



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government and Communities Committee

Wednesday 9 May 2018

Session 5



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Pàrlamaid na h-Alba

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LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

15th Meeting 2018, Session 5

CONVENER

*Bob Doris (Glasgow Maryhill and Springburn) (SNP)

DEPUTY CONVENER

*Monica Lennon (Central Scotland) (Lab)

COMMITTEE MEMBERS

*Kenneth Gibson (Cunninghame North) (SNP)

*Jenny Gilruth (Mid Fife and Glenrothes) (SNP)

*Graham Simpson (Central Scotland) (Con)

*Alexander Stewart (Mid Scotland and Fife) (Con)

*Andy Wightman (Lothian) (Green)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Kevin Stewart (Minister for Local Government and Housing)

CLERK TO THE COMMITTEE

Jane Williams

LOCATION

The James Clerk Maxwell Room (CR4)

Scottish Parliament

Local Government and Communities Committee

Wednesday 9 May 2018

[The Convener opened the meeting at 09:30]

Housing (Amendment) (Scotland) Bill: Stage 2

The Convener (Bob Doris): Good morning and welcome to the 15th meeting in 2018 of the Local Government and Communities Committee. I remind everyone to turn off their mobile phones. Meeting papers are provided in a digital format, so members may use tablets during the meeting. We have a full house this morning; no apologies have been received from members of the committee.

We move to item 1. I welcome the Minister for Local Government and Housing, Kevin Stewart MSP, and his accompanying officials. Our task is to consider one amendment to the bill, which the minister has lodged. In addition, we are required formally to agree to each section of the bill at the appropriate point.

Only members of the committee are permitted to vote in the proceedings. Members should have a copy of the bill and the marshalled list. As only one amendment has been lodged, there are no groupings.

I will call the minister to speak to and move amendment 1, then invite other members of the committee to contribute if they wish to do so, before asking the minister to wind up, if that is required, and say whether he intends to press or seek to withdraw the amendment. If the amendment is not withdrawn, I will put the question on it, and if any members do not agree to it I will call a division, which will be conducted by a show of hands. If the result is a tie, I, as convener, will exercise the casting vote.

Those are the rules and housekeeping arrangements. Let us get started.

Sections 1 to 9 agreed to.

After section 9

The Convener: I call amendment 1, in the name of the minister.

The Minister for Local Government and Housing (Kevin Stewart): Thank you, convener.

Amendment 1 will introduce a sunset clause: that is, a time limit of three years on the Scottish ministers' powers to make regulations under

sections 8 and 9 of the bill. Those powers will expire three years after the bill receives royal assent.

In the stage 1 debate, I confirmed that we would introduce the sunset clause to address the concerns that this committee, the Delegated Powers and Law Reform Committee and stakeholders—in particular, UK Finance—had raised about the open-ended nature of the powers that sections 8 and 9 would confer on ministers, as the bill stands.

Let me explain the background to the issue. Section 8 gives ministers the power to make further modifications to the functions of the Scottish Housing Regulator, beyond those that the bill makes. Ministers would exercise the power in section 8 only if, when the bill is enacted, the Office for National Statistics were formally to conclude that the changes to the regulator's functions in the bill as passed were not enough to enable it to reclassify registered social landlords back to the private sector. In that event, the power would enable ministers to respond quickly to the ONS's finding and make whatever adjustments were required in order to secure reclassification.

Ministers would use the power only in the circumstances that I have described. In the light of discussions that we have had with ONS officials about the bill's provisions, it appears to be unlikely that we will need to use the power. It remains, however, a sensible precaution to have the ability to act if we need to do so. The regulation-making power is subject to affirmative procedure, so in the event that its use was necessary, Parliament would be able to scrutinise any provision that was being made.

The power that will be conferred by section 9 is different, in that we know that we will need to use it before the ONS can review the classification of RSLs. That power enables ministers to make regulations that limit or remove the influence that local authorities may exert over RSLs through any ability that they have to appoint officers to the RSL or to exercise certain voting rights.

As I said at stage 1, we will use the power to make regulations that specify that local authorities may nominate only up to 24 per cent of the board members of an RSL, and that they may not exercise control over RSLs, for example through powers of veto over an RSL. Subject to Parliament passing the bill at stage 3, we expect to lay those regulations in September.

In the case of both sections, there will be no need for a continuing power to make regulations. Therefore, the Government is happy to introduce a sunset clause in order to reassure the committee and stakeholders that the power will not be open ended. I trust that that is acceptable to the

committee, and I urge members to support amendment 1.

I move amendment 1.

Graham Simpson (Central Scotland) (Con): I welcome amendment 1 and the fact that the Scottish Government has taken on board the comments from the DPLR Committee, this committee and other stakeholders. I fully support amendment 1.

The Convener: No other member wants to comment. Do you want to wind up, minister?

Kevin Stewart: I think that I have said everything that I need to say, thank you.

Amendment 1 agreed to.

Sections 10 and 11 agreed to.

Long title agreed to.

The Convener: That ends stage 2 consideration of the bill. I thank the minister.

Subordinate Legislation

Town and Country Planning (Fees for Applications and Deemed Applications) (Scotland) Amendment Regulations 2018 (SSI 2018/110)

Letting Agents (Notice Requiring Information) (Scotland) Regulations 2018 (SSI 2018/115)

09:36

The Convener: Item 2 is consideration of two Scottish statutory instruments that have been laid under the negative procedure, which means that their provisions will come into force unless Parliament agrees to a motion to annul them. No motions to annul have been lodged.

There being no comments from members, do members agree that the committee does not want to make recommendations in relation to the instruments?

Members *indicated agreement.*

The Convener: Okay. As we previously agreed, we will take item 3, on the Planning (Scotland) Bill, in private.

09:37

Meeting continued in private until 11:12.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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