



**Housing for Older People in Scotland  
May 2025 (with case studies added Oct  
2025)**

## Housing for Older People in Scotland 2025:

Through the beginning of the 2025-26 financial year, the Housing Support Enabling Unit hosted two meetings of registered social landlords who provide services for older people across Scotland. The purpose of the meetings was to discuss the current threats to the funding of sheltered housing and other older people's accommodation.

Service models of housing with support for older people are diverse and may be referred to differently depending on the provider. Services may have different age requirements and the aims of services will be tailored to tenants. However, all models of housing for older people provided by Registered Social Landlords support independent living and prevent or delay the need for more intensive models of care. See the appendix for a table outlining some of the features of different models of housing for older people.

### Funding Landscape

The current funding of sheltered and other housing for older people is at risk, with a lack of consistency across local authorities.

In recent years, RSLs have demonstrated flexibility and creativity in finding effective solutions and changing service models to support their tenants when funding is cut. However, this is increasingly difficult in the context of concurrent pressure on the broader financial situation of housing associations including increasing employer national insurance contributions.

The number of local authorities commissioning sheltered housing and other models of housing with support for older people has significantly decreased, with some local authorities this year taking the decision to cut funding at short notice, without engagement with providers and tenants, as demonstrated in the case studies below. Decisions made without consultation reflect a lack of understanding of the support that services provide, and the lead times required to redesign services and continue supporting tenants. In addition, we have heard troubling reports of a lack of cooperation between HSCPs and local authority housing departments.

Some services that have had their housing elements funded through supported exempt accommodation for housing benefit, are now also facing increased scrutiny when their tenants make housing benefit claims.

### Impact of Insecure Funding for Older People's Accommodation

In some examples where funding has been cut, local authorities have implied that in-house local authority care and support services will step in. However, current capacity pressures mean that this has not been the case with significant delays for social work assessments

and the arrangements of care packages. Delays of alternative care can have a serious impact on tenants and their families. The current insecurity and uncertainty of future funding for services can also negatively impact the trust and relationships between tenants and their landlords.

If a tenant and/or their family is unsure of the continued support they will be able to receive in their accommodation, they may pre-emptively look for alternative accommodation. This can increase the voids in sheltered housing services for older people, as Trust Housing Association experienced.

When support is no longer funded, a development may no longer be viable. This is in tension with the purpose of the grant funding that sheltered housing services receive. Overall, the insecurity of funding for sheltered housing risks leaving people in Scotland with fewer housing with support options as they get older.

The Scottish Government's strategy for providing housing for older people in Scotland expired in 2021 and has not been refreshed.<sup>1</sup> In Housing to 2040, the Scottish Government assured that work would be undertaken at the 'national and local level with health and social care and housing service, services commissioners, delivery organisations, and disabled people to embed a person-centred approach, that aligns housing support with social care services, so people have choice and flexibility to live independently.'<sup>2</sup> This should include investment in housing services for older people. The Supported Housing Review 2023 commissioned by the DWP and Ministry for Housing, Communities, and Local Government, found that to maintain current levels of provision, 12,800 additional units of supported housing for older people would be needed in Scotland by 2040; between 24,500 to 51,800 additional units would be needed to meet unmet demand and maintain current rates of provision.<sup>3</sup> Meeting these predicted levels of unmet need will require long-term investment and joint working between housing, health and social care.

**Reducing or cutting funding for sheltered housing and other models of accommodation for older people has significant impacts on registered social landlords and their tenants. The manner in which decisions have been taken at short notice and without thorough consultation risks people being left without adequate support. As more services are decommissioned or threatened with closure, there is a risk that the people in Scotland will be left with fewer housing options as they age. Strategic planning is required to ensure that there is a choice of high-quality housing options with support for older people.**

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<sup>1</sup> [EXECUTIVE SUMMARY - Age, home and community: a strategy for housing for Scotland's older people 2012-2021 - gov.scot](https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/03/housing-2040-2/documents/housing-2040/housing-2040/govscot%3Adocument/housing-2040.pdf)

<sup>2</sup> <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/03/housing-2040-2/documents/housing-2040/housing-2040/govscot%3Adocument/housing-2040.pdf>

<sup>3</sup> [https://assets.publishing.service.gov.uk/media/6724bd9bf7cd25d5997c6fe1/Supported\\_Housing\\_Review.pdf](https://assets.publishing.service.gov.uk/media/6724bd9bf7cd25d5997c6fe1/Supported_Housing_Review.pdf)  
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*Below are two case studies showcasing the challenges funding decisions are having on sheltered housing providers and their tenants and families. Please note both studies relate to the same Health and Social Care Partnership.*

## Case Study 1 – Trust Housing Association

Trust has been providing housing support in the two impacted sheltered housing development for over 20 years. These two sheltered housing developments were the only services in this Local Authority area for which it received any housing support funding. This funding amount for the services was confirmed on an annual basis, and Trust provided an annual return at the end of each financial year. Trust received minimal communication with the commissioning team throughout the year and most of this communication centred around the annual return information and invoicing processes.

In October 2024 Trust received a legal letter from the local authority's legal team that the housing support funding would cease on the 31st of March 2025. This was the first notification of this change it had received - no one for the commissioning team had made contact to inform Trust that the decision had been made or to discuss any proposed communications and consultation for the impacted tenants regarding this decision. Trust made several attempts to contact both the legal representative noted on the letter to which questions had to be directed and its contact in the commissioning team. No one responded to the communication and to date Trust have received no response from anyone in the local authority.

Trust is aware that tenants raised concern through their local councillor and onsite staff had also tried to contact the local council officers, as customers had raised the question regarding the housing support charge that they paid to the council. Trust and the local councillor raised this query on the 4<sup>th</sup> of November 2024. Having received no response, the local councillor chased this on the 10<sup>th</sup> of January. This enquiry was passed round 6 council officers, none of which could provide the local councillor or Trust a response to the customers' enquiry.

In the absence of any communication or further information from the local authority, Trust implemented a communication plan with tenants and followed its own service change policy.

Trust arranged consultation and discussions with customers with an initial meeting in October 2024 and follow up meetings in January 2025.

Trust also met with customers on an individual basis to assess the impact of the service change and made the appropriate referrals on the outcome of the impact assessments.

- It was approved by Trust Board to change the service to its Retirement Housing model. This model provides an enhanced tenancy management service to tenants over 25 hours of staff time each week, Monday – Friday and is funded through rental income.
- These service changes would impact 69 customers and place 2 Trust employees at risk of redundancy.

### Customer impact

- Customers and their families were very concerned to hear from Trust that their service was going to reduce due to the funding withdrawal. They were also very disappointed that they had not had any forewarning or consultation from the Local Authority regarding the decision or the opportunity to input into the process prior to the decision being made.
- Customers were further frustrated that despite enquiries being made through Trust and their local councillor, no one from the local authority had responded or engaged with them.
- Customers were also very concerned that the on-site coordinators who they knew and had built relationships with were at risk of redundancy.
- The changes to the service caused a lot of anxiety to customers and their families, and some were unsure if they would be able to continue living in their current property.
- Trust is not aware that anyone has had to move out of their property as a direct result to the service change, but their quality of life has been impacted by the reduced service and limited housing management support that is based on site.
- Trust has some anecdotal evidence of additional referrals for care at home services to support some individuals' wellbeing and safety to remain in their home.

### Employee impact

- Two fulltime employees were made redundant; this was a difficult time for employees as they faced having to look for alternative employment as Trust had no other fulltime posts that it could offer them within the area.
- Employees had the challenging role of supporting and reassuring customers through this process.

### Organisational Impact

- The lack of communication and support from the local authority did not allow Trust the opportunity to work in partnership with them to deliver a customer consultation process that was meaningful for customers and families.

- Trust had to manage the process without any detailed information or agreement on a planned referral process for any customers who were identified through the impact assessments that would now require support from external sources.
- Trust had little forward cost planning time to meet the redundancy cost of the 2 employees.
- Trust was not able to provide the customers the planned comms and consultation process it would have liked to deliver, nor did it get the opportunity to explore if there were any other service models that we could develop at these sites to support the local authority's Housing Strategy.
- Trust has received a higher number of terminations than it would expect in the first five months of this financial year. There have been 9 so far, in comparison with 10 overall for the previous full year.
- Trust has only made 2 allocations since the start of this financial year, in comparison to 12 overall in the previous full year.
- Voids are therefore higher in the first part of this year than they were in the previous year. Currently there are 7 voids across 2 sites, in comparison to 2 voids at this point last year.

## Case Study 2 – Hanover Scotland Housing Association

This study concerns a very sheltered housing development owned and managed by Hanover Scotland Housing Association. It is very sheltered housing is aimed at frailer older people. Residents have their own tenancy and can live as independently as they please, but staff are on site 24 hours a day, 7 days a week to support independent living. Meals are provided from an on-site kitchen twice a day. Personal care and support requirements are met by external care providers.

The development comprises 16 flats – 10 x studio flats and 6 x 1 bedroom flats, which are all on one level. There are 3 residents lounges and a dining room.

Until the 1 April 2025, the service was funded through a blend of rent and service charges made direct to tenants, and housing support grant received from the Health and Social Care Partnership. A proportion of staff time was funded by the Housing Support Grant.

In September 2024, without prior indication nor any explanation, Hanover received a legal termination notice indicating an end to its housing support grant from 1 April 2025.

Hanover requested a meeting and subsequently met online with representatives from the HSCP. They advised that the decision was made due to significant financial pressures being faced by the IJB. Hanover asked to see the report which the IJB used when making its decision, which Hanover understood was made in August 2024, without its prior knowledge. Hanover also requested the accompanying Equalities Impact Assessment and were advised that the report would be made available publicly through publication of IJB papers/minutes in the near future. At that point, Hanover wrote expressing disappointment with the decision, with a view to reviewing the information when it became available and then having further dialogue with the HSCP regarding their decision.

In October, as no related published IJB paper could be found online, Hanover wrote asking to be directed to the appropriate online location. The HSCP advised that the report which informed the IJB would not be made available publicly. They highlighted, the key reasons for the decision being:

- Unprecedented budget savings over the next couple of years:
- Limited time for engagement / consultation as the extent of budget savings became clearer necessitating immediate response / action
- Key focus / priorities – complex -high risk services & models of care & support that align strategically & financially, deliver value for money and align with eligibility criteria (critical /substantial) and statutory responsibilities
- Implemented a programme of service efficiencies, redesign, reductions, and disinvestment action geared towards delivering a balanced budget

The HSCP did advise that an Equalities Impact Assessment had been carried out and that this was in the public domain.

In November 2024, Hanover wrote advising that it was disappointed that the IJB report could not be shared but appreciated that the key points had been set out, to assist in understanding how the decision has been reached. Hanover noted disagreement with a number of aspects of the equalities impact assessment but understood that it had been completed and informed the decision which the IJB took. Hanover requested that representatives of the HSCP meet with residents and their families, together with Hanover representatives, to explain the decision which has been taken, at an appropriate time. Hanover set out that the decision would potentially have a significant impact on its residents and requested that the withdrawal of funding from the 1<sup>st</sup> of April 2025 be reconsidered to provide sufficient time for residents to be appropriately involved in what their service may look like going forward and to ensure their needs would be able to be appropriately met.

The HSCP advised in December 2024 that it did not have a direct relationship with Hanover tenants accordingly it was not the responsibility of the HSCP, nor would it be appropriate for the HSCP, to meet with tenants and their families directly. They advised that the HSCP could provide Hanover with information relating to local advice and support services that Hanover may wish to share with and/or signpost tenants onto.

They advised that the six months' notice of the council's intent to withdraw funding arrangements was in line with contract terms and was a reasonable /adequate time for Hanover to prepare for the withdrawal of funding and 'notify' tenants. Accordingly, the timescale would therefore not be reconsidered / extended, and funding would cease as planned on the 1<sup>st</sup> of April 2025.

Tenants and families were informed by Hanover of the funding position in February 2025 but advised that there would be no immediate changes to their service by Hanover to protect residents' welfare. Hanover committed to engaging with its customers transparently on an ongoing basis to address the financial challenges it faced.

### Customer impact

- Customers and their families were very concerned regarding the impact that the funding withdrawal may have.
- Customers and their families were frustrated by a lack of meaningful engagement to their enquiries by the Health and Social Care Partnership.
- The uncertainty that the funding withdrawal had on the future of the service provided was distressing for customers and their families.
- In March 2025, false social media posts circulated locally indicating that residents had been told that they must move out by June, at which point the flats would be used for asylum resettlement. Families were understandably very unhappy, angry and in some cases, distressed.

### Employee impact

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- The uncertainty that the funding withdrawal created for the service going forward, has created concern for staff regarding their future roles with the organisation.

#### Organisational impact

- Hanover continued the service unchanged, but operating at a deficit to ensure it appropriately involved tenants and families in looking at service levels going forward.
- Lack of willingness by the Health and Social Care Partnership to engage with customers and families in partnership with Hanover was to the detriment of the engagement process.
- Hanover has 2 empty properties which it is not letting until it can be clear about the service and any changes to rent/service charges.

For more information or to discuss this, please email [hs.unit@ccpscotland.org](mailto:hs.unit@ccpscotland.org).

## Appendix

Sheltered housing	There may be a housing support service commissioned by a local authority, although this is not guaranteed as local authorities have withdrawn funding from this type of service in some areas.
	Regular on-site staff presence though the type and level will depend on whether housing support is being delivered as part of the housing service.
	Depending on individual circumstances, housing benefit may be able to help to pay for the housing element of the service.
	Any housing support element of the service will be regulated by the Care Inspectorate.
Very sheltered housing	Up to a 24/7 on-site presence.
	Usually with meals included.
Retirement or amenity housing	There is no housing support service provided by the landlord as an integral part of this type of housing.
	Tenants may organise care or support on an individual basis.
	There are examples where a support service is delivered by a different organisation or local authority from this type of housing but which is not provided as an integral part of the landlord's service.
Housing with Care	Residents have different care and support packages
	May have technology enabled care, including alarm system.

Examples of existing models:

[https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/Report\\_Housing-Scotland-Models-of-housing-with-care-and-support.pdf](https://www.housinglin.org.uk/assets/Resources/Housing/OtherOrganisation/Report_Housing-Scotland-Models-of-housing-with-care-and-support.pdf)

<https://www.ccpscotland.org/wp-content/uploads/2025/03/What-is-housing-support-March-2025.pdf>

## About the HSEU

The aim of the Unit is to offer support and assistance to providers of housing support and supported housing across the voluntary sector, the private sector and to Registered Social Landlords. You can find out more about the work of the Unit on our website.

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