

Housing Support in the Scottish Budget 2025-26

The [Scottish Budget](#) was published on the 4th of December, including important funding commitments for housing support.

We welcome the £4m funding for homelessness prevention pilots. In the context of the new Ask and Act duties in the Housing Bill, it will be important that funding is provided on a more sustainable basis to provide support to anyone who needs it to live independently. We would also encourage the Scottish Government to expand provision of current preventative housing support services that enable people to sustain their tenancies.

£768m of investment was announced for affordable housing, which is a real terms increase of 26% from the current year. The increase reflects the ambition to reach the target of 110,000 new affordable homes. However, the affordable housing budget is [still 2.5% lower](#) compared to 2023-24 in real terms. [Recent research](#) commissioned by the DWP and MHCLG found that between 30,300 and 57,700 additional units of supported housing would be needed in Scotland by 2040 to meet unmet demand and maintain current rates of provision. This will require significant further investment.

The 2025-26 budget also includes an increase in the adaptations budget to £20.9m. This is a welcome increase that will serve to help people living in the socially rented sector to live in accessible homes that meet their needs. [SFHA lobbied ahead of the budget](#) for funding to be increased from this year's budget of £8.25m.

The budget has confirmed that there will be funding to increase the pay of adult social care workers to the Real Living Wage of £12.60 an hour from April. In the lead up to the budget, [CCPS called](#) for a commitment to the Real Living Wage + 10% to recognise the skilled work undertaken by adult social care workers and address the recruitment and retention crisis within the sector.

The budget did not include funding to cover employee National Insurance contribution increases, that [SCVO estimates](#) will cost the voluntary sector in Scotland £75m. In a [recent letter to the Chancellor and Scottish Government contacts](#), CCPS has pointed to the existential threat faced by the social care sector as a result of the policy changes on employee National Insurance Contributions.

Rapid Rehousing Transition Plan (RRTP) funding remains at £8m for 2025-26, as in previous years. [Crisis and Homeless Network Scotland](#) had previously called for the funding to be uprated in line with inflation to £10m. While continued RRTP funding is welcome to help local authorities support people into permanent accommodation as soon as possible, the short-term nature of this funding can make service delivery and strategic planning more difficult. Sustainable funding of housing support services is required to enable everyone in Scotland to live well at home as independently as possible.