# New build slump deepens Scotland housing crisis as homelessness rises



Scotland is currently grappling with a profound housing emergency, exacerbated by a significant downturn in new builds and rising homelessness figures that reflect a stark reality for thousands. The latest official statistics reveal a troubling 16.4 per cent decline in new housing supply over the past year, representing a drop of almost 4,000 homes. This hits particularly hard in densely populated areas, with major cities like Edinburgh and Glasgow bearing the brunt of the crisis.

In the fiscal year 2022-23, Scotland managed to deliver 24,348 new homes; however, by 2023-24, that number plummeted to 20,364. Such a rapid decline comes at a time when homelessness is reaching alarming levels. Over 33,600 households have been assessed as homeless or threatened with homelessness, marking a worrying 3 per cent uptick from the previous year. Among those affected are more than 10,000 children who find themselves in temporary accommodation—figures that paint a grim picture of a system under severe pressure.

Charities have voiced deep concerns, highlighting that there are currently more children in unsuitable temporary arrangements in Edinburgh alone than across all of Wales. The situation is indeed dire, as every 16 minutes, a household in Scotland faces the reality of homelessness, according to data from Shelter Scotland.

Scottish Labour has not missed the opportunity to critique the ruling Scottish National Party (SNP), labelling the current housing situation as a result of "incompetence." Mark Griffin, the party's housing spokesman, points to soaring rents and a drastic decline in home availability as indicators of the SNP's failure. He articulates that the party's lack of effective housing policy has left families vulnerable, stating, “Families the length and breadth of Scotland are being let down by the SNP’s disastrous record on housing.”

In response to these critiques, Housing Minister Paul McLennan acknowledged the challenges ahead, emphasising ongoing efforts to confront these pressing issues. He pointed out that while the overall new build figures are concerning, the approvals for affordable housing had indeed seen some positive movement. McLennan referenced a £768 million investment commitment aimed at boosting the odds of tackling the housing crisis. He stressed that providing safe, warm housing is a cornerstone of the Scottish Government's strategy to eradicate child poverty.

However, this optimism comes against a backdrop of fiscal constraints. The SNP’s budget for 2024-25 includes cuts of nearly £200 million from the affordable housing budget, a decision that has faced severe backlash. Critics argue that reduced funding undermines efforts to construct new housing and renders current measures as insufficient amidst growing demand. Moreover, the government's recent modifications to rent controls—capping increases at inflation plus 1%—have been interpreted as an attempt to balance the needs of renters while simultaneously addressing concerns from landlords who fear excessive regulatory burdens.

The construction industry is also feeling the impact, with developers expressing worry over the lack of clear guidelines as they navigate an increasingly complex housing market. Reports indicate that the changes might deter vital capital investment and exacerbate supply shortages.

As the crisis unfolds, the need for immediate and effective policy interventions becomes ever more critical. The SNP has indicated that collaboration with local authorities facing the most acute homelessness pressures is a priority. Nevertheless, the scepticism from opposition parties and community advocates regarding the pace and scale of these efforts remains palpable.

As Scotland looks forward, it is clear that significant reforms are required to prevent the ongoing housing emergency from spiralling further out of control. Without decisive action, the implications for future generations could be severe, leaving many without a place to call home in a nation that prides itself on community and compassion.

### Reference Map

1. Paragraphs 1, 2, 3, 4
2. Paragraph 3
3. Paragraphs 5, 7
4. Paragraphs 6, 7
5. Paragraphs 5, 6
6. Paragraph 3
7. Paragraphs 2, 4

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.dailyrecord.co.uk/news/politics/scotlands-housing-emergency-blamed-snp-35216767> - Please view link - unable to able to access data
2. <https://www.ft.com/content/687a68d5-c9ff-4137-9a8e-85d20f861aae> - This article reports that the number of homeless households in Scotland reached a 12-year peak, with over 33,600 households assessed as homeless or threatened with homelessness in the year ending March 2024. This represents a 3% increase from the previous year. The national housing crisis is mirrored in England, where over 117,000 households were in temporary accommodation in the first quarter of 2024, marking a 12% rise from the previous year. The article also highlights criticism of the Scottish government's handling of the crisis and the decrease in new housing starts and completions.
3. <https://www.ft.com/content/1ede67c4-3d48-4394-8908-3e325500f48a> - The article discusses the Scottish government's modification of rent control proposals amid a housing crisis, suggesting capping rent increases at inflation plus 1%. Previous measures included a rent freeze, which lapsed in April 2023. Investors argue that such controls deter capital investment and cause landlords to withdraw properties, worsening supply issues. Some landlords have preemptively raised rents significantly. Revisions to the bill have been welcomed but seen as insufficient by the Scottish Association of Landlords. Developers request more clarity to secure investor confidence. The government is also establishing a housing planning hub to expedite new home deliveries.
4. <https://www.ft.com/content/b9fe4f6f-6d70-412e-9125-273b11cb0168> - This letter criticizes Scottish First Minister Humza Yousaf over the SNP's housing policy failures. It claims that Yousaf's credibility on addressing child poverty is undermined by substantial cuts to affordable housing funds. The SNP's 2024-25 budget includes cuts of nearly £200 million, slashing a quarter of the housing budget. Recent data shows an 8% rise in children in temporary accommodation, reaching almost 10,000. The letter suggests that the SNP's continued shortcomings in housing, coupled with their fiscal approach, may lead to higher taxes and reduced services for Scots.
5. <https://www.scotsman.com/news/politics/snp-housebuilding-housing-crisis-homelessness-scotland-4795460> - The article reports that SNP ministers are under fire for overseeing the 'collapse in housebuilding' after cutting £200 million from the affordable housing budget. Figures show the number of new homes built in Scotland plummeted by 17% last year. The data indicates that by the end of June, 22,473 homes had been built towards the Scottish Government’s target of delivering 110,000 affordable homes by 2032. The article also highlights a rise in homelessness assessments and the number of children in temporary accommodation, with SNP ministers facing criticism for the lack of housing.
6. <https://scotland.shelter.org.uk/housing_policy/homelessness_in_scotland> - Shelter Scotland's page provides statistics on homelessness in Scotland, noting that every 16 minutes a household becomes homeless. In the year 2023/24, there were 40,685 homeless applications made to local authorities, with 33,619 households assessed as being homeless or threatened with homelessness. The number of children in temporary accommodation has also increased, with 10,360 children living in temporary accommodation as of September 2024, marking a 5% increase compared to September 2023 and the highest on record.
7. <https://www.gov.scot/publications/homelessness-in-scotland-2023-24/> - The Scottish Government's publication provides detailed statistics on homelessness for 2023-24, including a 4% increase in homelessness applications compared to the previous year, reaching 40,685. It also reports that 33,619 households were assessed as homeless or threatened with homelessness, a 3% increase from the previous year. The number of children in temporary accommodation increased by 5% compared to the previous year, reaching 10,110 children. The publication also highlights an increase in households reporting rough sleeping the night before application and in the three months prior.