applications, therefore the overall impact of suspending local connection referrals will be neutral at a national level. However, we acknowledge the concerns that island communities could be vulnerable to even small increases in applications and this impact this may have on housing and support services.</p> <p>The Scottish Government has committed to working alongside island authorities to monitor data around local connection so that swift action can be taken should any issues arise. We have developed a monitoring and evaluation framework to build an evidence base which will help us understand how the legislative changes are affecting local authorities.</p> <p>We have committed to use existing homelessness statistical data collections, such as HL1, to monitor changes to data following this legislative change. Qualitative information will be collected from local authorities, frontline services and the lived experience group the Change Team. This will provide the narrative behind the data and provide an evidence base for the impact of the change.</p> <p>The Ministerial Statement allows for 'swift remedial action' where appropriate. Should there be any unintended consequences or any significant detrimental impact on homelessness services, the monitoring and evaluation framework will provide the evidence base to support any necessary actions.</p>
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STEP THREE - CONSULTATION

<ul style="list-style-type: none"> • Is there any information already gathered through previous engagements? • How will you carry out your consultation and in what timescales? Public meetings/Local Authorities/key Stakeholders • What questions will you ask when considering how to address island realities? • Separate consultation events for Island communities/Local Authorities? 	<p>Yes there is enough data available. The Scottish Government has held two public consultations, one in 2019³ and another in 2020⁴, on the proposal to modify the operation of local connection referrals in Scotland. The consultation responses⁵ were published, where approval was received, as well as an analysis⁶ of the responses. Scottish Government officials also undertook stakeholder engagement before, during and after each period of consultation, including with the six island community local authorities. There was also engagement with local authorities to have opportunity to develop the monitoring and evaluation framework.</p> <p>Consultation has taken place across 2021 and 2022. Regular engagement will continue to monitor the impact of the changes on local authorities, frontline services and homelessness households. For the island local authorities, the initial engagement will be monthly and amended as required.</p> <p>In addition to the general consultations outlined above, island local authorities were given opportunity to comment on the draft ICIA (using the old format) and attended meetings with SG officials to discuss the potential impact of the changes.</p> <p>Yes, there were meetings with each of the six island local authorities as well as opportunity to comment on the draft ICIA.</p>
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³ [A consultation on local connection and intentionality provisions in homelessness legislation - Scottish Government - Citizen Space](#)

⁴ [Ministerial Statement for modifying local connection referrals: consultation - gov.scot \(www.gov.scot\)](#)

⁵ https://consult.gov.scot/housing-regeneration-and-welfare/local-connection-and-intentionality/consultation/published_select_respondent

⁶ <https://www.gov.scot/publications/consultation-local-connection-intentionality-provisions-homelessness-legislation-analysis-responses/>

STEP FOUR - ASSESSMENT

<ul style="list-style-type: none">• Does your assessment identify any unique impacts on island communities? (Further detail in the Guidance):<ul style="list-style-type: none">– Demographic– Economic– Gaelic– Social • Does your assessment identify any potential barriers or wider impacts?	<p><u>Demographic</u> This legislation could potentially affect the demographic of an island due to population increases or decreases as it will give homeless households freedom to move between local authority areas. Some islands are at capacity in terms of available housing including temporary accommodation. For example, Skye has an acute shortage of temporary accommodation and there are many homeless households considered as 'Homeless at Home'⁷ while they wait for a permanent outcome. Homeless applicants are often offered temporary accommodation outside of the island which is rarely accepted due to needing a local property, for example, to fulfil family and work commitments.</p> <p><u>Economic</u> There may be economic impact on all areas of Scotland depending on the increase in homeless households seeking to move to a new authority area. However, we recognise that even a small increase of homelessness households for an island authority may have a significant impact on housing and homelessness services as well as wider support services. This legislative change is expected to be cost-neutral at national level.</p> <p><u>Gaelic</u> There is likely to be minimal impact.</p> <p><u>Social</u> There is likely to be minimal impact.</p> <p>Existing statistical data shows that most people (95%) apply to a local authority with which they have a local connection and the current power for local authorities to make local connection referrals is used very rarely across Scotland. (These figures also include</p>
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⁷ The definition of 'Homeless at Home' as per the Highland Housing Register Allocation Policy.

applications from England and Wales and referrals to these areas will continue.) Since 2010, there have been no formal referrals made from island authorities, and the other three island authorities (Highland, Argyll & Bute and North Ayrshire) have had referral rates in single figures.

It is difficult to predict whether there will be a significant increase in the number of people who will present at homeless in island communities. We note from the consultation responses that in most circumstances people are likely to choose to settle in their local area where they have an existing connection, can be close to family, and where existing support measures are in place.

There may be additional pressures on some support services, particularly within health and social care, if new homeless households moving to the area have significant or complex support needs.

Data will be monitored to highlight any adverse impact on the capacity of a local authority to meet their duties. Through regular engagement with local authorities we will discuss local issues and context, and consider support options to mitigate where there adverse impact.

The Housing to 2040 route map has a focus on where people want to live and includes an action that rural and island communities have access to high-quality, affordable and market housing which has been planned alongside the economic and physical infrastructure and helps people to live, work and thrive.

The Affordable Housing Supply Programme delivers homes across Scotland, including in rural and island communities, and recognises the higher cost of development in these areas through the use of higher affordable housing investment benchmarks which determine the appraisal route that applications for grant funding follow⁸. More than 6,000

- Are there mitigations already in place for these impacts raised?

⁸ Applications for funding which are at or below the applicable affordable housing investment benchmark follow a streamlined appraisal process, with applications for funding which are above the applicable benchmark being subject to a detailed value for money assessment.

affordable homes have been delivered in rural and island communities in the five years to March 2021. In that time, over £86 million has been invested in the islands alone to provide affordable homes on a range of islands including Islay, Orkney, Shetland, the Outer Hebrides, Mull, Raasay and Barra, among others. We are committed to delivering 110,000 affordable homes by 2032, of which at least 70% will be available for social rent and 10% will be in our remote, rural and island communities. Latest official statistics show that a total of 1,119 homes have been delivered during March 2022 towards the 110,000 target, of which 1,057 (94%) are homes for social rent.


We know that a small number of homes can make a big difference to rural and island communities and, complementing our delivery through the mainstream programme, communities will also be supported by the continuation of the Rural and Islands Housing Fund beyond March 2021, with up to £30 million available to support the demand led scheme as part of the current five year Affordable Housing Supply Programme. The fund aims to increase the supply of affordable housing across all tenures. It helps groups such as community organisations, development trusts and private landowners to build new affordable housing, refurbish existing properties and bring empty properties into use, including the conversion of commercial and non-domestic properties into homes. It also provides feasibility funding to help groups explore the options and range of possibilities.

We are also committed to developing a Remote, Rural & Islands Housing action plan to meet the housing needs of, and retain and attract people to, those communities. The development of the Action Plan provides an opportunity to look at current structures and discuss with partners and communities how these can be updated or added to, to provide more tailored approaches to delivering more homes in the right places for our rural and island communities. We want our rural places to be vibrant and sustainable. Draft National Planning Framework 4 encourages development that helps support, sustain and grow rural areas.

Is a full Island Communities Impact Assessment required?

<ul style="list-style-type: none"> • Are there mitigations in place for the impacts identified and noted above from stakeholders and community consultations? (If further ICIA action is not required, complete the section below and publish). • Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as levels of satisfaction, or different rates of participation)? • Are these different effects likely? • Are these effects significantly different? • Could the effect amount to a disadvantage for an island community compared to the mainland or between island groups? • If your answer is 'no' to the above questions, please complete the box below. • If the answer is 'yes', an ICIA must be prepared and you should proceed to Step 5. 	<p>There is no evidence that mitigations are required based on current statistics. However, the evaluation and monitoring framework will provide data to inform whether any mitigation is required in the future per the terms of the Ministerial Statement.</p> <p>No, data to date shows that there are very few applications by homeless households without local connection to island local authorities, and very few referrals by island authorities.</p> <p>This legislation does not create any disadvantage.</p>
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A full Islands Community Impact Assessment is NOT required

<p>In preparing the ICIA, I have formed an opinion that our policy, strategy or service is NOT likely to have an effect on an island community which is significantly different from its effect on other communities (including other island communities). The reason for this is detailed below.</p>	
<p>Reason for not completing a full Islands Communities Impact Assessment: Based on the evidence available, the impact of the Local Connection SSI is expected to be minimal for all local authorities in Scotland including the six island local authorities.</p>	
Screening ICIA completed by (name)	Louise Thompson
Position	Policy Manager
Signature and date	9 September 2022
ICIA authorised by (we recommend DD level)	<u>Catriona MacKean</u>
Position	<u>Deputy Director</u>
Signature and date	 9 September 2022